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.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

By Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1529. A bill to require the keeping of more detailed records and the furnishing of additional information by certain persons for income tax purposes;

S. 1530. A bill to establish a 2-year period of validity for basic permits issued under the Federal Alcohol Administration Act;

S. 1531. A bill to amend the Internal Revenue Code so as to provide for the preservation of records and for other purposes; and

S. 1532. A bill to amend the Internal Revenue Code so as to prohibit the deduction of expenses or losses incurred in illegal wagering; to the Committee on Finance.

(See the remarks of Mr. O'CONOR when he introduced the above bills, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 1533. A bill to designate a Floyd B. Olson Memorial Triangle in the District of Columbia, and to authorize the erection of a memorial plaque in such triangle; to the Committee on the District of Columbia.

By Mr. HOLLAND:

S. 1534. A bill for the relief of Midori Akimoto, also known as Sharlene Akimoto; to the Committee on the Judiciary.

By Mr. WILEY (for himself, Mr. ROBERTSON, Mr. HOLLAND, and Mr. HENDRICKSON):

S. 1535. A bill to amend the National Labor Relations Act so as to provide that nothing therein shall invalidate the provisions of State laws prohibiting strikes in public utilities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 1536. A bill to stabilize the economy of dependent residents of New Mexico using certain lands of the United States known as the North Lobato and El Pueblo tracts, originally purchased from relief program funds, and now administered under agreement by the Carson and Santa Fe National Forests, to effect permanent transfer of these lands, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 1537. A bill to amend the act entitled "An act to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II"; and

S. 1538. A bill for the relief of O. E. Hambleton; to the Committee on the Judiciary.

S. 1539. A bill to amend an act entitled "An act to provide extra compensation for overtime service performed by immigrant inspectors and other employees of the Immigration Service," approved March 2, 1931; to the Committee on Post Office and Civil Service.

By Mr. O'MAHONEY (for himself and Mr. ANDERSON):

S. 1540. A bill relating to the rights of the several States in lands beneath inland navigable waters and to the recognition of equities in submerged coastal lands adjacent to the shores of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

AMENDMENT OF NATIONAL LABOR RELATIONS ACT RELATING TO PROHIBITION OF STRIKES IN PUBLIC UTILITIES

Mr. WILEY. Mr. President, on behalf of myself, the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. HOLLAND], and the Senator from New Jersey [Mr. HENDRICKSON], I introduce for appropriate reference a bill to amend the so-called Taft-Hartley law so as to permit the respective States to deal with utility strikes. I ask unanimous consent that a statement I have prepared on this subject, together with an explanatory memorandum, a resolution adopted by the Public Relations Committee of the Wisconsin Electric Cooperative, and five newspaper editorials, which I have assembled in support of this legislation, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the matters referred to by the Senator from Wisconsin will be printed in the RECORD.

The bill (S. 1535) to amend the National Labor Relations Act so as to provide that nothing therein shall invalidate the provisions of State laws prohibiting strikes in public utilities, introduced by Mr. WILEY (for himself, Mr. ROBERTSON, Mr. HOLLAND, and Mr. HENDRICKSON), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement, explanatory memorandum, resolution, and editorials presented by Mr. WILEY are as follows:

STATEMENT BY SENATOR WILEY

This action is made imperatively necessary by the decision of the United States Supreme Court in February which invalidated the Wisconsin compulsory arbitration law which governed the handling of labor disputes in essential services furnished by public utilities.

UTILITY STRIKES WRECK WHOLE CITIES

By this amendment today, we hope to handle one of the most critical problems of this technological age, namely, the problem of the possible paralysis of entire cities, regions, and States by the shutting down of a public utility. In recent years, there have been a tremendous number of disastrous instances, for example, the tugboat strike in New York, the prolonged Detroit transit strike and others wherein whole communities have been absolutely paralyzed by the decision of a union and/or of management, which resulted in a stoppage. It is absolutely impossible to estimate the tremendous direct and indirect financial costs of such a municipal paralysis, the staggering drop in business volume, the loss in profits, interests, dividends, wages in general and other harmful consequences to the very lives of individuals.

TEXT OF AMENDMENT

The amendment being introduced today reads as follows:

"Section 14 of the National Labor Relations Act, as amended, is amended by adding at the end thereof a new subsection as follows:

"'(c) (1) Nothing in this act or the Labor Management Relations Act, 1947, shall be construed to nullify the provisions of any State or Territorial law which regulate or qualify the right of employees of a public utility to strike, or which prohibit strikes by such employees.

"'(2) As used in this subsection the term 'public utility' means an employer engaged in the business of furnishing water, light, heat, gas, electric power, sanitation, passenger transportation, or communication services to the public, or of operating a gas pipeline or a toll bridge or tunnel.'"

I might incidentally mention that I had hoped to introduce this amendment right after the Supreme Court decision. However, the need for further research in this matter, as well as the conflicting pressures of a great mass of other work, including Foreign Relations Committee hearings, prevented me.

I will not presume at this point to attempt to argue the legal merits of the majority and minority opinions of the Supreme Court in the February case. What I am concerned with for the present is the net effect of the Supreme Court's action, when by a vote of 6 to 3 it decided that the Wisconsin law banning utility strikes was in open conflict with the Federal Taft-Hartley law and was therefore null and void.

LIMITS OF TAFT-HARTLEY LAW

It should be remembered that the Taft-Hartley law does not of itself ban strikes in key industries. It merely provides for injunction powers against Nation-wide emergency strikes. However, these injunctions are limited to 80 days, after which a union can legally strike. Moreover, even such injunctions cannot be used against a public-utility strike, unless the walk-out actually affects a major part of the industry nationally.

Recognizing the deficiencies of the Taft-Hartley statute, therefore, various States like Wisconsin, New Jersey, Virginia, Florida, have tried to find ways and means of preventing local utility strikes from completely paralyzing their communities. The theory behind the Wisconsin and similar statutes was that the States could act on such walk-outs because they were local in nature. The dissenting Court opinion written by Justice Felix Frankfurter confirmed the right of the States to act accordingly.

Under the Wisconsin statute State courts were empowered to issue injunctions against such utility walk-outs. Employers and unions in the field were compelled to accept the settlements ordered by State-appointed arbitrators if negotiations bogged down.

WHAT THE MAJORITY RULED

The majority of the Supreme Court did not cover all aspects of the Badger law, but merely indicated that it felt that the Wisconsin statute was in conflict with the portion of the Taft-Hartley law, which guarantees the right of workers to strike.

The Court majority did not consider the appeal by labor unions to the effect that the Wisconsin statute allegedly created a condition of "involuntary servitude" by denying the workers the right to strike. I do not personally believe that any such condition at all was created. Chief Justice Vinson, in the majority opinion, merely stated that the Wisconsin act was not "emergency legislation," but a comprehensive code for the settlement of labor disputes between public-utility employers and employees. The Chief Justice stated that public utilities were in the domain of interstate commerce. He went on to say:

"Where, as here, the State seeks to deny entirely a federally guaranteed right which Congress itself restricted only to a limited extent in case of national emergencies, however serious, it is manifest that the State legislation is in conflict with Federal law.

"Such State legislation must yield as conflicting with the exercise of federally protected labor rights."

WHAT THE MINORITY DECISION HELD

In the minority opinion, Justice Frankfurter commented "it is not reasonable to impute to the Congress the desire to leave States helpless in meeting local situations when Congress restricted national intervention to national emergencies."

Justice Frankfurter rightly pointed out that the Supreme Court has in the past amply sustained portions of the Wisconsin labor laws which dealt with matters not spe-

cifically covered in Federal laws. Among these were State statutes dealing with mass picketing and intermittent work stoppages and with the two-thirds vote requirement for maintenance of union-shop clauses in collective-bargaining agreements.

Justice Frankfurter also noted that the Taft-Hartley law does not in specific terms deal with the problem of local strikes in public utilities. He added that Congress considered and rejected provisions for settling utility disputes under Federal law. He pointed out that it was up to Congress to be explicit if it desires to remove "from the orbit of State regulation matters of such intimate concern to a locality as the continued maintenance of services on which the decent life of a modern community rests."

The stoppage of utility services so clearly involves the needs of a community as to "evoke instinctively" the power of Government, Justice Frankfurter maintained. He warned that the Supreme Court should not "ignore history and economic facts" in interpreting Federal legislation that comes within the area of interacting State and Federal control.

"To derive from the general language of the Federal act a 'right' to strike in violation of a State law regulating public utilities is to strip from words the limits inherent in their context," Frankfurter contended.

Now the Supreme Court's decision has aroused tremendous controversy in Wisconsin. We Badgers have always felt that we were pioneering in the Nation in protecting our local communities. Some of our ablest officials including our present Attorney General Vernon Thompson, Mrs. Beatrice Lampert of his office, State Senator Gordon Bubolz, Mr. L. E. Gooding of the State employment relations board and others have worked long and hard in this field.

ENEMIES COULD SABOTAGE UTILITIES

It is obvious that in this atomic age, the public utility system of a country represents a No. 1 target for enemy sabotage and destruction. It is obvious, too, that if a single Communist or other seditionist is well placed in an electric, gas, or streetcar transportation or similar system, he or she can paralyze that system and can go a long way toward crippling America's defensive and offensive capacity.

I do not in any way impugn the patriotic sentiments of the rank and file workers in transportation and other public-utility fields, nor of their union officers. I know that these union members recognize that they have a special obligation to the public to keep services rolling. Nevertheless, it is a fact that there have been numerous occasions when the public utilities have been paralyzed, and that was what helped create the Wisconsin and similar State statutes in the first place.

I RESPECT LABOR'S RIGHTS

Now, having been a workingman myself, starting in the sawmills of northern Wisconsin over four decades ago, I am not inclined to take away a legitimate right of labor. On the contrary, I believe fervently in labor's right to decent pay, equitable hours, working conditions, etc. But I believe still more fervently that the most paramount interest of all is the public interest, and I say that we simply cannot allow whole cities to be paralyzed either by instances of labor's and/or management's obstinacy or by any other factor which causes a strike. Some elements in management might not like stern arbitration measures taken in the field of public utilities any more than some elements in labor might, but their likes or dislikes are not nearly as important as the welfare of the American public.

That fact will be and, I believe, is recognized by enlightened segments in both management or labor. They appreciate the terrible consequences of a ruinous strike to utility management and labor themselves. What could sour the public against labor more speedily than a walkout by a few individuals which blacks out a whole city? Does labor think that the public will tolerate such arbitrary action?

LETTER FROM SENATOR TAFT

Now, the question naturally arises sooner or later: How correct was the Supreme Court's interpretation of Congress' intent? To get the answer to that question, I wrote to Senator ROBERT TAFT and, as usual, he came promptly back with a very clear-cut and helpful answer. He stated that he had reread the portion of his remarks quoted in the Supreme Court decision, but that he could not see in his remarks any justification whatsoever for the Court's action.

Senator TAFT stated in his letter of May 11 to me:

"At no place did I say, either expressly or impliedly, that States should or could not attempt to regulate or prohibit strikes in public utilities. We merely decided that the Federal Government would not do so in the bill we were considering.

"I quite agree that the line between Federal power and State power in the field of labor-management relations is a hazy and indefinite one. The concept of interstate commerce has been constantly extended beyond the point where I think it ought to be. But no matter how clearly that line may be drawn, I believe there is a large field where both Federal and State action should be permitted. Obviously the Federal Government has not intended to set up any police action against breach of the peace, and that whole field remains with the States even when the dispute is under Federal control. I think the same thing applies to State action such as that taken by Wisconsin to protect the health and safety of its citizens. Under these circumstances, I believe that Federal action in this field should not be considered to exclude State action unless the law explicitly so provides, or unless the State action conflicts directly with the terms of the Federal statute.

"I am quite certain that the committee and the Senate had no intention whatever in passing the Taft-Hartley law, or its national emergency section, to supersede State action to deal with labor-management disputes in public utilities within the borders of the State."

DIRECT DEBATE ON THIS POINT

Then Senator TAFT recalled this fact: On June 4, 1947, during House debate on the final conference report on the Taft-Hartley law, there was a direct reference to the Wisconsin statute in a colloquy between Congressman Fred Hartley, of New Jersey, and Congressman CHARLES KERSTEN, of Milwaukee.

The exchange read:

"Mr. KERSTEN. I would like to ask the gentleman about that portion which pertains to the validity of State laws. Wisconsin and other States have their own labor-relations laws. We are very anxious that disputes be settled at the State level insofar as it is possible. Can the gentleman give us assurance on that proposition so that it is a matter of record, that that is the sense of the language and the report?

"Mr. HARTLEY. That is the sense of the language of the bill and of the report. That is my interpretation of the bill, that this will not interfere with the State of Wisconsin in the administration of its own laws. In other words, this will not interfere with the validity of the laws within that State."

Now, I dare say there is not a single Member of the Senate who doubts the fact that the distinguished senior Senator from Ohio is one of our ablest experts in the field of labor relations, and particularly in the field of interpretation of the statute which bears his name and that of former Congressman Fred Hartley, of New Jersey. While it is obvious that there are a tremendous number of differences between the Ohio Senator and his colleagues of the Democratic majority, there is no man who disputes the keenness of his observation nor the clearness of his recollection on a matter on which he worked so long and so hard, namely, the Labor-Management Act of 1947.

REPRINTING OF SUPPORTING MATERIALS

Finally, by way of reinforcing the need for this amendment today, I am having various materials reprinted at this point, as follows:

(1) A brief memorandum on the amendment.

(2) A resolution of the Wisconsin Electric Cooperative, adopted at a meeting of the public relations committee on March 28, 1951. (I want to commend the WEC, incidentally, for its clear-sighted recognition of the problem—recognition which is thoroughly shared by the private utility industry.)

(3) Editorials from the Milwaukee Journal, the Manitowoc Herald-Times, the Two Rivers Reporter, the Stevens Point Journal, and other leading newspapers across the country, as noted in each instance.

EXPLANATORY MEMORANDUM ON AMENDMENT

The Supreme Court in the case of Amalgamated Association of Street, Electric Railway and *Motor Coach Employees of America, Division 998, et al.* v. *Wisconsin Employment Relations Board*, decided February 26, 1951, held the Wisconsin statute relating to strikes by employees of public utilities unconstitutional on two grounds:

1. That Congress had preempted the field, and

2. That certain provisions of the State statute were in conflict with the Federal law.

To overcome the first ground presents no serious drafting problems, since this can be accomplished merely by the Congress giving its consent to State legislation in the same field.

The second ground, however, raises some problems.

In its opinion, in the case referred to above, the Supreme Court pointed out that certain provisions of the Wisconsin statute were inconsistent with the National Labor Relations Act. One of the provisions referred to by the Court in this regard was the provision of the Wisconsin statute which required, in providing for arbitration, that collective bargaining continue only until an impasse is reached. The Federal Act imposes a duty upon the parties to continue their bargaining efforts even though a strike may be in progress.

The amendment has been drafted in such a way as to permit the States to enact laws similar to the Wisconsin Act, which conflicts in certain respects with the Federal act. In employing the general language necessary to describe such State statutes, it has been necessary to partially open the door to the enactment of other provisions, which may or may not be desirable, in conflict with the Federal act.

Unfortunately, we have been unable to discover any effective way of restricting the States in the exercise of the authority granted them in the bill. If we were to require all antistrike legislation enacted by the States to be consistent with the provisions of the National Labor Relations Act, we would obviously defeat the purpose of this amendment; and so we have had no alternative but to leave the State power rather general.

RESOLUTION ADOPTED BY PUBLIC RELATIONS COMMITTEE, WISCONSIN ELECTRIC COOPERATIVE, MARCH 28, 1951

Whereas the experience in Wisconsin under the compulsory arbitration law for labor disputes affecting the essential services of utility companies in its short time of operation demonstrated the value of such law by preventing any interruption of essential services to the public; and

Whereas the interests of both labor and management have been protected in such disputes as were brought to arbitration through hearings before impartial tribunals; and

Whereas those arbitrations in which REA cooperatives have been involved have tended to lead to a stabilization of relations between labor and management, chiefly because the parties have been compelled to recognize the superior right of the public to a continuity of service, and both parties have as a result sincerely endeavored to fairly negotiate upon their problems; and

Whereas 95 percent of all farmers receiving electric service are totally dependent upon it for the necessities of life, such as water, and the operation of machinery for the production of food on a day-to-day basis absolutely requiring continuity of service 24 hours a day: Now, therefore, be it

Resolved, That Congress is petitioned to amend the Taft-Hartley law in such manner as to remove any question of the constitutionality of the Wisconsin public-utility compulsory arbitration law; and be it further

Resolved, That a copy of this resolution be forwarded to each member of the Wisconsin congressional delegation.

TO RESTORE UTILITY STRIKE BAN

The United States Supreme Court, in a 6-to-3 decision on February 26, declared invalid the 1947 statute prohibiting strikes by employees of public utilities. The high Court said that the law was in conflict with the Taft-Hartley Act and therefore void.

Because of this ruling, unions of water, light, heat, gas, electric, and communications companies in this State—and in several other States which adopted similar laws—are now free to strike to dramatize their demands, if they so choose. They are free to do this despite the fact that even momentary work stoppages in some types of utilities must inevitably cause serious menace to public health and safety.

Study of the decision reveals no practical way by which Wisconsin can protect itself against emergencies arising from utility strikes as long as the Taft-Hartley Act provision remains as it now is.

It is gratifying, therefore, to note that Senator WILEY is asking the the Senate Labor Committee to draft an amendment expressly to permit States to ban utility strikes and to set up a compulsory arbitration system.

The Wisconsin law operated successfully for several years. Under it many difficult labor disputes were amicably settled. The public interest was safeguarded. The bulk of labor gradually came to accept its provisions.

We hope that Congress will see the need for the restoration of this type of law and will make the minor change in the Taft-Hartley Act which will make that restoration possible. If it does not, the time may well come when a labor-management deadlock will lead to a strike which may leave our cities and countryside dark, without electricity, gas, or communications.

[From the Manitowoc Herald-Times of March 2, 1951]

BEAT STRIKE BAN

This week the United States Supreme Court struck down Wisconsin's antistrike law for employees in public utilities on the ground that the State law conflicts with the Taft-Hartley Act. Enacted in 1947 the law offered some protection to consumers.

Today there is no substitute for gas or electricity in the modern home. A strike in the middle of winter could effectively freeze out the residents dependent on these services.

The Supreme Court said in effect that employees of public utilities have the same right to strike in labor disputes as workers in other fields. This is based on the theory that union rights of free assembly and free speech would otherwise be denied. How to cope with interruptions in vital public services is now thrown back to legislative bodies which must try to find some way to enforce labor peace on behalf of the public. The decision apparently closes the door for all time on the theory the public interests demand that utilities be classified differently than other industry and workers in utilities occupy a different niche than those in other occupations.

The Court rules that such a classification subjected public utility employees to involuntary servitude under the Constitution. There are not many alternatives open to control utility services. Unionized workers in those fields with the clear right to strike if they choose now assured can be expected to take advantage of it at times.

Such expedients as Government seizure and operation during a strike, have not been particularly effective in recent railroad strikes. It is doubtful if they would be any more valuable in power or communication utilities than in transportation.

If a difficult situation arises out of abuse of rights defined in the new decision it is certain new legislation, that will stand a high court test, will be attempted.

[From the Two Rivers Reporter of March 24, 1951]

SEEK NEW MEASURE

The United States Supreme Court recently held invalid a Wisconsin statute banning strikes against public utilities, on the ground the law was contrary to the much-discussed Taft-Hartley Act. Now a movement is on foot in Washington to amend the Taft-Hartley law to allow State governments to outlaw strikes against utilities. Among those interested in having this change made is United States Senator ALEXANDER WILEY of Wisconsin.

The knocked-out law provided for compulsory arbitration against utilities providing heat, water, gas, electric power, public-passenger transportation and communications. WILEY insists the law is a good one but adds he has no quarrel with the High Court. He simply wants the Taft-Hartley law amended to eliminate the conflict between Federal and State statutes. He would change the section of the Federal law on which the Supreme Court relied in voiding the Wisconsin law.

WILEY contends it would be folly, in the face of the present national emergency, to leave a State helpless when a union might plunge a city into darkness or turn off its heat. WILEY said the Wisconsin statute was a model for similar laws which have been enacted by various States.

Chief Justice Vinson wrote the majority opinion in the 6-to-3 decision. He contended that the Taft-Hartley Act guarantees the right to strike of all workers in inter-State commerce. He placed utilities in the category of inter-State commerce.

Justice Frankfurter in the dissenting opinion held there was no reason to believe that Congress contemplated prohibiting State governments from enacting laws to prevent paralysis within their boundaries. Frankfurter wrote:

"Whether the State chose wisely in adopting arbitration rather than taking no measure or taking a more forceful measure to protect the public interest is not for us to decide. Seizure or martial law or other affirmative action by the State might be just as deleterious to collective bargaining as enforced arbitration, apart from raising other contentious issues.

"If there is legislative choice it is not for us to demand that what is chosen should commend itself to our private notions of wise policy."

"I find no indication in the statute that States are not equally free to protect the public interest in State emergencies," Frankfurter added.

WILEY says he will address a formal appeal to the Senate Labor Committee to amend the Taft-Hartley Act.

[From the Stevens Point Journal of March 5, 1951]

PUBLIC ENTITLED TO PROTECTION

Now that the United States Supreme Court has knocked out the Wisconsin law banning strikes against public utilities, on the ground that it conflicts with Federal labor laws, many people are wondering what recourse the public might have in the event of disruption of vital services due to labor disputes.

The law which was declared unconstitutional in a split decision was enacted by the Wisconsin Legislature in 1947. In forbidding strikes in utilities, it provided for compulsory arbitration of labor-management disputes. It was a controversial subject from the time it was proposed until it received its death blow at the hands of the Nation's highest court.

If Federal laws do not recognize the right of the public to protection from stoppage of such vital services as electricity, water, and gas, it seems that Congress has a responsibility to correct the situation. The public health and general welfare are too closely bound up with these services to permit any serious interruption of them. The public interest demands settlement of disputes between labor and management in industries supplying vital utility services in some other way than through strikes which interfere with such services.

We have long since outgrown the kerosene lamp, the back-yard pump and the wood-burning kitchen range and heater. We are, in effect, slaves to modern conveniences. We are entitled to be protected in our enjoyment of them. We should not have to be innocent victims of disputes between labor and management.

[From the Milwaukee Journal of March 6, 1951]

UTILITY STRIKE LAW DECISION

From the Indianapolis Star: "The decision of the United States Supreme Court striking down the Wisconsin public utilities compulsory arbitration law is amazing. If the principles outlined by the majority are applied to all States having such laws, State governments will be powerless to protect the people against dangerous public utility strikes. Conceivably they could not even suppress Communist inspired strikes in such services in a national crisis."

From the St. Louis Post-Dispatch: "Short of a section-by-section comparison, Missouri's King-Thompson act on balance appears to be, if anything, stronger than the Wisconsin law against public utility strikes, now declared unconstitutional in a 6-to-3 decision of the Supreme Court.

"So it is clear enough that both Wisconsin and Missouri went beyond Congress. But may not the States experiment further, so long as it is reasonable, within their smaller laboratories? Justices Frankfurter, Burton, and Minton think so. They say that the States are not precluded just because Con-

gress has a special interest in the commerce field."

From the Atlanta Constitution: "The Supreme Court's decision yesterday outlawing the Wisconsin ban of strikes in public utilities puts the matter of protection from such strikes squarely up to Congress.

"Justice Vinson, speaking for the majority in the case, said the Wisconsin law, upon which similar laws in several other States are said to be based, violates the National Labor Relations Act.

"Congress can, and should, amend the act so as to permit utility strikes to be outlawed. It is a question of protection of the rights of the many against abuse of privilege by the few."

From the Racine Journal Times: "Merely outlawing the State statute does not solve the problem that brought forth the utility antistrike act. The public wants, and should have, protection against loss of utility services, and some way must be found to provide that protection."

From the Janesville Gazette: "How to cope with interruptions in vital public services is now tossed back to legislative bodies, which must try to find some way to enforce labor peace on behalf of the public. The decision apparently closes the door, once and for all, on the theory that the public interest demands that utilities be classified differently from other industry and that workers in utilities occupy a different niche than those in other occupations.

"History is being made in a relatively new field, and there is hope that union organizations themselves are becoming more conscious of social responsibilities.

"If a difficult condition arises out of abuse of rights defined in the new decision, it is certain new legislation will be attempted."

TRANSFER OF CERTAIN LANDS IN NEW MEXICO

Mr. ANDERSON. Mr. President, I introduce for appropriate reference a bill to stabilize the economy of dependent residents of New Mexico using certain lands now administered under agreement by the Carson and Santa Fe National Forests and to effect permanent transfer of those lands, and I ask unanimous consent that there be printed in the RECORD a letter I have received from Hon. ANTONIO M. FERNANDEZ, Representative at Large from the State of New Mexico, which deals with the subject matter of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred, and without objection, the letter will be printed in the RECORD.

The bill (S. 1536) to stabilize the economy of dependent residents of New Mexico using certain lands of the United States known as the North Lobato and El Pueblo tracts, originally purchased from relief-program funds, and now administered under agreement by the Carson and Santa Fe National Forests, to effect permanent transfer of these lands, and for other purposes, introduced by Mr. ANDERSON, was read twice by its title, and referred to the Committee on Agriculture and Forestry.

The letter presented by Mr. ANDERSON is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 23, 1951.

Hon. CLINTON P. ANDERSON,
United States Senate,
Washington, D. C.

DEAR SENATOR: You will remember that when Public Law 499, an act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, was passed in May of last year, we were assured that under section 2 (f), which authorizes the Secretary of Agriculture to enter into agreements with the State rural rehabilitation corporations, the grant lands in New Mexico purchased with rural rehabilitation funds could be continued as at present under the administration of the Forest Service, which is satisfactory to the people using the lands, and that by agreement with the Secretary those lands could be placed permanently under the administration of the Forest Service so as to relieve those people from the constant threat of liquidation.

That section provides:

"(f) The Secretary is authorized to enter into agreements with any State rural rehabilitation corporation or other State agency or official having jurisdiction of the trust assets which have been returned pursuant to application made therefor under section 2 (c) hereof, and upon such terms and conditions and for such periods of time as may be mutually agreeable, to accept, administer, expend, and use in such State all or any part of such trust assets or any other funds of such State rural rehabilitation corporation or State agency, which are transferred to the Secretary for carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act and in accordance with the applicable provisions of title IV thereof as now or hereafter amended. Funds appropriated for the administration of said act shall also be available for carrying out such agreements."

The Rural Rehabilitation Corporation has by resolution requested that those two grants remain in the Department of Agriculture for administration, and that they be permanently placed under the Forest Service. Recognizing that there exists the right to have these lands administered as at present with the aid of the Farmers Home Administration up to May 3, 1953, the deadline for liquidation or transfer of the assets, the Corporation also requested that $25,000 of the assets remain with the Department to be used insofar as necessary in carrying out the intent and purpose for which the lands were purchased up to that date of May 3, 1953, that being the estimated amount necessary for that purpose for that period of time.

In this I think the Corporation acted very wisely and magnanimously, but we are now stumped in that the Solicitors for the Department of Agriculture feel it necessary that additional enabling legislation be enacted specifically authorizing the placing of those lands under the Forest Service on a permanent basis. Consequently we have been told that unless such authorizing legislation is passed, the lands would have to be liquidated by sale by May 3, 1953, or else returned to the Rural Rehabilitation Corporation for administration by it in the manner and under the inhibitions contained in section 2 (c) of the act as trust funds. That Corporation is, of course, in no position to administer those lands in that manner without some very substantial appropriations of public moneys by the State, and that would be too much to expect. On the other hand administration by the Forest Service would in time fully serve the purpose and would be advantageous to the counties in which the lands are located and to the State itself.

I had some doubts that the bill as it passed the House last May was sufficient to permit that arrangement, but was assured that the conference committee would broaden the language to accomplish the purpose, and that if it did not do so, the Chairman of the House committee would lend his aid toward passage of enabling legislation if that were necessary. Further, Mr. HOPE, the ranking Republican member of the House committee, finally came around to favoring that treatment, as shown by the record, insofar as these particular lands were concerned. I did not wish to place any obstacles in the passage of the bill which was most desirable and indeed necessary to prevent other assets in the various States being diverted from their original purpose. I therefore acquiesced with the assurance above referred to. The conference committee did attempt to broaden the language, but as interpreted by the Solicitors it does not go far enough.

In line with the understanding above outlined, I have been for some time working with the Department of Agriculture, and with the Bureau of Land Management which has jurisdiction of the mineral deposits in said lands, and we have drafted a bill which I think accomplishes the end desired for the benefit of the people using the lands. Section 1 of the draft which I enclose authorizes the placing of these two tracts under permanent Forest administration not later than May 3, 1953. This date is the same deadline date for the consummation of these agreements or the liquidation of the assets. This draft could have provided for a forthwith transfer, but there is need for time to permit gradual readjustment of the people involved to the kind of administration required under Forest Service rules. The bill as drawn permits the Department to give those people more time to fully get on their feet where they can be on their own without the assistance and guidance now provided for them, and which may be continued to be provided for them through the wise foresight of the Rural Rehabilitation Corporation in making it possible to use so much of the funds as may be necessary, but not to exceed $25,000, for that purpose. Of course the Department may succeed in more rapidly getting them to that point and may save a considerable portion of that fund, which may then be retransferred by the Rural Rehabilitation Corporation to the Farmers Home Administration before the deadline of May 3, 1953.

Section 2 of the draft is added assurance to those people in New Mexico that the work of rehabilitation and adjustment will be recognized by the Forest Service in the matter of grazing permits and the manner of their handling and issuance by the Department.

Section 3 deals with the minerals. The Bureau of Land Management had authority to issue mineral leases under the Mineral Leasing Act and under section 402 of Reorganization Plan No. 3, of 1946 (60 Stat. 1099), but that section contains a proviso which reads as follows: *"Provided,* That mineral development of such lands (acquired lands) shall be authorized by the Secretary of the Interior only when he is advised by the Secretary of Agriculture that such development shall not interfere with the primary purpose for which the land was acquired, and only in accordance with such conditions as may be specified by the Secretary of Agriculture in order to protect such purposes."

The Department of Agriculture has, since the enactment of Public Law 499, interpreted section 5 of that act as preventing their granting the approval required by the above proviso from and after the passage of Public Law 499 last May. That section 5 reads in part as follows:

"None of the properties or assets held on the date of the approval of this act by the Secretary as trustee pursuant to trust agreements with the various State rural rehabilitation corporations may be used by the Secretary for any purpose after the effective date of this act, except for the purposes authorized under section 2 (d) of this act * * *."

That, of course, was not the intent of section 5, and I disagree with the Department of Agriculture's view of it and so does the Bureau of Land Management as I understand, but of course that Bureau cannot act on applications for mineral leases without

the clearance by the Department of Agriculture which it declines to give because of said section 5. That places the minerals in a position where they are completely frozen and may not be explored, as no one else has authority to act. Although I think we could convince the Department of Agriculture, there is enough ambiguity to raise the question and we thought it wise to clear the situation once and for all insofar as these two tracts of land are concerned. In conjunction with both Departments we have drafted section 3 to take care of that situation, which will permit the two Departments to act now and makes the right to act thereafer also clear.

This bill affects only two of the five grants originally purchased with rehabilitation funds, the Pueblo grant in San Miguel County and the North Lobato grant in Rio Arriba County. Two of the others have been purchased by the people involved and have been paid in full and are completely liquidated. The fifth one is the Costilla grant in Taos County. There the people formed an association which purchased the land and gave a mortgage for it. The mortgage is held as an asset in trust for the State of New Mexico and therefore cannot be dealt with in the same manner as these two grants. This is one on which the solution for it is still under study. The State game department is interested in a portion of the land. Other portions would well be placed under Forest Service administration. It might be possible to reach an agreement whereby the State of New Mexico would purchase a part of it and reduce the debt, and whereby the Forest Service could take over the forest lands by further reducing the mortgage, with the right of the people to fully acquire the bottom lands and a right to the grazing privileges on the Forest Service much in the same manner as the arrangement agreed upon with respect to the grants affected by the bill.

Since this bill will ultimately be referred to the Agriculture Committee of which you are a member, and in view of your continued and sympathetic interest in behalf of the people who depend on these two tracts for their economic base, I would appreciate it tremendously if you would join with me by introducing this bill in the Senate simultaneously with my introducing it in the House.

Sincerely yours,

A. M. FERNANDEZ.

EXTENSION OF AUTHORITY FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO EMPLOY ADDITIONAL PERSONNEL

Mr. MURRAY submitted the following resolution (S. Res. 143), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the authority of the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, under Senate Resolution 215, Eighty-first Congress, agreed to February 9, 1950, authorizing the Committee on Labor and Public Welfare to employ additional personnel, is hereby continued until August 31, 1952.

TRADE AGREEMENTS EXTENSION ACT OF 1951—AMENDMENT

Mr. BENNETT submitted an amendment 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.

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. KEM:

Report by Abraham Lincoln Kilby, of Vandalia, Mo., on Socialism in Action in Great Britain.

By Mr. MUNDT:

Reprint of broadcast by Henry J. Taylor, giving the background of General MacArthur's homecoming.

By Mr. HUMPHREY:

Sermon on the subject Washington Confidential—Another View, by Rev. Edward L. R. Elson, minister of the National Presbyterian Church, Washingon, D. C., on Sunday, May 20, 1951.

Report entitled "Big Businesses Grabs Defense Plants," prepared by the Public Affairs Institute.

By Mr. BUTLER of Nebraska:

A tabulation, marked "Exhibit J," giving a comparison between social-security and railroad-retirement tax payments and benefits.

By Mr. McMAHON:

Editorial entitled "The Defense Secretary Makes Answer," published in the New Haven (Conn.) Evening Register of May 9, 1951, regarding testimony of the Secretary of Defense before the Committee on Foreign Relations and the Committee on Armed Services, sitting jointly.

Editorial entitled "Substitute for Victory," from the Vet-Times of May 5, 1951.

By Mr. HICKENLOOPER:

Article entitled "Fears United States Decay," from the Kansas City Times of April 2, 1951, dealing with a statement by Dean W. Malott, chancelor of the University of Kansas, referring to America's being on the way to socialism.

By Mr. WILLIAMS:

Article entitled "Six Hundred Percent Increase in Subsidized Ship Lines' Net Worth," published in the St. Louis Post-Dispatch of May 18, 1951.

An article entitled "Income Tax Unit's Error Minimized by United States Attorney," from a St. Louis, Mo., newspaper, and an editorial entitled "A Suspicious Business," published in the St. Louis Post-Dispatch of May 12, 1951, dealing with an error in information given to a grand jury by a Federal judge.

By Mr. MALONE:

A press release from his office, under date of May 21, 1951, summarizing the speech made by him in the Senate on that day in regard to House bill 1612, extending the Trade Agreements Act.

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 is on the amendment of the Senator from Nevada [Mr. MALONE] in the nature of a substitute to the pending bill.

Mr. GEORGE. Mr. President, the senior Senator from Florida [Mr. HOLLAND] desired to have some matters placed in the RECORD. I do not see him on the floor. I do not know whether the distinguished Senator from Nevada wishes to proceed again or not. His substitute is the pending amendment.

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

Mr. GEORGE. I yield.

Mr. WHERRY. The distinguished Senator from Nevada, I believe, understood that the Senator from Florida was going to query the chairman of the committee about some matters relative to his amendment. I believe the Senator from Florida is engaged in committee work at this moment. My distinguished colleague from Nebraska [Mr. BUTLER] wants to make a few observations on the bill, and he is ready to proceed, if it is agreeable to the distinguished Senator from Georgia.

Mr. GEORGE. It is agreeable to me, Mr. President. Of course, I should like to have the substitute disposed of, but it would be necessary to have a quorum call before doing that.

Mr. BUTLER of Nebraska. Mr. President, the bill we have before us, H. R. 1612, in my judgment, represents a sharp improvement over the legislation under which the trade-agreements program has been conducted in the past.

It is not a perfect piece of legislation—far from it. At the same time I believe that, used properly, this bill could be a forward step in providing adequate protection to American industry and agriculture, and at the same time form the basis for a sound policy of international trade.

Most of the defects we have observed in the trade-agreements program during the past few years have been defects in administration rather than defects in the law. The Trade Agreements Act has always provided that tariff adjustments could be made upward as well as downward. But unfortunately, not a single upward adjustment has been made, no matter how clearly the need was shown. Trade agreements negotiated during the past few years have all included an escape clause, but unfortunately those escape clauses have not been used. Even the peril-point proposal could have been and should have been followed as a matter of practical common sense by those administering this program over the years. In other words, there never was any excuse for making concessions below the point at which domestic industry and agriculture would be injured.

Under this bill we have attempted to pin down some of these principles into firm law so that they cannot be evaded. I do not know that we have been wholly successful. As a practical matter it is not possible to correct defects in administration by making changes in the basic law. The only way to make a real improvement in the execution of this program is to put new people in charge of handling it.

I should like to call particular attention to two or three provisions of the bill. Section 10 is particularly important because it makes absolutely clear that Congress has never approved the general agreement on tariffs and trade negotiated at Geneva. There was some pretense by representatives of the exec-

utive departments that Congress had given implicit approval of this agreement at one time or another. I hope the committee's action in including this section will make it clear that that is not the case.

Section 9 will restore to domestic manufacturers the right to challenge the classifications made by customs inspectors in levying duties on imported goods. At present, when goods are imported and the customs collector makes a decision as to how they should be classified and what duty they should pay, the importer may, if he chooses, disagree with that decision and appeal to the courts against it. The domestic group, however, for whose protection the duty is levied, is not allowed to go to court against those custom classifications. Obviously, this system is clearly discriminatory aaginst the domestic industry affected. I am extremely glad that the committee has seen fit to restore the rights of domestic industries under section 516 (b) of the Tariff Act of 1930. I hope this provision may be of some value to the domestic jeweled watch industry which has been severely injured as a result of the Swiss agreement.

Section 8 (b) is particularly important since it unequivocally gives section 22 of the Agricultural Adjustment Act a priority or a superior status to any provision which may be written or which may have been written into any trade agreement. Section 22 is the section which permits the Secretary of Agriculture to prevent imported farm products from destroying or injuring our domestic agricultural programs.

Time after time in the past, we have found that farm imports have come into this country and flooded our markets at the very time when we were trying, through domestic measures, to maintain farm prices at a reasonable level. In an address to the Senate on September 9, 1949, I listed product after product in which this situation occurred.

For example, at that time, we were supporting the prices of barley, oats, and rye, and the Commodity Credit Corporation was buying or taking over under loan large quantities of these products in order to maintain the price. At the very same time, additional quantities of barley, oats, and rye were being imported from Canada and elsewhere to add to the surplus and to counteract the efforts of the Commodity Credit Corporation.

We were buying up potatoes and destroying them, but Canada was shipping in additional surplus potatoes as fast as we could destroy the domestic surplus. We were making loans and buying up flax seed, soybeans, butter, peanuts, and other vegetable fats and oils, while at the same time, through the trade agreements program, over a billion pounds of competitive oils and fats were being imported each calendar year. We were supporting the domestic price of wool, but we were encouraging foreign wool to enter in competition with our own wool. Thus, our Government with one hand through the Commodity Credit Corporation was trying to hold up the price of domestic farm products; with the other hand, through the trade-agreements program, it was helping to knock them down.

Whenever any attempt was made to correct this situation through section 22 of the Agricultural Adjustment Act, we were told that no quota or additional import fee could be imposed on such imports by the Secretary of Agriculture, because we had entered into trade agreements which prohibited us from protecting our domestic farm prices.

This bill attempts to correct that situation. It states flatly that no trade agreement shall be applied in a manner inconsistent with section 22 of the Agricultural Adjustment Act. I do not think there can be any misunderstanding about the meaning of this provision. By this section, Congress is serving clear notice that it wants our domestic agricultural price structure to be protected.

Mr. President, the trade-agreements program has already done serious harm to a number of domestic agricultural products. I hope it will be possible to repair this damage either through the escape-clause section or through the section 22 procedure under this bill.

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

Mr. BUTLER of Nebraska. I yield to the Senator from Kansas.

Mr. CARLSON. The very able and distinguished Senator from Nebraska is not only familiar with the agricultural problem which we have in the Midwest and in the Nation, but he has rendered outstanding service in connection with the agricultural program. I ask him if, in his opinion, the pending bill takes care of the competition which we receive from imported agricultural commodities.

Mr. BUTLER of Nebraska. I will say to the distinguished Senator from Kansas that it is my feeling that, with the adoption of the provision with reference to making section 22 of the Agricultural Adjustment Act the determining factor when such situations arise the bill would bring the relief which is needed to protect American agriculture.

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

Mr. BUTLER of Nebraska. I yield.

Mr. CARLSON. I note on page 11 of the bill, beginning after line 20 and continuing to the end of line 7 on page 12, that the committee has struck out a section dealing with the importation of agricultural commodities. I should like to read it for the RECORD:

SEC. 8. Section 350 of the Tariff Act of 1930, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(e) No reduced tariff or other concession resulting from a trade agreement entered into under this section shall apply with respect to any agricultural commodity for which price support is available to producers in the United States unless the sales prices (as determined from time to time by the Secretary of Agriculture) for the imported agricultural commodity within the United States after the application of such reduced tariff or other concession exceed the level of such price support."

The Finance Committee struck out that House provision which, as I understand, if enacted, would prohibit the importation of competitive agricultural commodities below the price-support level. Will the distinguished Senator from Nebraska discuss that question?

Mr. BUTLER of Nebraska. I think the Senator from Kansas will find that the new section 8 takes care of the situation. At least, in my opinion, it does. That section begins on page 12, line 8. I read subsection (b):

(b) Subsection (f) of section 22 of the Agricultural Adjustment Act, as amended, is hereby amended to read as follows:

"(f) No trade agerement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section."

Section 22 of the Agricultural Adjustment Act provides protection for American agriculture, just as it has always done.

Mr. CARLSON. I wish to express my appreciation to the Senator for this clarification. I sincerely hope that the pending bill will work in the way which I am sure the Senator from Nebraska intends it should work, and as others interested in agriculture intend it should.

Mr. BUTLER of Nebraska. Many other Senators have expressed the same thought to members of the committee with reference to the agricultural section. If any improvement or change is needed, I hope it will be made before the passage of the bill.

Mr. President, I had just made the statement that the Trade Agreements Act had already done considerable harm to American agriculture. I expressed the hope that that would not occur again, because of the adoption of the amendment which has just been quoted.

One example of a domestic industry which has been seriously injured is the casein industry, which has been almost destroyed under the operations of the trade-agreements program. Casein is a product manufactured from skim milk, and is used principally for sizing paper. It is an extra outlet for the dairy farmer and provides him with a sizable market for his skim milk, which otherwise might be fed to the hogs or go to waste. It is particularly important in those sections of the country which produce milk primarily for its butterfat content, and for which, therefore, the skim milk is a byproduct.

Under the tariff rates in effect before any trade agreement was negotiated affecting casein, domestic producers supplied virtually the entire domestic market. I have before me a table which compares domestic production with imports and which shows that during most of the 1930's, domestic producers supplied from 75 to 99 percent of the market. I ask unanimous consent to have the table printed in the RECORD at this point as a part of my remarks.

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

Casein, dry: Production and imports for consumption, United States, 1930–51

[Thousands of pounds]

	Production [1]	Imports for consumption [2]
1930	41,965	18,500
1931	35,335	3,503
1932	24,428	1,201
1933	24,087	8,142
1934	37,331	1,491
1935	37,638	3,230
1936	46,140	16,209
1937	67,467	5,210
1938	48,549	417
1939	40,878	15,832
1940	46,616	24,523
1941	47,346	41,518
1942	42,268	16,819
1943	18,386	28,052
1944	15,264	47,225
1945	12,333	51,610
1946	18,319	45,346
1947	35,831	20,887
1948	14,372	40,585
1949	18,348	33,061
1950	19,150	54,552
1951, January and February	2,565	9,691

[1] Compiled from reports of P. & M. A., U. S. D. A., and B. A. E., U. S. D. A.
[2] Bureau of the Census.

Mr. BUTLER of Nebraska. Late in 1951, the duty on casein was reduced from 5½ cents per pound to 2¾ cents per pound. Almost immediately, the domestic industry started to slip. Imports have mounted during recent years. Domestic producers have supplied only 25 to 35 percent of the market. The rest has been supplied by imports.

In 1950, domestic production amounted to 19,150,000 pounds, while imports amounted to 54,552,000 pounds. During the first 2 months of 1951, the latest period for which I have figures, domestic production was only 2,565,000 pounds; while imports were 9,691,000 pounds.

It takes 35 pounds of skim milk to produce 1 pound of casein. Evidently, the imports of casein during 1950 amounted to the equivalent of 2,000,000,000 pounds of liquid skim milk. During that same year, 1950, the Commodity Credit Corporation purchased 351,600,000 pounds of dried skim milk in order to take it off the market and maintain dairy prices. Since it requires about 11 pounds of skim milk for each pound of dried skim milk, the Commodity Credit Corporation had to supply a market for nearly 4,000,000,000 pounds of surplus skim milk. That was the size of the surplus of skim milk. Of that 4,000,000,000 pounds, approximately 2,000,000,000 pounds represented the casein shipped in here from Argentina.

To put it another way, if the domestic casein industry had been permitted to supply the American market for casein, 2,000,000,000 additional pounds of skim milk from the farm could have gone into that market and would not have had to be purchased from the Government.

Just a few days ago, another far-reaching agreement was concluded by our Government with a number of other governments at Torquay, England. I shall not try to analyze that agreement in detail, but would like to call attention to just one item which is typical of the way this program has been conducted under the present administration. Paragraph 710 of the Tariff Act contains the duties on cheese of various types. Practically all of the various types of cheese have suffered duty reductions during the past few years.

Now, under the Torquay Agreement, most of them have again been reduced. Cheddar cheese, which is the most important type of cheese from the standpoint of quantity, was reduced again from 3½ cents per pound to 3 cents per pound, and the minimum rate was also lowered. Before the trade-agreements program was started, the duty of most types of cheese, I believe, was 7 cents a pound.

Mr. President, I simply cannot understand the reasoning which would lead the State Department to make another reduction on the duty on cheese. Cheese imports have been increasing sharply in recent years. During the fiscal year ending June 30, 1946, cheese imports of all types amounted to 13,740,000 pounds; during the fiscal year ending in 1947, they were nearly 16,000,000; the following year, nearly 17,000,000; the following year, over 25,000,000; and the following year, which ended last June 30, they amounted to 42,593,000 pounds. During the first 8 months of this present fiscal year—the period from last July through February—they already amounted to 47,584,000 pounds, for just that 8-month period. In the face of this rapid increase in the rate of imports of cheese, the State Department has chosen to inflict another duty reduction on cheese. Cheese, of course, is another one of those items which the Commodity Credit Corporation had to purchase in large quantities as late as last year because of the tremendous domestic surplus.

I desire to mention one more industry, and that is wool. During the past 10 years, since January 1, 1941, our sheep population has declined from 47,441,000 to only 28,065,000, a decrease of 41 percent. The domestic production of wool is being gradually, steadily, systematically, deliberately destroyed under this trade-agreements program. A few years ago we produced three-fourths of our wool needs in this country, and when World War II broke out we found it very handy to have a safe supply of wool at hand. Now, when this present crisis broke upon us, that domestic source of supply had been seriously reduced, and we immediately found ourselves dependent on foreign countries, most of them a good many thousands of miles away. The supplies simply were not there. The price of wool has jumped outrageously, but I hope no one will suppose that the domestic wool producer is responsible for this sudden sharp rise in prices. The domestic producer is not getting the money you are paying for a wool suit today. The domestic producer has almost been put out of business during this past decade. Over half the wool comes from abroad, and it is the foreign producer who is reaping the benefits of our misguided policy.

These three examples, Mr. President—casein, cheese, and wool—in my opinion, demonstrate conclusively the folly of the policies we have followed during recent years in conducting our foreign-trade program. I believe all three of these industries would have legitimate cause for complaint that they have been seriously injured by the trade-agreements program. We have tried to provide an avenue of relief for them in this bill.

I sincerely hope they will derive some benefit from it. These situations should never have been permitted to occur. This program has been in the hands of "one worlders" and men who were determined to reduce every tariff rate on any excuse they could find. The act under which they have been operating has given them broad authority to make whatever arbitrary decisions suited their pleasure. In this renewal we have tried to tighten up the act and give domestic producers more consideration. We have tried to tighten up the standards under which those administering the act can operate, so as to eliminate some of the arbitrary decisions from which we have suffered in the past.

The bill, if enacted, will provide some definite improvements over what we have had, but it is definitely not a permanent solution. For the present I believe it is the best we can get. Ultimately, we shall have to write legislation that will give real protection to American producers. When American agriculture, industry, and labor realize how they have been sold down the river under this low-tariff policy, I predict their demand for legislation that will give them really effective protection against low-wage imports will be irresistible.

Mr. HOLLAND. Mr. President, when the pending bill, H. R. 1612, was being considered by the able Committee on Finance under the chairmanship of the distinguished Senator from Georgia [Mr. GEORGE], I appeared before the committee on behalf of my colleague, the junior Senator from Florida [Mr. SMATHERS] and myself, and presented briefly the situation facing Florida fruit and vegetable growers, especially the latter.

Because of the perishability of their products and the heavy competition which they face from certain vegetables imported from Cuba and from Mexico, the machinery provided in the present Trade Agreements Act and in the pending bill, H. R. 1612, as it came over from the House of Representatives, does not do equity to the domestic producers of fruits and vegetables.

This is due in large part to the perishability of most vegetables and some fruits, which cannot be stored, but must be marketed immediately upon being harvested. Excessive and erratic imports from Cuba and Mexico constitute a continuing and serious economic threat to the domestic industry, particularly in Florida.

Mr. Luther L. Chandler, representing the Florida Fruit and Vegetable Association, testified before the committee, and brought out clearly that when imports are reasonable in volume the return to the grower of highly perishable vegetables and fruits is fair, but when imports are erratic and heavy both the foreign and domestic producers sustain financial loss, with no compensating sav-

ing to the ultimate consumer, the general public.

Mr. President, I submitted to the committee for its consideration an amendment which was carefully designed to meet the situation. At this time I should like to incorporate the amendment in the RECORD as part of my remarks.

There being no objection, the amendment intended to be proposed by Mr. HOLLAND was ordered to be printed in the RECORD, as follows:

At the end of the bill insert the following new section:

"SEC. . (a) Whenever, upon the recommendation of the Secretary of Agriculture, the President has reason to believe that any one or more perishable fruits or vegetables are being or are practically certain to be imported into the United States under such conditions or in such quantities as to materially interfere with the orderly marketing of such commodity or commodities in the United States, he shall establish such import quotas on any such commodity as he may find necessary to provide for the orderly marketing of such commodity in the United States. Such quotas shall be established on a daily, weekly, monthly, quarterly, or yearly basis, as may be advisable in the case of each respective commodity.

"(b) Any such quota shall be fixed at a point calculated to maintain the price received by the American producer at the parity level, and may be adjusted from time to time, upon the recommendation of the Secretary of Agriculture, with a view to maintaining the parity price.

"(c) In the preparation of his recommendations to the President the Secretary of Agriculture shall consult domestic producers and such representatives of foreign producers as he may deem to be of assistance in the formulation of mutually advantageous regulations."

Mr. HOLLAND. It is my understanding that a spokesman for the Department of State advised the committee that my amendment was unworkable, but that a substitute, which was inserted by the committee, and which appears as section 8 (a) in the committee bill, would accomplish practically the same objectives.

In brief, my amendment provides that when imports are such as to interfere or threaten to interfere with orderly marketing of perishable fruits and vegetables, the President, may upon recommendation of the Secretary of Agriculture, may establish such import quotas as he deems necessary to maintain the average price received by the American producers at the parity level. Such quotas could be adjusted when found necessary. If the domestic supply was reduced periodically by unfavorable weather conditions, or for other reasons, thereby causing an undue price rise, or the threat of such price rise, the President, acting upon recommendation of the Secretary of Agriculture, could immediately waive the quotas, or adjust the quotas proportionately.

Mr. President, I shall not dwell in detail at this time on either the problem or its suggested solution. It has been thoroughly covered in the hearing record. I think a sound case was made for the adoption of new remedies adapted to the specific needs of perishable fruits and vegetables. It is obvious that the committee concurred, at least, in the need for such action, as evidenced by the inclusion by the committee of section 8 (a) in the bill which it reported.

The committee report made reference to the program in a statement appearing on pages 6 and 7 of the report. I now read from the report, under the heading "Perishable agricultural products—Emergency action (sec. 8)." The committee stated the following at that point in the report:

Recognizing that, in the case of perishable agricultural commodities, emergency action under section 22 of the Agricultural Adjustment Act or under the escape provisions of the bill may be necessary to prevent loss or material interference with orderly marketing, a provision for such emergency action has been included in the bill. When such action is reported as necessary by the Secretary of Agriculture to the Tariff Commission and to the President, the Tariff Commission shall make an immediate investigation. The President, however, may take action without awaiting the Tariff Commission report if, in his judgment, the emergency requires such action. In any event, the Tariff Commission is to conclude its investigation and report, and the President is to make his decision, within 20 days after the Secretary of Agriculture has filed his report.

Let me digress at this time to say that I appreciate the fact that the committee has sought to deal with this question through the amendment, and I hope the fact that the committee prescribed this emergency action and required that it must be taken, if taken at all, within 20 days, will afford the possibility of some real relief to the producers of highly perishable fruits and vegetables in the United States.

I continue to read from the report:

The planting, or offering for sale, or shipment of large quantities of perishable products within and without the country may create conditions which would require emergency action. Upon the recommendation of the Secretary of Agriculture, the President would be entitled to take steps which might prevent the spoilage of large quantities of perishables or alleviate international problems resulting from foreign as well as domestic surpluses.

Mr. President, in connection with the action of the committee, the committee also issued a news release on the same date when it made its report, I believe. The news release is dated April 26, 1951. Since the news release made specific reference to this particular amendment, as well as to the amendment which I had offered before the committee, I shall read, as a part of my remarks, the paragraph of the news release by the committee which deals with that subject:

Although the amendment regarding perishable agricultural products proposed by Senator HOLLAND was not adopted in its original form, the committee approved an amendment providing for emergency action with regard to perishable agricultural commodities. In such cases, after a recommendation to the President and to the Tariff Commission by the Secretary of Agriculture, the President may take immediate action or, if it is practicable, he may wait for a Tariff Commission report, which must be submitted not later than 20 calendar days after the Secretary of Agriculture has made his original recommendation.

Mr. President, because of the anxiety which is felt by both my colleague, the junior Senator from Florida [Mr. SMATHERS], and myself and by the industries in our State and industries elsewhere which compete with off-shore industries which produce highly perishable vegetables and fruits by using labor which is paid only a small fraction of what labor is paid in America, and because we fully believe that the distinguished chairman of the committee, the senior Senator from Georgia [Mr. GEORGE], and the other members of his committee intended that their proposed remedy for this subject—namely, section 8 (a) of the pending bill—would actually meet the needs of the producers of perishable fruits and vegetables, and in order to clarify, for the RECORD, the manner in which it is proposed that operations under section 8 (a) of the bill will meet the needs of the producers of perishable fruits and vegetables, I have requested the distinguished Senator from Georgia to allow me to ask him a series of questions which, if asked and answered in the form in which I am sure the Senator from Georgia will answer them, I have felt might assure further the relief of the producers of perishable fruits and vegetables of our Nation which is desired, I am sure, and intended to be granted under section 8 (a).

So I ask unanimous consent at this time that I may be permitted to address to the distinguished senior Senator from Georgia several questions, with a view to incorporating both the questions and the Senator's answers into the RECORD, so that the legislative history of section 8 (a) may be made entirely clear.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. HOLLAND. Mr. President, at this time, as a predicate for my questions, I ask unanimous consent to introduce into the RECORD my letter of May 10, 1951, to the distinguished chairman of the committee, the senior Senator from Georgia. The letter contains the questions; but in having the letter printed at this point in the RECORD, I ask that it be printed without including the questions themselves, which I now propose to ask separately to the distinguished chairman of the committee.

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

UNITED STATES SENATE,
COMMITTEE ON PUBLIC WORKS,
May 10, 1951.

Hon. WALTER F. GEORGE,
Chairman, Senate Finance Committee,
Senate Office Building,
Washington, D. C.

DEAR SENATOR GEORGE: You will recall that when H. R. 1612 was being considered by the Senate Committee on Finance I appeared before the committee on behalf of Senator SMATHERS and myself, and presented briefly the situation facing Florida vegetable growers. Due to the perishability of their products, the machinery provided in the present Trade Agreements Act and in the bill which is now before us does not do equity to the domestic vegetable producer. This is due in

large part to the perishability of these commodities, which cannot be stored, but must be marketed immediately upon being harvested. Excessive and erratic imports constitute a serious economic threat to the domestic industry.

The witness for the Florida Fruit and Vegetable Association, in testifying before the committee, brought out clearly that when imports are reasonable in volume, the return to the grower is fair, but when the current shipments are erratic and heavy, both the foreign and domestic producer sustain financial loss, with no compensating saving to the ultimate consumer.

I offered for committee consideration an amendment which was carefully drawn to meet this situation. It is my understanding that a spokesman for the Department of State told the committee that my amendment was unacceptable, but that a substitute which appears as section 8 (a) in the committee bill would accomplish practically the same objectives.

In brief, my amendment provided that when imports were such that they interfered or threatened to interfere with orderly marketing of perishable fruits and vegetables, the President, upon recommendation of the Secretary of Agriculture, could establish such import quotas as he deemed necessary to maintain the average price received by the American producer at the parity level. These quotas could be adjusted when found necessary. If the domestic supply were reduced periodically by weather disasters, thereby causing an undue price rise, the President, acting upon recommendation of the Secretary of Agriculture, could immediately waive or adjust the quotas.

I am not going to dwell in detail at this time on either the problem, or the suggested solution. That has been thoroughly covered in the hearing record. I think a sound case was made for the adoption of new remedies adaptable to the specific needs of perishable fruits and vegetables. It is obvious that the committee concurred in the need for action, as evidenced by the inclusion of section 8 (a).

I list herewith nine questions which I plan to ask you on the Senate floor during the debate on this bill. I am submitting these questions in advance so that you will have an opportunity to study them prior to the time of the debate on this bill. My constituents in Florida feel that it is desirable to develop some legislative background on this subject by asking you these questions. I will be grateful for your cooperation in this matter, and will be glad to reword any of the questions that you think can be better worded.

Questions relative to section 8 (a) of H. R. 1612 and Senate Report 299:

(Questions omitted.)

With kindest personal regards, I remain,

Yours faithfully,

SPESSARD L. HOLLAND.

(Copy to Hon. EUGENE D. MILLIKIN, United States Senator, Senate Office Building, Washington, D. C.)

Mr. HOLLAND. Mr. President, my first question to the distinguished chairman is this: Is it proper to assume that the language of section 8 (a) and the phrasing of the part of the report which I have read into the RECORD indicate the committee clearly recognized the necessity for taking adequate steps toward the solution of the problems peculiar to perishable fruits and vegetables which have serious foreign competition?

Mr. GEORGE. Mr. President, in answer to that question, I believe it is proper to say on behalf of the committee that the committee recognized that perishable fruits and vegetables, by virtue of their perishability, were at times subject to peculiar difficulties not applicable to other agricultural commodities and that, therefore, existing machinery should be adapted to meet these difficulties when they are proved to exist, so far as it was administratively feasible to do so.

Mr. HOLLAND. Then section 8 (a), as reported by the committee, was designed to meet these difficulties, insofar as it was feasible to do so; is that correct?

Mr. GEORGE. That is correct.

Mr. HOLLAND. My second question is this: In preparing section 8 (a) and the report, did the committee take into consideration the statement of the problem by the Florida witness, Mr. Chandler, and the suggested remedies?

Mr. GEORGE. The committee gave full consideration to the statement made by the distinguished senior Senator from Florida and by the witness to whom he now refers.

Mr. HOLLAND. My next question is this: Was it the intent of the committee to recognize the need for emergency action in the case of these perishables, rather than to require that they follow the lengthy procedures prescribed for securing relief for storable commodities?

Mr. GEORGE. The committee report explicitly recognized "that, in the case of perishable agricultural commodities, emergency action under section 22 of the Agricultural Adjustment Act or under the escape provisions of the bill may be necessary to prevent loss or material interference with orderly marketing."

Mr. HOLLAND. It was the intention of the committee, was it not, by means of the emergency provisions incorporated in section 8 (a) to allow much quicker and more effective action than could ordinarily be taken for storable commodities under the old sections of the bill? In connection with this question, I also submit my fourth question, as follows: In using in the report the following language: "The planting, offering for sale, or shipment of large quantities of perishable products within or without the country may create conditions which may require emergency action," is it the intent that, when the Secretary of Agriculture reports in advance of planting and/or harvesting that such conditions exist, or threaten to exist, the President shall be authorized to take emergency action which will prevent the existence of these conditions, rather than being compelled to wait until they actually occur?

Mr. GEORGE. The answer to the question lies not only in this sentence of the report but in the rest of this section of the report and, more importantly, in the provisions of section 8 (a) itself. Section 8 (a) is designed to offer relief, on the speediest basis possible, in accordance with the provisions of section 22 of the Agricultural Adjustment Act and the provisions of the escape clause in section 7 of the bill. Under both these provisions it is not necessary to delay remedial action until the injury has actually occurred.

Mr. HOLLAND. I thank the Senator. As a short addition to that particular question, I ask the distinguished Senator from Georgia, is it to be understood that, in determining whether there is going to be an emergency condition, the President and the Secretary of Agriculture are not required to wait until the crop is actually ready for marketing, but, at an earlier stage, either at the time of planting, or prior thereto, or thereafter, as it becomes clear that there is or may be more than a reasonable amount of the product to meet the market demands, they may avail themselves of the emergency provisions of section 8 (a) of the bill?

Mr. GEORGE. Mr. President, that, of course, is a somewhat difficult question, but I would say in response to it that the Secretary of Agriculture should, of course, use foresight. Unusually large plantings abroad in the areas supplying this country would be a factor which should be known and followed closely, so that, if evidence is presented that an actual emergency situation would ensue, the President and Secretary of Agriculture might be ready to institute action promptly to invoke the remedy which we undertook to provide in section 8 (a) of the bill. That is as nearly responsive to the question as I feel at liberty, or am able, to make it.

Mr. HOLLAND. I particularly appreciate that answer, because it makes clear for the RECORD that neither the Secretary of Agriculture nor the President of the United States must needs wait until the actual excess amount of production is in hand, but that they are required to, and may, exercise reasonable foresight and caution to determine, ahead of the actual existence of the excess product, the fact that there will be such an excess, or that such an excess is seriously threatened.

My fifth question to the distinguished Senator is this: Was it the intent of the committee, in phrasing section 8 (a), to make available to producers of perishable fruits and vegetables, the various remedies provided in other sections of this bill, but on an emergency basis, because of perishability?

Mr. GEORGE. It was intended, in consideration of the perishability aspect, to make available, on an emergency basis, the remedies afforded by section 7 of the bill relating to the escape clause and by section 22 of the Agricultural Adjustment Act.

Mr. HOLLAND. My sixth question: Is it therefore the intent of the committee that import quotas may be one of the remedies available in the event the Secretary of Agriculture determines and reports that a condition exists requiring emergency treatment?

Mr. GEORGE. Import quotas are one of the remedies which would be available under section 22 of the Agricultural Adjustment Act, or under section 7 of this bill.

Mr. HOLLAND. And the emergency provisions of section 8 (a) would make both section 7 and section 22, and the remedies thereunder, available, if the emergency were found to exist, and were declared by the President of the United States to exist. Is that correct?

Mr. GEORGE. That is correct, yes.

Mr. HOLLAND. My next question: In view of the fact that the Department of Agriculture, which is directed to make the initial report, has available to it the facts and information upon which a determination as to the need for such an import quota might be made, and has the experienced personnel that could equitably administer such a program, is it the intent of the committee that the President be asked to delegate to the Secretary of Agriculture the necessary authority for carrying out the emergency provisions of section 8 (a)?

Mr. GEORGE. I may say that, as the distinguished Senator has noted, the Secretary of Agriculture would make the initial determination and report as to whether a condition exists requiring emergency treatment. The Tariff Commission would then make an immediate investigation to determine the facts and make recommendations to the President for such relief under section 22 of the Agricultural Adjustment Act or section 7 of this bill as may be appropriate. After the Tariff Commission has made its recommendation, or even before if the emergency merits, the President will decide on the action to take. He might decide to raise the duty or impose a quota. The mechanics of applying rates of duty or quotas to imported commodities would ordinarily be the responsibility of the Bureau of Customs.

Mr. HOLLAND. My eighth question to the distinguished Senator is this: Is it the intent of the committee that such a program should be administered in a manner that would make possible a fair return to the domestic and foreign producer, without penalizing the consumer?

Mr. GEORGE. It is the hope of the committee that the entire trade-agreements program should be administered in a manner that would make possible a fair return to the domestic and foreign producer, without penalizing the consumer.

Mr. HOLLAND. My last question—and I thank the distinguished Senator for his patience—is this: Is it not true that the hearing record——

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

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

Mr. MILLIKIN. May I have the last question and answer, please?

Mr. GEORGE. The last question asked?

Mr. MILLIKIN. Yes.

Mr. GEORGE. The last question asked was No. 8.

Mr. HOLLAND. Does the Senator wish me to repeat the question 8?

Mr. MILLIKIN. I believe I have it here. Will the Senator yield so that I may add an observation of my own?

Mr. HOLLAND. I yield for that purpose.

Mr. MILLIKIN. I do not believe there is a legal requirement that the program be administered in a manner which would make possible a fair return to the domestic and foreign producer without penalizing the consumer, although I would hope that, as the result of intelligent administration, such a result might flow from the procedures called for in the bill.

Mr. HOLLAND. I thank the Senator. My ninth and last question is: Is it not true that the hearing record contains copies of agreements reached between domestic and foreign producers of perishable winter vegetables, in which they suggest that their respective governments adopt legislation which would make such a plan operative?

Mr. GEORGE. The answer to that question is that the record of the committee hearings contains a copy of the agreement between the Florida Fruit and Vegetable Association and the Association of Fruit and Vegetable Growers and Exporters of Cuba and an agreement between the Florida Association and the West Coast of Mexico Vegetable Association of Nogales, Ariz. The associations agreed to recommend that trade agreements or other agreements be negotiated between the United States and Cuba and the United States and Mexico with a view to the imposition of absolute quotas on imports of tomatoes into the United States from Cuba and Mexico and to the reduction of the United States tariff on fresh tomatoes by 50 percent or the fullest extent allowed by law.

In the hearing record there also appears the amendment proposed by the Florida Association, and later submitted to the committee for its consideration, providing for the imposition of absolute quotas on tomato imports, with a view to maintaining the market price at parity. After the submission of this proposed amendment the West Coast of Mexico Vegetable Association wrote the committee that, by unanimous vote, it had withdrawn its support of the original plan and expressed its opposition to the proposed amendment. I thought that fact should be added to the answer.

Mr. HOLLAND. I thank the distinguished Senator from Georgia and also the distinguished Senator from Colorado.

I may say, Mr. President, that a copy of my letter to the Senator from Georgia went to the ranking minority member of the Finance Committee, the distinguished Senator from Colorado, because both of these Senators, and, indeed, all members of the committee, had been highly sympathetic to the problem of the Florida producers of perishable fruits and vegetables during the course of the hearings, and the two Senators from Florida felt that the committee, in the submission of its proposed new section 8 (a), was going as far as it felt it could go to meet the undoubted problem of the people who are confronted with the very difficult competition from offshore producers of perishable fruits and vegetables who pay their labor only a fraction of what is paid in Florida and elsewhere in the United States.

In closing, Mr. President, I desire to say that, in my judgment, the producers of perishable products as good Americans have gone a long, long way in their effort to cooperate to meet the need of the Nation and the need of the world for a reciprocal trade-agreement structure under which the resumption of world trade may be encouraged and enhanced.

I want it to appear in the RECORD that, notwithstanding the fact that the reciprocal trade agreement formerly existing with Mexico had been canceled, so that a peculiarly difficult situation was created under which one of the offshore producers, namely, the Republic of Cuba, was still under reciprocal trade relations with our Nation, whereas Mexico was not, our producers have, through their various organizations, through numerous conferences with the Department of State, with the Government and the producing groups in Cuba and in Mexico, with the marketing group, and the importing group, particularly in the West, endeavored to reach some solution other than through a request for an amendment to this important act.

The sole purpose of this long series of questions and of the very clear and helpful answers which have been read into the RECORD is the hope of all concerned—and I am sure I speak for all concerned—that real help may be given to those large industries in our Nation which, in the production of much-needed perishable fruits and vegetables, find themselves confronted with competition from offshore, where cheap labor makes possible sales at prices far below those which can be fixed upon similar goods produced in the United States. I am hoping that the needed relief will come to our producers and will leave them in such a position that they can continue their wholesome attitude toward the whole plan.

Mr. President, I again express my very deep appreciation to the chairman of the committee, to the distinguished ranking minority member, and to the committee as a whole for its helpfulness and its manifest effort to reach and to meet this very difficult problem in such a way as to leave thousands of persons whose living is dependent upon the production of these commodities in such a position that they can wholeheartedly support our Government in this worthwhile reciprocal trade-agreement system.

Mr. GEORGE. Mr. President, I wish to thank the distinguished senior Senator from Florida for his statement, and I can assure him that the committee looked with great concern and interest upon the problem which he presented to us. It is hoped that the remedy which the bill provides may be of service and of use and benefit to the producers of perishable fruits and vegetables.

Mr. HOLLAND. Mr. President, I ask unanimous consent that at the conclusion of my remarks there be placed in the RECORD an exchange of correspondence which I have had with the Department of State on the same subject, through a letter of May 1, 1951, to Hon. Winthrop G. Brown, Acting Director, Office of International Materials Policy, of the State Department, and through the reply of Mr. Brown addressed to me under date of May 9, 1951.

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

MAY 1, 1951.

HON. WINTHROP G. BROWN,
Director, Office International Trade Policy, State Department, Washington, D. C.

DEAR MR. BROWN: This letter is written as a follow-up of my telephone call to you yesterday morning, at which time I advised

you that I had just had an opportunity to examine a copy of H. R. 1612 as it was reported by the Finance Committee, and the committee report. I have noted that the committee did not adopt my amendment regarding perishable agricultural commodities, but did adopt an amendment providing for emergency action with regard to perishable agricultural commodities as outlined in section 8 (a) of the bill as reported by the committee.

I understand that testimony was given to the Finance Committee in executive session that my amendment was not acceptable to the State Department, but that the substitute amendment was acceptable and further that the substitute would allow the accomplishment of the same objectives as my amendment. You will find these objectives set forth in my testimony before the committee on March 1, 1951, which begins on page 443, part I of the printed hearing record. Also, the testimony on behalf of the Florida Fruit and Vegetable Association on this same subject begins on page 472.

I will appreciate a clear statement from you of the reasons why you believe that the committee amendment as outlined in section 8 (a) will accomplish my stated objectives.

Thanking you for an early reply, I remain, with cordial regards,

Yours faithfully,

SPESSARD L. HOLLAND.

DEPARTMENT OF STATE,
Washington, May 9, 1951.

The Honorable SPESSARD L. HOLLAND,
United States Senate.

MY DEAR SENATOR HOLLAND: I have received your letter of May 1 requesting our views regarding section 8 (a) of the trade agreements bill, as reported out by the Senate Finance Committee, in connection with the orderly marketing of perishable commodities.

As noted in the testimony you presented before the Finance Committee and in the testimony of Mr. Chandler, the purpose of introducing legislation relating to imports of perishable fruits and vegetables was to guard against serious injury to the domestic industry arising from sudden, heavy shipments from Cuba and Mexico which depressed the market price abnormally. In order to insure more orderly marketing of these perishable commodities, the amendment which you proposed would provide for the imposition of absolute quotas on imports, on a daily, weekly, monthly, or yearly basis. The account which Mr. Chandler and his colleagues gave us of the situation at earlier intervals showed that daily quotas would be necessary if the problem with which he was concerned was to be effectively solved. The amendment would also require that the quotas be fixed at a point calculated to maintain parity and be adjusted from time to time with a view to maintaining the parity price.

The amendment would create a number of difficulties. For one thing, the amendment did not seem administratively feasible in two principal respects. First, the amendment would require that import quotas be set at a point calculated to maintain the market price of the commodity concerned at parity. The effect of an import quota on the price of a product in the importing country would be difficult to determine under the best of conditions. To calculate in advance a quota which would maintain the parity price on products subject to such sharp fluctuations as the ones in question are alleged to be would be extremely difficult, if at all possible. The amendment, to be sure, anticipated that the quotas would be adjusted from time to time with a view to maintaining the parity price, but the necessity for such adjustment due to the inability to calculate accurately in advance a quota maintaining parity emphasizes the great administrative burdens involved in the proposal.

Second, it did not appear administratively feasible to apply import quotas for as short a period as the amendment envisaged. In analyzing the proposal originally presented by the Florida Fruit and Vegetable Association, it was found that entries of tomatoes are made at more than 50 places. The Customs Bureau has stated that the administrative burden involved in applying daily or weekly quotas at so many different points of entry would be administratively impracticable. To try to meet this problem, consideration was given to allocating the quotas among ports of entry, but such an arrangement appeared questionable on legal grounds, the Constitution providing in article I, section 9, for equal treatment among the ports of the various States.

In addition to these administrative difficulties, the amendment provided only for limitations on imports, not for comparable restrictions on domestic marketing or production. To apply restrictions to imports but not to domestic marketing or production (a) would probably be ineffective in ensuring orderly marketing in view of the important impact on the price of the quantity of domestic products likely to be offered for sale and (b) would violate the General Agreement on Tariffs and Trade.

Furthermore, sufficient authority already exists under section 22 of the Agricultural Amendment Act for the imposition of the controls contemplated by the amendment to the extent that they are feasible and shown to be necessary. Under section 22 import quotas may be imposed in conjunction with domestic marketing restrictions in order to protect the operation of a farm program, for example, a program to assure the orderly marketing of perishable commodities. Authority for limiting imports also exists in connection with action which may be taken under the escape clauses of trade agreements.

Section 8 (a) of the bill reported out by the Finance Committee was suggested by the American Farm Bureau Federation. It is intended to safeguard the orderly marketing of perishable fruits and vegetables through existing mechanisms by speeding up the procedures under these mechanisms so as to assure prompt relief where the circumstances require.

Briefly, section 8 (a) provides that when the Secretary of Agriculture determines and reports to the President and the Tariff Commission that due to the perishability of an agricultural commodity a situation exists requiring emergency treatment, the Tariff Commission shall make an immediate investigation under the provisions of section 22 of the Agricultural Adjustment Act or under the escape clause provisions in section 7 of the Senate bill to determine the facts and make recommendations to the President for such relief under those provisions as may be appropriate. The President may take action without awaiting the recommendations of the Commission if the emergency requires such action. In any case the finding of the Commission and the decision of the President must be taken at the earliest possible date and in any event not more than 20 days after the case has been submitted to the Tariff Commission.

This procedure, it should be noted, offers two major avenues of relief to domestic producers of perishable crops adversely affected by imports. On the one hand, it offers relief in accordance with section 22 of the Agricultural Adjustment Act of 1933. Hence, if imports are being or are practically certain to be imported into the United States under such conditions and in such quantities as to nullify or materially interfere with a farm program on perishable commodities, then the President would be free to impose either fees or quotas on such imports in order to correct the difficulty. On the other hand, the procedure offers relief under the escape clause provisions in section 7 of the Senate bill. Hence, if as a result of a concession on a perishable commodity, imports are entering in such relatively increased quantities as to cause or threaten serious injury to the domestic industry, the President is free to withdraw or suspend the concession or impose import quotas in order to prevent or remedy the injury.

Not only does section 8 (a) provide these two, broad means of relief but it ensures that these means will be utilized as expeditiously as possible. It requires the Tariff Commission to make an investigation immediately upon a determination by the Secretary of Agriculture that an emergency situation exists, thus short-cutting the present procedures in the application of section 22 which require going through the President. Even more importantly, the Tariff Commission must make its finding and the President his decision as soon as possible and at the maximum within 20 days after the Tariff Commission gets the case. Finally, the President is authorized, if he thinks it necessary, to act without waiting for the recommendation of the Tariff Commission.

These procedures are comprehensive in their coverage and designed to operate as rapidly as it is reasonably possible to expect. It seems to me that they can make as much of a contribution toward meeting the problem with which you and your constituents are concerned as is administratively practicable and I hope that they will help to meet any difficulties which may arise.

Sincerely yours,

WINTHROP G. BROWN,
Acting Director, Office of International Materials Policy.

Mr. GEORGE. Mr. President, I see that the distinguished Senator from Nevada [Mr. MALONE] has reached the floor, and I hope he is ready to proceed with the discussion of his amendment in the nature of a substitute.

TRADE AGREEMENTS ACT EXTENDS POWER OVER DOMESTIC ECONOMY—CONTINUED FROM MAY 22

Mr. MALONE. Mr. President, I have listened very carefully to the debate this morning and to the question-and-answer series with reference to how certain perishable products might be protected.

However, such protection depends upon an implied inclination on the part of the administration, in administering the act, to protect them.

Mr. President, I say again, categorically, that there is nothing in the bill, H. R. 1612, as reported to the Senate by the Finance Committee, that directs the President to do anything.

THE AMENDMENTS GIVE HIM NO ADDITIONAL POWER AND TAKES NONE AWAY

He may protect the perishable agricultural goods industry; he may protect the mining industry; he may protect the textile industry; he may protect the crockery industry; he may protect the precision-instrument industry which is indispensable during war, as are most of the industries mentioned; he may protect such industries which have been pushed to the verge of ruin by the lowered tariffs and import fees when we ever reach the time of peace for which we pray, instead of being in an emergency in which we continually take money out of the pockets of the taxpayers, even beyond their ability to pay, and

then in addition engage in deficit financing and selling bonds to the people in order to hold up our economic structure.

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

Mr. MALONE. I shall be happy to yield to the Senator from Idaho.

Mr. WELKER. As I understood the remarks of the distinguished Senator from Nevada, he made the statement that the President of the United States might protect industries. I was intrigued a moment ago by a question submitted by the senior Senator from Florida [Mr. HOLLAND] to the senior Senator from Georgia [Mr. GEORGE]. Would the Senator from Nevada kindly enlighten me as to what protection, if any, a produce grower in Florida would have under this bill, as enunciated by the questions propounded a while ago and by the answers apparently already in the hands of the Senator from Georgia?

THE PROPOSED ACT A DELUSION

Mr. MALONE. I shall be very happy to answer the distinguished Senator from Idaho that the perishable agricultural products of Florida have the same protection that all other products of industries in the United States have, and that is the amount of protection that a thoroughly discredited State Department chooses to give them—no more and no less. The 2-year extension proposed by this bill would simply extend that disgraceful procedure.

The bill reported to the Senate is a farce on the face of it, a subterfuge, and a delusion of the American people, because the policy established by the State Department and the President of the United States, presented many times before committees by the Secretary of State and his associates, and by the President in his speeches and messages to Congress, is to make up the trade balance deficits of foreign nations of gifts, loans, through the division of the markets of this Nation—divide the source of our income. In effect, transfer jobs to foreign soil.

Until such division of the markets could be made the trade balance deficits would be made up through gift loans, Marshall plan, ECA, point 4, and so forth. Under these schemes it is proposed to take capital out of the United States and put it behind the sweatshop labor of foreign nations, and produce goods for those nations, and also ship goods into the United States market, thus putting American workmen on the street.

That is what it provides, in so many words. I defy anyone to prove differently on the Senate floor.

UNITED STATES ECONOMY STILL AT MERCY OF STATE DEPARTMENT

Therefore I will say to the distinguished senior Senator from Florida that if the measure before us becomes law American producers will be at the mercy of the State Department, which has its eye fixed 3,000 or 10,000 miles away from the shores of America, and not in America at all. In the 4 years and a half the junior Senator from Nevada has been a Member of the Senate he has never known of the State Department having voiced a policy that had the interest of the American producers in mind. If the newspapers have correctly reported the State Department policies and their statements during 15 years before that, what I have said also applies to that period.

Under this measure, as it has reached the Senate floor, the State Department can continue to remake the industrial map of the United States, as it has been doing for 15 years. Administration policy can put out of business the fruit industry of Florida and California. It can put the miners and textile operators out of business. The present policy not only makes it possible but makes it attractive for American capital to go into low-cost labor countries, where sweatshop labor obtains, and not only produce sufficient to supply the markets of those countries, but can send foreign products to the United States.

We hear much voluble debate, ream after ream of it in the RECORD, with respect to what great markets we are establishing for the United States in foreign countries under the ECA program. We heard much talk on this subject, which the public now must understand to have been a lie on the face of it, that the development under ECA would result in making available markets for American businessmen. We heard much such talk during the debate on the subject on the Senate floor. We are not only making it possible but we are making it attractive by the further proposal under point 4 to take away the markets of American businessmen by reason of the fact that no income tax is to be paid on the profits on American investments in other countries.

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

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

Mr. MALONE. I yield.

Mr. LANGER. Does the Senator from Nevada remember that about 2½ years ago, before the Geneva meeting was held a hearing was had downtown before some so-called experts for the purpose of fixing the prices on products of the mines?

Mr. MALONE. Yes, I recall it.

Mr. LANGER. The senior Senator from North Dakota attended one of those meetings and sat through it for 3 or 4 hours. I may say that I had never seen one of those so-called experts before. They were men who had never been elected by the people of the country.

Mr. MALONE. And the Senator, perhaps, has never seen them since.

Mr. LANGER. They were a group of so-called professionals. Most of them had some kind of college degree. Afterward I made inquiry and found that very few of them had ever been in a mine.

I am curious to know what was the experience of the Senator from Nevada with those experts. Did the Senator ever attend one of the hearings?

THEORISTS MEDDLE IN BUSINESS

Mr. MALONE. In answer to the distinguished Senator from North Dakota the junior Senator from Nevada will say he attended one of those hearings prior to 1947; I believe it was immediately following World War II. I cannot now fix the date exactly. That was when the junior Senator from Nevada was special consultant to the Senate Military Affairs Committee on Strategic Minerals and Materials. A member of the Military Affairs Committee requested the now junior Senator from Nevada to attend one of the hearings. The member of the committee said: "Hold them if you can until I can arrive. I will be late." Thus, the now junior Senator from Nevada, attended one of the meetings.

The senior Senator from North Dakota could not have more aptly described those who conducted the hearings. The men there were nonentities. No one had ever heard of them. I thought I was fairly well acquainted in technical circles, having belonged to various engineering societies, the American Society of Civil Engineers, and many others, for 30 years. But I had never heard of these individuals. They were holding hearings on tungsten. The junior Senator from Nevada has several times mentioned tungsten on the floor of the Senate. These individuals were about to shut down the tungsten industry. They asserted they were going to lower the tariff on tungsten from 50 cents a pound to 38 cents a pound.

The Senator I mentioned, who was head of the subcommittee on Strategic Minerals and Materials of the Senate Military Affairs Committee finally arrived. He is a man whom I greatly admire. He is one of the best Senators on this floor. He was also one of the best Governors Colorado ever had. His name is ED JOHNSON. Big Ed finally arrived, and I witnessed a spectacle which nearly caused me to break down and cry. Here was this well-informed Senator, a man of highest reputation in the Senate standing before these great judges, whom no one had ever heard of, whom no one had ever seen before, and whom no one has ever seen since, so far as I know. They had nothing to do in the way of judging the Senator's evidence. They had only to pass it on to some State Department committee, in whose archives, no doubt, it is still buried. Big ED JOHNSON stood there with his hat in his hand and begged them, almost with tears in his eyes, not to shut down the tungsten mines of the United States by putting into effect the proposed reduction. Did they pay any attention to his plea? They did not even understand what he said.

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

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

Mr. WELKER. I must leave the floor, but I want to ask one other question which came to my mind as the result of the interrogation of the Senator from Georgia [Mr. GEORGE] by the Senator from Florida [Mr. HOLLAND]. I will ask the Senator from Nevada if, from his study of the bill, whether he knows in the proposed Trade Agreement Extension Act of 1951 there is anything that will protect the potato growers of the

United States from the awful disgrace of the importation of Canadian potatoes? The result of the importation being that Idaho No. 1 potatoes lay in the fields and rotted because we could not secure a decent market, or a market which would return to the potato growers of the West even the cost of the fertilizer and irrigation? Can the Senator enlighten me as, apparently, the Senator from Florida was enlightened as a result of his questions relating to perishable commodities? Is there anything in the pending bill that will protect the potato growers of Colorado, Idaho, California, or any other State in the Union from the importation of poor quality Canadian potatoes which flooded every storeroom in America last year to the financial damage and near ruin of the potato producers of the United States?

Mr. MALONE. In reply to the distinguished Senator from Idaho I will say I have no written answer, but I will do the best I can. There is absolutely nothing in the bill, as it is reported to the Senate, with the peril-point amendment, with the escape clause in it, with all the amendments it contains, that would compel or direct the Secretary of State or the President of the United States to change their policy, which is announced and definitely established, and that is not only not to protect American products but to encourage imports. If the junior Senator from Nevada were to take the time to present to the Senate one one-hundredth of the speeches, testimony, and policies laid down by the State Department, we would not finish this debate until the snow flies.

PRESENT AMENDMENTS WILL NOT CHANGE POLICY

There is nothing the most far-reaching imagination can conceive that could compel the Secretary of State to change one iota of the trend of the conferences in Geneva, at Annecy, or the one just ended in Torquay, England, where tariffs were either bound or lowered, without regard to the principle of fair and reasonable competition. The only purpose of the conferences was to furnish markets for the goods of foreign countries. What was the administration's objective which was announced before the very committee which reported this bill? It was to divide the markets to the point where it would not be necessary to send five, six, or seven billion dollars to foreign nations to make up trade-balance deficits, through the Marshall plan, through UNRRA, through point 4, and all the other gigantically expensive, preposterous plans which have been foisted upon the trusting people of the United States for 18 years.

Mr. WELKER. Mr. President, will the Senator yield for one further observation?

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

The PRESIDING OFFICER. Does the Senator from Nevada yield; and if so, to whom?

Mr. MALONE. I yield first to the Senator from Idaho.

Mr. WELKER. I take it I can give no assurance to the people of my State and of other States in the West who grow potatoes, that under the terms of the bill they will not suffer a recurrence of the awful marketing year of 1950 by virtue of the wide open door, the giveaway program, whereby the Secretary of State and the President of the United States say to the potato growers of Canada, "Come in and compete against American potato growers."

Is that observation correct?

SUBSIDIES NEEDED BECAUSE OF LACK OF PROTECTION

Mr. MALONE. I should say that it is. As a matter of fact, instead of expecting any protection, the distinguished Senator from Idaho had better get ready to vote to increase the subsidies.

Let me say to the Senator, and to the heads of all industries in this country, and to the working men of America, that many of our people do not have jobs. The working men of America are not all in factories. Many of them are using a hoe. Many of them are trying to find jobs. Jobs are not plentiful now, although we are at the peak of the police action which is going on in Korea, with billions of dollars being dumped into factories to make jobs. Many of our people do not have jobs. So I say to the distinguished Senator from Idaho that the junior Senator from Nevada will vote for subsidies to hold jobs for American workers, in lieu of tariffs and import fees, until the Congress of the United States gets its feet on the ground and begins to talk sense.

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

Mr. MALONE. I yield.

Mr. HOLLAND. Before the Senator from Idaho departs from the Chamber, I should like to make one contribution to the debate, if I may.

First. There is no subsidy so far as Irish potatoes are concerned.

Second. The price-support program which contributed to the debacle of last year, which the Senator has mentioned, has been done away with by an amendment offered by the Senator from Florida, the Senator from Louisiana, and other Senators to prevent and avert a situation in which potatoes would be attracted to a protected market in which Federal money was being spent improperly in the support of a perishable agricultural product.

The third thing I should like to say is that, so far as potatoes are concerned they are affected just as much by section 8 (a) as are the various perishable crops which were mentioned by the Senator from Florida in the presentation of his questions to the Senator from Georgia.

The Senator from Florida felt—and he hopes the Senator from Idaho will approve this approach—that instead of adopting merely a critical and destructive attitude toward the whole program, the producers of perishable commodities of his State were to be commended and assisted in their effort to work out, through a remedial amendment to this legislation, and through agreements entered into with producers in Cuba and Mexico, a program under which the public would not be harmed and the producers of particular perishable agricultural commodities would be helped and brought under the program in a helpful way.

This much of the remarks of the Senator from Nevada is, of course, correct—that the President of the United States does have discretion as to what he will do.

Mr. MALONE. He has absolute discretion, has he not?

Mr. HOLLAND. I believe that the Senator from Nevada was unduly critical in that portion of his remarks directed against the Senator from Georgia [Mr. GEORGE], the Senator from Colorado [Mr. MILLIKIN] and all other members of the very able Senate Committee on Finance, who, in the opinion of the Senator from Florida, endeavored to go as far as they felt they could in helping to meet the problems of the potato producers of Idaho, and producers of other perishable crops throughout the Nation. Instead of being castigated for having gone to the lengths they did in the effort to allow emergency methods to be followed in taking care of the problems of the producers of perishable crops, the Senator from Florida feels that members of the Finance Committee are to be commended and thanked.

Mr. MALONE. Mr. President, does the Senator from Florida wish to ask the Senator from Nevada a question?

Mr. HOLLAND. The only question the Senator from Florida would like to ask the Senator from Nevada, who commented so liberally upon an exchange of questions and answers which he had never seen, is whether or not he had seen those questions and answers before, and was therefore able to make the general denunciation of them which he made in answer to the question of the Senator from Idaho. Had the Senator ever seen or heard the questions of the Senator from Florida and the answers of the Senator from Georgia prior to the time they were brought out on the floor of the Senate?

Mr. MALONE. That is a very good question. I heard the questions read and I heard the answers read. I think that is a very good way to do it. I think that is the only way a good case could be made for the bill. A case cannot be made for the bill if the questions asked by the senior Senator from Florida are answered by anyone else.

Mr. WELKER. Mr. President, will the Senator yield so that I may reply to the Senator from Florida?

Mr. MALONE. I yield.

Mr. WELKER. I must leave the Chamber. I enjoyed the remarks of the senior Senator from Florida with respect to the potato industry of Idaho. However, I must correct him.

The potato growers of Idaho did not suffer last year by virtue of the subsidy or price controls. Fully 65 percent of the potato growers of Idaho have nothing to do with subsidies or price controls. We feel that the commodity which we produce does not need subsidies or controls. But when we have a Government which opens the gate to thousands of tons of worthless Canadian potatoes which compete with us in the open market, as a result of the open-door policy,

we are ruined. That is why the potato grower of Idaho was ruined last year. Now the Senator from Florida tells us that we have done away with subsidies and price controls on potatoes.

What, may I ask, will be done to the potato grower of Idaho this year? He will have no subsidy and no price control. Again he will have the open-door policy. The door will be again open to the Canadian potato producers.

It seems to me that all the Idaho potato grower and the potato growers of Washington, Oregon, and Colorado can look forward to is that the Secretary of State will again say to Canada, "Send in your potatoes by the boatload, by the truckload, and compete with American potato growers of the West."

Mr. HOLLAND. Mr. President, will the Senator yield so that I may reply?

Mr. MALONE. I yield, if I may do so without losing the floor.

Mr. HOLLAND. Let me say to the Senator from Idaho, who doubtless knows the situation in Idaho much better than I could know it, that as a member of the Senate Committee on Agriculture and Forestry the Senator from Florida was very happy when the Idaho Irish Potato Producers Association supported the request and recommendation of a similar group from Florida, to do away with price supports on Irish potatoes, which, apparently, the Idaho producers felt had brought on the destructive situation of last year which has been described by the Senator from Idaho. It is a fact that not only potato producers in Idaho took that constructive position, but also potato producers in Colorado, so ably represented by the ranking minority member of the Committee on Finance. I am not advised as to what was the attitude of the potato producers of Washington, who were mentioned by the Senator from Idaho. The potato producers of the Nation by a great majority made it very clear that they thought the price-support program had been iniquitous and that it had never been justified when applied to a perishable crop, and they thought it was the existence of the price-support program which invited the heavy flow of Irish potatoes across our borders from Canada.

Mr. WELKER. Mr. President, will the Senator yield for one more question? I believe I am learning something about the intricacies of international trade and tariffs.

Mr. MALONE. I am happy to yield.

Mr. WELKER. I must again invite the attention of the senior Senator from Florida to the very salient fact that in February of this year I visited the warehouse of the Wynn-Lovett Grocery Co., in Jacksonville, Fla., which is owned and operated by three very dear college friends of mine. There I saw with my own eyes the reason why the Idaho producers of potatoes, who did not care about subsidies or to depend on someone to hand out money as a guaranty, but were willing to rely on their great product, were in their grave difficulty. In the Wynn-Lovett warehouse in Jacksonville I saw dozens of carloads of Canadian potatoes. They were being sold for practically nothing. Considering the freight differential between Idaho and Florida, it was impossible, of course, for the people of the South or even the people of the East to get the Idaho product. It was due to the open-door policy which in effect said to Canada, "Ship into the United States all the potatoes you can and compete against the great potato industry of the West."

That is the situation which I wish to bring to the attention of the able Senator from Florida because it has been brought home to me. I saw hundreds of producers in Idaho last year go nearly bankrupt by reason of the policy of permitting Canadian potatoes to be imported, with no tariff, and compete against our producers. That is the question I must answer to my people back home.

Mr. HOLLAND. Mr. President, will the Senator permit me to make one more observation?

Mr. MALONE. I am always happy to yield for a question.

Mr. HOLLAND. The only observation I should like to make is that I hope the potato producers of Idaho will get the same type of relief and as effective relief from the provisions of the new act as the perishable-commodity producers of Florida, who must meet the competition from Cuba and Mexico, hope to receive. We made a good-faith effort to get it. Of course, we cannot control the functioning of the President of the United States. There is no doubt about that. However, we believe that we have made a case and that we will get relief from the President by way of the amended act, as we hope it will be amended. We hope we will get relief for our people, and we likewise hope that the potato producers of Idaho will get relief under the same section of the act.

Mr. WELKER. But the Senator brings it down to hope, and hope alone.

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

Mr. MALONE. I gladly yield.

Mr. LANGER. Before the distinguished Senator from Idaho leaves the floor I wish to commend him for the very fine fight he was making in behalf of the potato growers in the State of Idaho.

Mr. WELKER. I thank the Senator.

Mr. LANGER. He has done a marvelous job. I am sure the people of his State will appreciate it when they learn exactly what he has done with reference to the pending bill.

The State of North Dakota is very much interested in the potato market, because the State of Idaho and other States of the Union who wish to grow good potatoes get their potato seed from North Dakota. We furnish seed to the potato growers of Colorado, Idaho, and Nevada. We furnish seed for the State of Maine. We furnish the seed for practically every country on the face of the globe. It is the only State in the Union, I believe, in which the seed is certified and guaranteed by the State. When I was Governor of the State a law was passed which provides that the seed must be certified. Previously some seed had gone out which did not grow. We established a system under which our agricultural college and its extension divisions inspect the seed. On the sacks of seed as they are shipped out there is carried a statement which says, in effect: "Guaranteed by the State of North Dakota."

The State of Idaho has done good work in getting its potatoes advertised. I have gone into restaurants where they have advertised Idaho potatoes. I say to the senior Senator from Idaho [Mr. DWORSHAK] that very likely the Idaho potatoes served in the restaurants came from seed which was grown in North Dakota.

Coming back to what the junior Senator from Idaho said about growers in Idaho going bankrupt, I wish to invite the attention of the distinguished Senator from Nevada to one fact, and ask him a question with respect to it. Does he not know that last year in North Dakota, located adjacent to Canada, there were thousands upon thousands of acres of potatoes on which the potatoes were never dug, and that at the same time, while we were not digging the potatoes in North Dakota, thousands of tons and trainloads of potatoes came into our country from Canada? Is the Senator familiar with the fact?

PRESENT AMENDMENTS JUST A SOP

Mr. MALONE. I will say to the distinguished Senator from North Dakota that the junior Senator from Nevada is familiar with the fact that potatoes did come in by shipload, trainload, and truckload. The junior Senator from Nevada is entirely familiar with that fact. The cushion which has been prepared for Senators, in order to ease their consciences for voting for the bill, is the vain hope that the State Department, which has been proved to be entirely foreign-minded, and which has been proved by statements and testimony and press releases for 18 years to have one objective, namely, to divide our markets with foreign nations and not to protect our industry at all, may have a change of heart through the amendments which have been offered to the bill. That hope should be dashed. In other words, the Secretary of State and the President may have a change of heart and keep the working men and investors of our country from being wiped out, but it is most unlikely. I say to the distinguished Senator from North Dakota that the amendments are not needed. They were in no way needed for a change of heart in the administration to come about, because under the original 1934 act the President and the Secretary of State had full authority to take care of the investors and working men of this country. However, their policy, announced again and again through press releases and testimony, was to the contrary. Now by way of the amendments we make it possible again for them to protect American producers if they have a change of heart, but everyone ought to realize the hopelessness of that expectation.

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

NEVADA PRIDES ITSELF ON DOMESTIC COMPETITION

Mr. MALONE. I shall be happy to yield, but first I wish to say that Nevada enjoys competition with North Dakota

and Idaho in the potato-raising industry. We too have certified seed. We enjoy the competition with North Dakota. We hope to be able to enjoy the competition with the State of North Dakota, with the State of Idaho, and also with the State of Nebraska. We enjoy it with all other States. We enjoy competition with other States in potato growing, mining, agriculture, and livestock raising. Incidentally, the only reason why anyone still engages in the cattle-raising business in the United States is because of the hoof-and-mouth disease abroad. If the disease is ever cured in Mexico and Argentina, we will all be out of the cattle business here, because there will be no protection against foreign meat imports.

As I said, Nevada enjoys competition with other States, because other States pay approximately the same wages under similar conditions. However, we do not want competition with Canadian labor, which is paid about two-thirds of what the labor in our country is paid, as evidenced by the charts on view in the rear of the Chamber. We cannot meet such competition. We must have something to make up for it.

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

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

Mr. MALONE. I am happy to yield.

Mr. LANGER. Of course, there is no competition between North Dakota potatoes and Nevada potatoes because no one will buy a Nevada potato until the North Dakota seed has been exhausted. So, in reality, there is no competition between them.

I wish to ask the Senator from Nevada if he is not astonished by the admission made a few minutes ago by the senior Senator from Florida, who said that the entire potato program had resulted in a loss of millions of dollars to the Government. Did not that surprise the Senator from Nevada?

TARIFFS HAVE GIVEN WAY TO SUBSIDIES

Mr. MALONE. It is not surprising, really. As I explained yesterday, the policy which has been adopted by the administration is one of substituting subsidies for tariffs. A tariff is paid by the consumers of the particular product, whereas a subsidy is paid by all the taxpayers. The difference between a tariff and a subsidy which is of importance to the taxpayer, under a tariff system of fair and reasonable competition, no one will pay the tariff and will import a commodity unless there is a market for it, whereas under a subsidy system no one cares whether there is a market for the commodity ahead of time, but large imports come in at low prices and the commodities thus imported compete with the similar commodities produced in this country by higher-cost labor. Then, when there is no market for the domestic commodities replaced by cheap imports, they are destroyed—for instance, by pouring kerosene on the surplus potatoes; and naturally the result of the subsidy policy is a tremendous loss to the Government.

In short, the difference between a tariff and a subsidy is that under a subsidy in the United States, 150,000,000 people are called upon by the Government to provide large amounts of money with which to pay to subsidize an industry, whereas under a system of fair and reasonable competition, based on a tariff, the products are sold for what they are worth. That is the only difference.

Mr. LANGER. Is it not true that practically all wars the United States has had, have occurred under a Democratic administration?

Mr. MALONE. Every war in which our country has been involved during my lifetime has occurred under a Democratic administration; and in each case the administration then in power said that it had to take this action or that, to keep us out of war, but each one of them carrying us really into it.

Mr. LANGER. In view of all the experience the Democratic Party has had with having our country engaged in one war after another, does not the Senator from Nevada think it peculiar that the Democratic Party would not by this time have devised some system whereby subsidies and price controls and tariffs would be taken care of?

Today, after Democratic administrations have had the two recent World Wars, the senior Senator from Florida has said that millions of dollars were lost by the present administration in paying subsidies on potatoes. Is it not true that during the past 18 years the Democratic administration has had thousands of lawyers upon its payrolls and has had hundreds of thousands of other Federal employees; and does not the Senator believe that by this time they should have devised laws which would take effect the moment the Democratic administration got us into another war, so as to prevent the loss of hundreds of millions of dollars, such as were lost as a result of the subsidy on potatoes alone? Does not the present situation go to prove the incompetency and inefficiency of the Democratic administration?

THE BASIS OF TRADE

Mr. MALONE. As a matter of fact, the history of foreign trade beyond the amount of normal trade is that it leads to war. The administration says that if we develop foreign trade we shall prevent wars; but the history of foreign trade is that it leads to war, because there is only one kind of even trade, and practically no nation is satisfied with an even trade. The nations are working for advantage, in connection with trade.

Yesterday I explained what a tariff really does. The only reason for a tariff is to make it possible to trade on an even basis hours of labor in one country with hours of labor in another country.

The charts which now are on display in the Senate Chamber show why there cannot be international trade on an even basis. So the tariff is nothing more or less than a means of evening not only the cost of the labor but the productiveness of the labor, for two items are involved in labor, namely, its cost and its productiveness. In some countries labor is less productive because of either less efficient machinery or less efficient labor. A tariff which takes those factors into consideration is an evener; and if the tariff is adjusted on a flexible basis, it will result in having the hours-of-labor products of the United States traded for the hours-of-labor products of another country. If that arrangement could be worked out, it would be conducive to peace, because then there would be no advantage to a foreign country to hold down its slave labor so as to be able to permit the exportation under a free-trade system, of low-cost commodities which only result in causing antagonism on the part of the laboring men and the investors in the country to which those products are exported.

KARL MARX AND THE SOCIAL REVOLUTION

Mr. President, Karl Marx was an expert on that business. Yesterday I stated for the RECORD what Karl Marx said on this subject. He made a famous address on this subject before the Democratic Club in Brussels, Belgium, on January 9, 1848. In the course of that address he made the following statement:

> But, generally speaking, 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. In a word, the free-trade system hastens the social revolution. In this revolutionary sense alone, gentlemen, I am in favor of free trade.

Mr. President, the only difference between the conditions which exist at this time and the conditions existing at the time when Karl Marx made that statement is that today a much larger investment in required; an investment of somewhere between $8,000 and $12,000, on the average, must be made for every man who works in industry. In those days labor was available at a much lower cost.

Yesterday, when I referred to that statement by Karl Marx, I made the following comment:

> 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 workingman. 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.

So the workingmen and the investors are the victims of free trade. In the long run, a nation which obtains the advantage in the way that foreign nations do when they can undersell us by means of a free-trade system, causes so many difficulties in the other country that the result is the very war which the Democratic administration has claimed it could prevent.

Yesterday, in my remarks before the Senate, I referred to the Underwood tar-

iff, which existed in 1914. That tariff had such a bad result that immediately after World War I a special session of Congress was called to take action to save the workingmen and investors of the United States.

It is obvious that a free-trade system brings on the very thing which the Democratic administration says it wishes to prevent, and the record demonstrates that clearly.

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

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

Mr. MALONE. I am glad to yield.

Mr. LANGER. Is the Senator from Nevada familiar with the article written by Woodrow Wilson after World War I, in which he said that war was caused by economic conditions?

Mr. MALONE. I am not entirely familiar with the article, although I know about it.

Mr. LANGER. I may say that his article bears out exactly the argument now being made by the distinguished Senator from Nevada. I recommend the reading of the article to the Senator and I suggest that the pertinent portions of the article be inserted in the RECORD.

Mr. President, I should like to point out again that 72,000 millionaires were created during World War I. Does not the Senator from Nevada agree that is the correct figure?

Mr. MALONE. That is the record, I believe.

Mr. LANGER. Yes. In other words, those 72,000 millionaires made their money from the poor people of the United States, and that war took place under a Democratic administration. Certainly after the experience in World War I, would it not seem reasonable that when the Democratic Party again got into control—in 1933, and saw the war coming on—for President Roosevelt announced time and again that he saw it coming on—one of the first things that Democratic administration would have done would have been to consider carefully the experience the preceding Democratic administration had in World War I, and then to pass laws which would keep the cost of living from rising and would prevent the creation of a new crop of war millionaires? However, is it not true that, as a result of World War II, more millionaires were created than the ones who were created as a result of World War I? Is not that the record?

Mr. MALONE. I am not entirely familiar with that subject, but I have read press reports which indicate that that probably is true.

SPEEDED-UP AMORTIZATION

Furthermore, more millionaires will be made in connection with the present emergency than have ever before been made, because we are now shoveling the taxpayers' money out in two ways: first, by financing industries, so as to permit them to expand; and, second, by providing a short amortization period—5 years—for the investments. As a matter of fact, in many cases the money actually is borrowed, although sometimes it is furnished by the companies or the individuals concerned. However, Government revenue is lost by permitting the amortization of the investments on a short-term basis. Tax money is lost, and the poor individual taxpayers have to make it up. I have an up-to-date list or tables showing the enterprises which have received certificates of necessity, for the amortization of the new investment over a period of 5 years. Unfortunately the tables are not quite complete, and I shall endeavor to complete them for the RECORD at a later date. I ask unanimous consent to have that material inserted at this point in the RECORD. Of course, as I said before, many of these firms have borrowed money from the Government as the basis of their added investments, and that is taking from the tax money billions upon billions of dollars of additional tax money which would not be necessary, were it not for the free-trade program.

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

5-YEAR AMORTIZATION

Necessity certificates issued

THROUGH JAN. 30, 1951

TA No.	Applicant	Application amount [1]	Amount certified [2]	Product or service
1	Jones & Laughlin Steel Corp	$60,959,100	$54,241,774	Steel ingots.
2	do	23,762,300	20,759,213	Steel blooms—slabs.
3	do	4,625,000	4,222,805	Steel—scarfing.
4	do	14,921,000	14,771,000	Steel bars.
5	do	7,248,700	6,948,700	Metallurgical coke.
6	do	10,130,000	9,930,000	Steel rods.
7	do	19,702,000	18,302,000	Tin plate.
8	do	3,182,000	2,882,932	Iron ore unloader.
9	Owens-Corning Fiberglass Corp	8,351,220	7,086,500	Fibrous glass.
11	Northwestern Steel & Wire Co	4,505,000	4,500,000	Small bars and shapes.
12	do	12,002,000	8,500,000	Melting stock.
14	Tennessee Products & Chemical Corp	805,961	805,961	Pig iron.
16	Radio Receptor Co., Inc	490,000	(3)	Electronic equipment.
18	Donner-Hanna Coke Corp	2,324,736	2,324,736	Coke ovens.
19	Great Lakes Steel Corp	24,833,800	24,400,000	Pig iron.
20	Albion Malleable Iron Co	1,353,380	1,353,380	Iron castings.
21	Youngstown Sheet & Tube Co	20,135,000	20,135,000	Steel ingots.
22	do	31,560,000	31,560,000	Pig iron, coke, ingots.
23	do	34,400,000	34,400,000	Steel ingots.
25	Allied Control Co	56,149	56,149	Relays and coils.
26	do	35,430	35,430	Do.
27	Quaker Rubber Corp	1,218,553	1,218,553	Industrial rubber goods.
28	Chicago & Eastern Illinois R. R. Co	3,500,000	3,500,000	Transportation (boxcars).
30	do	640,000	640,000	Transportation (gondola cars).
35	Aeroquip Corp.[4]	376,367	376,367	Flexible hose lines.
38	Lone Star Steel Co	73,425,200	73,425,200	Steel tubing.
39	Connors Steel Co	1,286,970	1,286,970	Rolling-mill products.
42	Lehigh Valley R. R	8,535,490	8,535,490	Transportation (box, hopper, and flat cars).
45	United Steel & Wire Co	30,060	30,060	Barbed wire.
47	Marsh Steel Corp	215,650	55,650	Steel warehousing.
51	General Refractories Co	77,500	77,500	Silica—refractory brick.
52	do	55,695	55,695	Refractory brick.
53	do	78,832	78,832	Do.
54	do	2,040,530	2,040,530	Do.
55	do	1,310,090	1,310,090	Do.
56	do	63,030	63,030	Do.
57	do	548,100	548,100	Do.
58	Harbison-Walker Refractories Co	1,817,205	1,816,815	Do.
59	do	5,399,775	5,385,298	Do.
60	do	1,433,424	1,433,424	Do.
61	do	852,703	852,703	Do.
62	Edward Swanson trading as Edson Tool & Manufacturing Co	25,000	25,000	Battery boxes.
64	Schaefer Machine Co	21,385	21,385	Bolts, shafts, fittings, etc., for aircraft.
66	Heintz Manufacturing Co	210,000	204,000	Cartridge cases, artillery projectiles.
68	Owens-Corning Fiberglass Corp	750,000	675,000 75,000	Fibrous glass.
69	S. K. Wellman Co	3,678,770	3,650,870	Clutch and brake parts.

[1] Cost of facilities estimated by applicant.
[2] Amount of preceding column eligible for percentage certification.
[3] No dollar amount certified at time certificate was issued.
[4] Application revised, returned to delegate agency.

Necessity certificates issued—Continued

THROUGH JAN. 30, 1951—continued

TA No.	Applicant	Application amount	Amount certified	Product or service
71	West Virginia Steel & Manufacturing Co	$3,014,352	$3,014,352	Semifinished steel.
72	The Cooper Alloy Foundry	243,358	243,358	Metal centrifugal and sand castings.
73	Empire Steel Co	9,550,000	9,543,500	Carbon and silicon steel.
74	Great Lakes Steel Co	18,000,000	17,280,000	Coke ovens.
77	Houdaille-Hershey Corp	640,000	640,000	Tank track link bodies.
82	Republic Steel Corp	77,950,000	77,662,000	Steel ingots.
87	Sylvania Electric Products, Inc	1,075,000	1,065,000	Electronics.
92	Arwood Precision Casting Co	94,100	92,100	Castings.
101	Grumann Aircraft Engineering Corp	88,825	88,825	Airplane parts.
104	The Chesapeake & Ohio Ry. Co	9,941,184	9,941,184	Transportation (railroad-car ferries).
105	The Parker Appliance Co	512,721	503,221	Rubber rings, gaskets, seals.
106	The Chesapeake & Ohio Ry. Co	31,587,000	31,587,000	Transportation (freight cars).
109	Kaiser Steel Corp	24,595,000	20,160,100	Steel ingots—tin plate.
113	Hazleton Steel & Tubing Co	4,275,340	4,175,430	Steel tubing.
115	Micro Switch Division of Minneapolis-Honeywell	650,000	630,000	Electrical appliances (precision switches).
117	Mechanical Products, Inc	159,857	159,857	Electrical appliances.
118	Switlik Parachute Co., Inc.[4]	249,048	249,048	Parachutes, life vests, etc.
120	Austenal Laboratories, Inc	292,850	292,850	Aircraft parts.
122	Roller Bearing Co. of America	1,453,961	1,427,461	Bearings.
123	Capital Foundry Co	1,452,500	1,377,500	Steel castings.
126	The Barden Co	622,693	622,693	Ball bearings.
137	Star Tool & Die Works	266,000	230,000	Aircraft fixtures.
142	Raybestos-Manhattan, Inc	359,007	359,007	Clutch plates.
144	Mexico Refractories Co	1,409,950	1,409,950	Refractory brick.
146	Carboloy Co., Inc	2,199,215	2,174,215	Tungsten carbide cores.
147	do	320,000	320,000	Tungsten carbide blanks.
151	Struthers Wells Corp	17,501	17,501	Gun tubes.
155	Waldorf Instrument Corp	59,423	59,423	Jet engine metering devices.
156	Gitz Bros	3,404	3,375	Shaft seals for aircraft, tank engines.
158	General Refractories Co	602,326	602,326	Refractory brick.
161	Blaw-Knox Co	58,000	58,000	Steel castings.
167	Seren Tool & Manufacturing	2,832	2,832	Tank gun assemblies.
169	Collins Engineering Co	95,000	95,000	Aircraft hardware.
170	Thompson Products, Inc	4,930,000	4,930,000	Aircraft engine parts.
172	Air Reduction Co., Inc	562,125	562,125	Liquid oxygen.
173	Minneapolis-Honeywell Regulator Co	2,316,618	2,316,618	Electronic controls (aircraft).
174	Crucible Steel Co. of America	1,127,749	1,127,749	Coal.
175	do	3,166,320	3,166,320	Coke.
176	do	22,957,824	22,957,824	Steel ingots—pig iron.
181	Woodward Iron Co	4,500,000	4,500,000	Pig iron.
183	The Dow Chemical Co	17,180,000	17,124,750	Magnesium sheet.
184	do	4,150,000	4,150,000	Magnesium extrusions.
185	do	3,237,000	3,237,000	Maguesium alloy, sheets and extrusions.
186	do	1,065,000	1,065,000	Do.
187	do	791,600	791,600	Magnesium alloy and extrusions.
188	do	578,400	578,400	Magnesium sheet.
189	do	194,000	194,000	Magnesium sheet, extrusions and alloy.
190	do	350,000	350,000	Do.
196	White Fuel Corp	800,000	800,000	Storage (petroleum products).
197	The Dolite Co	100,000	100,000	Roasted refractory dolomite.
198	do	35,417	35,417	Roasted refractory brick.
199	Union Oil Co. of California	135,000	135,000	Aviation gas.
201	Ohio River Co	1,458,622	1,458,622	Transportation (steel barges).
202	do	400,000	400,000	Transportation (tow boat).
203	Brooks & Perkins Inc	573,500	536,000	Magnesium alloy, sheets and plate.
213	Alabama By-Products Corp	2,418,636	2,418,636	Metallurgical coke, benzene, tar.
217	American Lava Corp	712,140	712,140	Ceramic cores.
218	Tube Processing Inc	12,425	12,425	Fuel and oil lines (aircraft).
219	Keystone Steel & Wire	1,500,000	1,500,000	Steel ingots.
222	Northwest Magnesite Co	5,811,091	5,786,979	Dead burned magnesite.
223	Harbison-Walker Refractories Co	925,231	925,231	Calcined clay.
224	do	1,621,345	1,621,345	Refractory brick.
225	do	1,024,999	1,024,999	Silica, refractory brick.
227	Experiment, Inc	28,000	28,000	Research (guided missiles and jet engines).
233	McPhillips & Co., Inc	34,180	34,180	Pack, field and parachute.
236	General Refractories Co	3,677,550	3,677,550	Refractory brick.
239	Warren Webster & Co	250,000	250,000	Booster metal parts (ordnance).
240	The New York Air Brake Co	748,870	748,870	Hydraulic pumps (aircraft).
241	Green River Steel Co	8,001,032	8,001,032	Carbon steels.
242	Island Machine Co., Inc	45,928	45,928	Precision machined aircraft assemblies and parts.
247	Dresser Industries, Inc	663,070	636,845	Steel rings (jet engines).
264	Cook Electric Co	276,094	267,043	Relay, assembly, fuel, control switch aircraft.
265	The Aircraft Fittings Co	124,506	124,506	Tube fittings, hose couplings, aircraft.
267	Lehigh & New England R. R. Co	2,275,000	2,275,000	Transportation (rail).
270	Harvey Machine Co., Inc.[4]	400,000	400,000	Rocket fuzes and shells.
271	General Laboratory Associates, Inc	83,100	81,100	Ignition equipment, aircraft.
276	Republic Steel Corp	6,000,000	6,000,000	Coke.
278	do	500,000	500,000	Pig iron.
279	do	1,750,000	1,750,000	Steel ingots.
280	do	705,000	705,000	Do.
281	do	7,000,000	7,000,000	Coke.
283	Surplus & Salvage Co., Inc	30,000	30,000	Scrap (iron).
294	Gould-National Batteries, Inc	1,056,500	1,051,500	Ordnance and aircraft batteries.
298	Raytheon Manufacturing Co	2,007,720	2,007,720	Magnetron tubes.
299	Armco Steel Co	12,243,981	12,243,981	Steel ingots and plates.
300	do	59,275,000	59,275,000	Coke, pig iron, steel products.
301	Sheffield Steel Corp	10,500,000	10,500,000	Steel ingots.
312	Minneapolis-Honeywell Regulator Co	3,788,000	3,788,000	Auto-pilots, fuel gages, gyros (aircraft).
314	The M. W. Kellogg Co	154,084	127,733	Liquid rocket engines.
325	The Dolite Co	35,000	35,000	Roasted refractory dolomite.
326	do	166,700	166,700	Do.
327	do	426,993	426,993	Do.
328	do	73,294	73,294	Do.
329	McLouth Steel Corp	2,294,442	2,294,442	Steel ingots, hot rolled steel.
334	The Massey-Harris Co	1,806,196	1,779,096	Carriage, howitzer.
351	Hofmann Industries, Inc	241,800	223,800	Carbon steel (strip).
352	Sharon Tube Co	2,333,532	2,313,532	Pipe.
362	The Apex Tool Co	139,754	135,754	Aircraft engines, parts and accessories.
369	Castings Engineers, Inc.[4]	125,692	100,692	Precision invest castings.
372	Merrill Bros	141,934	141,934	Impression die forgings (metals).
373	The M. B. Manufacturing Co., Inc	108,240	108,240	Aircraft engine mounts and fittings.
374	The Deutsch Co	54,333	54,333	Hydraulic fittings, aircraft, rocket fins.
375	Aircraft Products Co	12,354	12,354	Machine metal parts for aircraft.

[4] Application revised, returned to delegate agency.

Necessity certificates issued—Continued

THROUGH JAN. 30, 1951—continued

TA No.	Applicant	Application amount	Amount certified	Product or service
377	Armco Steel Co	$32,000,000	$32,000,000	Hot rolled steel.
378	do	1,426,725	1,426,725	Hot rolled electrical steel sheets.
379	do	49,046,700	49,046,700	Coke, pig iron, steel ingots.
381	National Steel Co	4,210,000	4,210,000	Coke.
382	do	2,868,425	2,868,425	Steel ingots.
385	Detroit Steel Corp	52,342,848	47,797,100	Carbon, sheet steel.
394	Extruded Hinge Co	21,500	21,500	Aircraft hinges and connectors.
396	The Glenn L. Martin Co	76,496	76,496	Aircraft, guided missiles, special weapons.
399	Howard Foundry Co	1,222,175	1,222,175	Combustion cases, jet engine (aircraft).
401	California Bag & Metal Co	41,390	41,390	Scrap iron (processing).
406	Wheeling Steel Corp	8,750,000	8,750,000	Coke.
409	Chrysler Corp	15,973,900	15,973,900	Military tanks.
410	Oceanside Machine Shop	31,035	31,035	Machining steel parts for airplanes.
411	do	12,584	12,584	Do.
417	Whitney Blake Co	451,951	451,951	Field wire (Signal Corps).
424	J. P. Seeburg	127,230	127,230	Radio and radar apparatus.
425	The Deutsch Co	354,179	354,179	Hydraulic fittings (aircraft).
432	Miller Printing Machinery Co	125,000	125,000	Mounts for 90 millimeter gun.
445	Republic Aviation Corp	5,348,047	5,166,139	Aircraft.
450	Spencer Wire Co	1,215,685	1,215,685	Copper wire; steel wire.
452	Blaw-Knox Division of Blaw-Knox	50,900	50,900	Radio, radar towers.
458	Detroit Kellering Co	103,970	103,970	Machining of engine mount.
463	Capital City Machine	13,710	13,710	Tools, gages (aircraft).
471	Allegheny Ludlum Steel Co	5,266,000	5,266,000	Alloy steel sheets.
474	Machlett Laboratories, Inc	555,000	555,000	Electronic tubes.
476	Jones & Laughlin Ore Co	3,500,000	3,298,035	Iron ore.
477	do	2,951,425	2,951,425	Sintered iron ore.
478	do	9,093,700	8,043,700	Iron ore.
479	do	2,000,000	1,962,000	Steel tube rounds.
482	A. O. Smith	7,605,990	7,590,833	Pipe, gas transmission.
488	Progress Manufacturing Co., Inc	14,214	14,214	Spot welding (electronic equipment).
492	Washburn Wire Co	638,000	638,000	Steel ingots.
511	Aero Trades Manufacturing Co	37,000	30,000	Aircraft parts assembly.
515	Silent Glow Oil Burner Corp	30,040	30,040	Mine case, mine crate.
520	Filtrol Corp	725,406	725,406	Palleted catalyst (for use in gasoline and rubber production).
521	do	1,979,703	1,979,703	S. R. catalyst.
523	Special Steels Co	227,751	227,751	Scrap iron and steel.
530	AVCO Manufacturing Co	23,468	23,468	Tappet guides (aircraft).
531	National Water Lift Co	47,803	47,803	Housing assembly (aircraft).
535	Acme Industrial Co	45,942	45,942	Hydraulic parts (aircraft).
538	South-Bend Screw Products, Inc	75,551	75,551	Aircraft engine parts.
539	The Wel-Met Co	412,534	412,534	Bearings and parts (aircraft ordnance).
546	Lehigh Valley R. R. Co	1,377,782	1,377,782	Transportation (rail).
571	Harbison-Walker Refractories Co	1,659,659	1,659,659	Refractories.
572	do	5,309,131	5,309,131	Silica refractories.
574	McDonnell Aircraft Corp	1,115,922	1,115,922	Aircraft parts.
576	The Thomas Steel Co	1,142,417	1,142,417	Cold-rolled steel.
577	Cablair Products Co	64,935	64,935	Airframe machined parts.
585	Tung-Sol Lamp Works, Inc	60,600	60,600	Electron tube.
588	McLouth Steel Corp	24,055,906	22,891,877	Steel ingots.
595	Marcus Mason & Co., Inc	83,071	83,071	Couplings (aircraft).
600	Boeing Airplane Co	343,107	281,014	Aircraft.
602	Seaboard Air Line Ry. Co	5,997,534	5,997,534	Transportation (rail).
605	do	10,114,480	10,114,480	Do.
611	Hutchinson Pipe and Waste Materials	23,450	23,450	Steel scrap.
614	Commercial Metals Co	136,892	136,892	Scrap iron.
622	Ohio Ferro-Alloys Corp	1,400,000	1,400,000	Ferromanganese, silicomanganese.
628	Pittsburgh Steel Co	2,120,000	2,120,000	Pig iron.
629	do	8,757,000	8,757,000	Steel ingots.
630	do	7,254,000	7,254,000	Shell steel, forging billets.
631	do	38,097,000	38,047,000	Steel plates and sheets.
646	Steel Briquette Corp	35,000	35,000	Steel scrap (tin can briquettes).
651	Lavelle Aircraft Corp	135,574	135,574	Engine mounts for airplanes.
707	Aero Supply Manufacturing Co	118,000	118,000	Aircraft hardware and parts.
710	A. P. Green Fire Brick Co	407,265	407,265	Refractories (fire brick).
711	do	294,229	294,229	Do.
724	National Steel Corp. (Weirton)	982,000	982,000	Tin, steel scrap.
725	do	1,352,000	1,352,000	Pig iron.
727	The Interlake Steamship Co	6,000,000	6,000,000	Transportation (lake ore ship).
731	Sundstrand Machine Tool Corp	550,605	550,605	Alternator drive (aircraft).
732	do	2,827,175	2,827,175	Do.
733	Raytheon Manufacturing Co	800,000	720,000	Tubes (electronic).
742	Hansen-Lynn	2,200	2,200	Aircraft controls.
751	Walsh Refractories Corp	335,850	335,850	Refractories (brick).
755	Big Savage Refractories Corp	581,762	581,762	Do.
769	Aircraft Engineering Products	52,464	52,464	Aircraft hydraulic cylinders.
784	Axelson Manufacturing Co	1,125,000	655,000	Aircraft gears.
787	Tennessee Coal, Iron & Railroad Co	41,525,000	41,525,000	Iron ores, steel.
788	Geneva Steel Co	4,263,000	4,263,000	Steel ingots.
789	Carnegie-Illinois Steel Corp	351,414,000	326,255,000	Pig iron, steel ingots, coke and coal chemicals.
790	National Tube Co	46,631,420	46,631,420	Buttweld pipe.
791	Pittsburgh Steamship Co	16,500,000	16,500,000	Transportation (lake ore ship).
792	Bradley Transportation Co	6,490,000	6,490,000	Transportation (lake freighter).
801	The Columbia Transportation Co	12,000,000	12,000,000	Transportation (lake ore ship).
836	United Aircraft Corp. (Pratt & Whitney)	19,847,085	19,847,085	Aircraft engines and parts.
837	United Aircraft Corp. (Sikorsky division)	2,691,105	2,691,105	Helicopters and parts.
838	United Aircraft Corp. (Hamilton Standard)	2,369,460	2,369,460	Aircraft propellers and equipment.
858	Lewyt Corp	3,194,783	2,894,783	Communication equipment.
878	North American Refractories Co	281,024	281,024	Silica brick.
898	National Steel Corp. (Weirton division)	1,172,000	1,172,000	Pig iron.
899	Great Lakes Steel Corp.[4]	650,600	650,600	Steel products.
902	do	2,062,700	2,062,700	Coke.
907	New England Steel Development Corp	250,000,000	250,000,000	Steel.
912	Weatherhead Co	827,610	816,410	Aircraft hose assemblies.
920	Jackson-Hope Towing Co., Inc	94,360	94,360	Transportation (barge).
922	The Ironton Fire Brick Co	170,000	170,000	Firebrick and plastic refractories.
951	Keystone Steel & Wire Co	295,000	295,000	Steel wire.
953	Rotary Electric Steel Co	1,605,000	1,605,000	Steel bars.
959	Goodyear Corp	216,694	216,694	Fuel tanks.
972	Rotary Electric Steel Co	450,000	450,000	Steel ingots.
1036	Republic Steel Corp	386,000	386,000	Do.
1103	Bethlehem Steel Co	19,034,000	18,884,000	Pig iron, steel ingots.

[4] Application revised, returned to delegate agency.

Necessity certificates issued—Continued

THROUGH JAN. 30, 1951—continued

TA No.	Applicant	Application amount	Amount certified	Product or service
1104	Oregon Steel Mills	$245,865	$245,865	Steel ingots and bars.
1114	Bethlehem Steel Co	1,642,000	1,642,000	Steel ingots, rails.
1115	do	36,401,000	36,401,000	Coke, pig iron, steel ingots.
1116	do	2,906,000	2,231,000	Pig iron, steel ingots.
1119	Bethlehem Pacific Coast Steel Corp	3,248,000	2,932,000	Steel ingots, nuts and bolts.
1120	do	362,000	362,000	Steel ingots, bolts.
1145	Bethlehem Steel Co	56,000,000	56,000,000	Coke, pig iron, steel ingots.
1147	do	2,831,000	2,831,000	Steel ingots and slabs.
1148	do	19,613,000	19,613,000	Coke, pig iron, steel ingots.
1149	Bethlehem Pacific Coast Steel Corp	2,123,000	2,123,000	Steel ingots.
1181	Nicholson Universal Steamship	9,930,000	9,930,000	Transportation (Lakes freighters).
1215	Laclede Steel Co	492,233	492,233	Steel ingots.
1222	National Steel Corp. (Weirton division)	3,319,000	3,319,000	Pig iron, steel ingots.
1464	Jones & Laughlin Steel Corp	8,955,300	8,955,300	Pig iron.
1465	do	9,259,000	9,259,000	Steel ingots.
1466	do	9,144,850	9,144,850	Steel plates, sheets and strips.
1467	do	1,485,000	1,485,000	Steel ingots and slabs.

Source: Business Expansion Office (Byron D. Woodside, Director).

JAN. 25 TO MAR. 7

Name of company and location of facilities	Product or use	Amount certified
North American Rayon Co., Childersburg, Ala.	Rayon yarns	$18,759,098
B. F. Goodrich Co., Marion, Ohio	Aircraft type hose	2,401,516
Chicago & Eastern Illinois R. R. Co., Chicago, Ill.	Railway transportation	581,964
Chicago Heights Terminal Transfer Co., Chicago Heights, Ill.	do	290,982
Do	do	450,000
Atwood-Vacuum Machine Co., Rockford, Ill.	Aircraft parts	1,500,000
Lehigh Valley Railroad Co., New York State.	Railway transportation	76,249
Diecraft, Pulaski Highway, Baltimore, Md.	Tools, dies, jigs	422,599
Lehigh Portland Cement Co., Bunnell, Fla.	Portland cement	11,062,290
Halifax Paper Co., Roanoke Rapids, Va.	Kraft pulp, paper, and corrugated board.	6,200,000
Boston & Maine R. R.	Railway transportation, Diesel locomotive.	2,916,880
Rothschild Oil Co., Santa Fe Springs, Calif.	Components for aviation gas.	2,050,000
Waldorf Instrument Co., New York, N. Y.	Aircraft parts	160,000
Do	do	59,423
Gitz Bros., Chicago, Ill.	do	3,375
Chesapeake & Ohio R. R. Co., Cleveland, Ohio.	Railway transportation	66,422,000
Union Oil Co. of California	Gasoline components	4,500,000
Ohio River Co., Cincinnati, Ohio	River transportation, steel barges.	1,458,622
Ohio River Co., Cincinnati, Ohio	River transportation, towboats.	400,000
Chicago & Great Western R. R. Co	Railway transportation for entire system.	1,757,624
Wheeling Bronze Castings Co., Glen Dale, W. Va.	Bushings, pistons, bearings	20,544
Fletcher Oil Co., Wilmington, Calif.	Gasoline, fuel oil	176,250
Experiment, Inc., Richmond, Va.	Research	28,000
T. C. Wheaton Co., Millville, N. J.	Pharmaceutical glassware	1,445,443
Wheaton Glass Co., Millville, N. J.	do	891,934
Levington Shipbuilding Co., Orange, Tex.	Transportation, petroleum barges.	580,000
Waste Material Corp., Michigan City, Ind.	Processing scrap iron	14,480
Armour & Co., Bartow, Fla.	Sulfuric acid and triple sulfur phosphate.	1,975,500
Wm. Miller Corp., Pasadena, Calif.	Engineering services, research instruments.	185,000
A. L. Mechling Barge Lines, Inc., Mississippi River.	Transportation, barge oil	138,000
Skirvin Tool & Engineering Co., Indianapolis, Ind.	Assemblies for aircraft and Diesel locomotives.	129,500
Surplus & Salvage Co., Inc., Jamestown, N. Y.	Scrap iron	30,000
Gulf, Mobile & Ohio R. R. (entire system).	Rail freight cars and locomotives.	14,550,241
Calaveras Cement Co., San Andreas, Calif.	Portland cement	2,235,106
Armco Steel Corp., Rusk, Tex.	Iron ore	1,500,000
Gibraltar Corrugated Paper Co., Inc., North Bergen, N. J.	Corrugated paper board	2,269,850
Wood River Oil Refining Co., Inc., Gary, Ind.	Gasoline, fuel oil	7,086,000
Chicago, Rock Island & Pacific Railroad Co. (entire system).	Railway transportation	23,700,000
Fitchburg Paper Co., Fitchburg, Mass.	Wood, pulp, paper	598,614
Union Bag & Paper Co., Savannah, Ga.	Corrugated boxes, paper, and waxed paper.	18,000,000
Harbor Tug & Barge, San Francisco, Calif.	Transportation, towboat	75,000
Levelland Refining Co., Levelland, Tex.	Aviation gasoline	2,441,763
John I. Hay Co., inland waterways	Transportation, towboat	505,000
Detroit Steel Corp., Portsmouth, Ohio	Carlion, sheet and steel	47,797,100
Hufford Machine Works, El Segundo, Calif.	Metal aircraft parts	204,184
Macon Iron & Paper, Macon, Ga.	Waste paper, steel scrap	38,000
California Bag & Metal Co., Portland, Oreg.	Scrap iron, processed	41,390
The Bay Petroleum Co., Chalmette, La.	Gasoline components	1,726,500
Columbus Engineering Co., Columbus, Ohio.	Ordnance supplies	$40,000
Riegel Paper Corp., Columbus County, N. C.	Pine, pulp and hardwood pulp.	13,807,500
Spokane International, Spokane, Wash.	Railroad transportation	160,129
North Carolina Pulp, Plymouth, N. C.	Semichemical pulp	1,051,713
Harbor Tug & Barge, San Francisco, Calif.	Transportation, towboat	75,000
Upper Mississippi Towing Co., Minneapolis, Minn.	Transportation, barge	962,597
Wilson Transit Co., Great Lakes area	Transportation, Great Lakes ore.	533,687
Hollingswirth & Whitney, Mobile, Ala.	Pulp and specialty papers	13,800,000
Pan American Refining Co., Texas City, Tex.	Benzene	1,100,000
Eastern Rayon Mills, Parkersburg, W. Va.	Rayon tire yarn	9,025,000
Chesapeake & Ohio R. R. Co., Cheviot, Ohio, to Peru, Ind.	Track line	3,501,690
Capital City Machine, Hartford, Conn.	Aircraft supplies	13,710
Meade Corp. (undisclosed)	Kraft container board	21,480,000
Meade Corp., Chillicothe, Ohio	Wood pulp	4,930,500
Meade Corp., Kingsport, Tenn.	Wood pulp (soda)	4,258,000
Gulf Oil Corp., Port Arthur, Tex.	Isobutane gasoline	18,485,342
Ace Steel Baling, Inc., Toledo, Ohio	Scrap iron	41,245
Defoe Shipbuilding Co., Bay City, Mich.	Transportation, Great Lakes ore.	61,270
Heintz Manufacturing Co., Philadelphia, Pa.	Aircraft parts	694,800
Burgess Norton Manufacturing Co., Geneva, Ill.	Tank parts	98,000
Do	do	206,975
Do	do	388,000
Reiss Steamship Co., Manitowoc, Wis.	Transportation, Great Lakes ore.	365,000
Lakeside & Marblehead R. R. Co., Marblehead, Ohio.	Railroad transportation	98,182
Special Steels Co., Newark, N. J.	Scrap iron and steel	227,751
Thilmony Pulp & Paper Co., Kaukauna, Wis.	Kraft paper	2,962,000
Marine Transit Co., Illinois River	Transportation, barge	384,515
Marvel Schebler Products Division, Borg-Warner Co., Decatur, Ill.	Aircraft parts	796,112
Pesco Products Division, Borg-Warner Co., Bedford, Ohio.	Aircraft accessories	996,078
Goldberg Iron & Steel, Columbus, Ohio	Ferrous and nonferrous scrap.	215,000
Lehigh Valley R. R. Co., New York State	Railroad transportation	1,377,782
Huss Lumber Co., Chicago, Ill.	Lumber	585,970
W. S. Moore Co., Virginia, Minn.	Iron ore	175,000
Seaboard Air Line R. R. Co. (rail system)	Transportation	16,786,401
Do	do	9,593,916
Commercial Metals, Beaumont, Tex.	Scrap iron	130,601
Hutchinson Pipe & Waste, Fort Worth, Tex.	do	148,914
Hutchinson Pipe & Waste Materials Co., Odessa, Tex.	Steel scrap	23,450
Commercial Metals Co., Houston, Tex.	Scrap iron	136,892
Ohio Ferro Alloys Corp., Philo, Ohio	Ferro and silica manganese	1,700,000
DeBardeleben Coal Corp., River Bluff, Ala.	Coal transportation	850,000
Hillman Transportation Co., Pittsburgh, Pa.	Transportation, barge	900,000
Steel Briquette Corp., Atlanta, Ga.	Steel scrap (tin can briquettes).	35,000
The Trane Co., Lacrosse, Wis.	Aluminum neat transfer service.	409,756
Consolidated-Vultee Aviation Corp., San Diego, Calif.	Airplanes	139,600
Do	Airplane parts	1,511,838
Super Service Motor Freight Co., Nashville, Tenn.	Truck transportation	470,000
Continental Steel Corp., Kokomo, Ind.	Steel ingots and sheets	5,302,000
Aero Supply Manufacturing Co., Corry, Pa.	Aircraft hardware and parts.	118,000

Necessity certificates issued—Continued

JAN. 25 TO MAR. 7—continued

Name of company and location of facilities	Product or use	Amount certified
Learner Co., Oakland, Calif.	Ferrous and nonferrous scrap.	$90,500
National Steel Corp. (Weirton Division), Weirton, W. Va.	Tin, steel scrap	982,000
Do	Pig iron	1,352,000
Interlake Steamship Co., Great Lakes area.	Great Lakes ore transportation.	6,000,000
Boeing Aircraft Co., Seattle, Wash	Engineering aircraft production.	1,405,000
Southern Railway Co., rail system	Transportation	10,250,000
Globe Iron Co., Jackson, Ohio	Pig iron	451,500
Hansen-Lynn, Burbank, Calif.	Aircraft controls	2,200
Goodyear Tire & Rubber Co., Akron, Ohio.	Aircraft parts	32,978
St. Joe Paper Co., Port St. Joe, Fla	Kraft container board	24,010,958
Ideal Cement Co., Trident, Mont., Superior, Nebr., Ada, Okla., Baton Rouge, La., Mobile, Ala.	Portland cement	9,896,554
Marlin Rockwell Corp., Plainville, Conn	Aircraft parts	1,104,965
Aircraft Engineering Products, Clifton, N. J.	do	52,464
Metalcraft Manufacturing Co., Phoenix, Ariz.	Tools, dies, jigs	92,894
Holub Iron & Steel, Akron, Ohio	Scrap steel	117,282
National Lead Co., Tohawus, N. Y.	Iron ore concentrate	475,138
Aerojet Engineering Co., Azusa, Calif	Ordnance supplies	611,000
Nordberg Manufacturing Co., Milwaukee, Wis.	Diesel engines	3,694,409
Nordberg Manufacturing Co., St. Louis, Mo.	Diesel engine components	1,076,887
Columbia Transportation Co., Great Lakes.	Great Lakes ore transportation.	12,000,000
Marine Transit Co., Illinois River	Transportation, towing	900,000
Midwest Rubber Reclaiming Co., East St. Louis, Ill.	Reclaimed rubber	1,600,000
Union Oil Co. of California, Wilmington, Calif.	Gasoline and fuel oil	12,000,000
J. A. Riggs Tractor Co., West Memphis, Ark.	Repairing and rebuilding tractors.	30,000
American Box Board, Flier City, Mich	Wood pulp	7,694,446
Universal Cyclops Steel, Titusville, Pa	Steel forms	629,000
Universal Cyclops Steel, Bridgeville, Pa	Steel ingots	2,366,000
Carolina Giant Cement Co., Harleyville, S. C.	Portland and masonry cement.	4,671,310
Seaboard Airline Railroad Co., rail system.	Railroad transportation	1,015,000
Petco Corp., Blue Island, Ill	Fuel oil and gasoline	1,936,000
Georgia, Florida & Alabama R. R. Co., Georgia.	Railway transportation	72,000
Seaboard Airline R. R. Co., Savannah, Ga., to Mobile, Ala.	do	319,000
Seaboard Airline R. R. Co., Atlanta, Ga., to Birmingham, Ala.	do	2,869,142
National Steel Corp. (Weirton Division), Weirton, W. Va.	Pig iron	1,172,000
Great Lakes Steel Corp., Detroit, Mich	Steel products	650,600
Hanna Furnace Corp., Buffalo, N. Y	Pig iron	175,000
Great Lakes Steel Corp., Zug Island, River Rouge, Mich.	Coke	2,062,700
Sharon Steel Corp., Farrell, Pa	Scrap steel	190,600
Weatherhead Co., Antwerp, Ohio	Aircraft hose, assemblies	816,410
Green Bay Paper & Pulp, Green Bay, Wis.	Semichemical pulp and corrugating liner board.	197,116
Seaboard Airline Railroad Co., rail system.	Railway transportation	3,705,077
Kaiser Steel Corp., Fontana, Calif	Iron ore, pig iron, and rolled sheets.	15,475,527
Permanente Cement Co., Permanente, Calif.	Portland cement	3,422,000
Keystone Steel & Wire Co., Peoria, Ill	Steel wire	295,000
Rotary Electric Steel Co., Macomb County, Mich.	Steel bars	1,605,000
Goodyear Corp., Akron, Ohio	Fuel tanks	216,694
Rotary Electric Steel Co., Warrenton Township, Macomb County, Mich.	Steel ingots	450,000
Air Research Manufacturing Co. of Arizona, Phoenix, Ariz.	Aircraft parts	1,959,728
Air Research Manufacturing Co. (division of Garrett Corp.), Los Angeles, Calif.	do	608,777
Pueblo Steel Corp., Pueblo, Colo	Seamless and merchant pipe.	80,000,000
Atlas Processing Co., Shreveport, La	Benzene	2,600,000
Henry Fligeltaub, Evansville, Ind	Scrap metal	41,000
Rohr Aircraft Co., Chula Vista, Calif	Aircraft parts	83,887
Lapointe Machine Tool, Hudson, Mass	Broaching machine tools	1,399,064
Libby-Owens-Ford Glass, Ottawa, Ill	Laminated plastic sheets	353,000
Republic Steel Corp., Buffalo, N. Y	Steel ingots	386,000
Atlantic Steel & Iron, Springfield, Mass	Iron and steel scrap	20,839
Olin Industries, Inc., New Britain, Conn	Ordnance material	1,015,315
Granite City Steel Co., Granite City, Ill	Ingots and rolled steel	3,640,000
Wallingford Steel Co., Wallingford, Conn	Cold rolled steel	115,000
Oregon Steel Mills, Portland, Oreg	Steel ingots and bars	245,865
M. F. A. Oil Co., Memphis, Tenn	Gasoline	1,720,000
Bethlehem Steel Co., Bethlehem, Pa	Pig iron, steel ingots	2,231,000
Bethlehem Steel Co., Johnstown, Cambria County, Pa.	Pig iron and steel ingots	28,386,000
Bethlehem Steel Co., Lebanon, Pa	Bolts, nuts, rivets	1,193,000
Bethlehem Steel Co., Seattle, Wash	Steel ingots, bolts	136,000
Bethlehem Steel Co., Pottstown, Pa	Fabricated steel	66,000
Do	do	65,000
Bethlehem Steel Co., Seattle, Wash	do	1,409,000
Bethlehem Steel Co., Cornwall, Pa	Pyrites and iron ore	77,000
Bethlehem Steel Co., Lackawanna, Erie County, N. Y.	Transportation	853,000
Do	Transportation-dredging lake channel.	6,250,000
Bethlehem Steel Co. Bethlehem, Pa	Molds for steel ingots, steel products.	3,586,000
Bethlehem Cub Iron Mines, Morgantown, Banks County, Pa.	Pyrites and iron ore	$34,343,000
Bethlehem Cuba Iron Mines, Warwick Township, Chester County, Pa.	do	4,037,000
Bethlehem Steel Co., Great Lakes	Transportation	12,000,000
Youngstown Sheet & Tube Co., East Chicago, Ind.	Buttweld pipe	7,800,000
Youngstown Sheet & Tube Co., Youngstown, Ohio.	Steel slabs and booms	4,489,000
Babcock & Wilcox Tube Co., Beaver Falls, Pa.	Alloy steel and tubes	6,315,000
Nicholson Universal Steamship, Detroit, Mich.	Transportation, lake freighters.	9,930,000
Olin Industries, Inc., East Alton, Ill	Ordnance supplies	1,015,315
J. H. Holan Corp., Cleveland, Ohio	Special truck bodies for public utility companies.	643,388
Detroit & Mackinac Ry. Co., rail system	Railroad transportation	600,000
Laclede Steel Co., Alton, Ill	Steel ingots	492,333
Aurora Gasoline Co. and Keystone Oil, Detroit, Mich.	Diesel and industrial fuels	3,970,000
National Steel Corp. (Weirton Division), Hancock County, W. Va.	Pig iron and steel ingots	3,319,000
Sunland Refining Co., Bakersfield, Calif	Gasoline, fuel oils	501,653
Vanadium Corp. of America, town of Niagara, N. Y.	Ferro chromium	1,160,639
Vanadium Corp. of America, New Haven, W. Va.	Silicon metal, ferro silicon	6,910,000
Cleveland Graphite Bronze Co., Cleveland, Ohio.	Aircraft parts	561,699
Allis Chalmers Manufacturing Co., La Porte, Ind.	Cargo tractor (ordnance)	2,576,000
A. P. Green Firebrick Co., Mexico, Mo	Firebrick refractories	1,550,338
Western Oil & Fuel Co., between Duluth and Superior on county highway.	Gasoline, fuel oil	5,992,000
General Electric Co., Owensboro, Ky	Electronic tubes	336,306
Hot Point, Inc., Milwaukee, Wis	Aircraft parts	1,913,000
Northrop Aviation, Inc., Hawthorne, Calif.	Aircraft	2,046,100
Cincinnati Milling Machine Co., Cincinnati, Ohio.	Milling machine lathes	4,156,958
Cincinnati Milling Machine Co., Wilmington, Ohio.	Machine tools	3,472,600
Cleveland-Cliffs Steamship Co., Cleveland, Ohio.	Transportation, lake or shipments.	6,000,000
Globe Brick Co., Newell, W. Va	Firebrick (refractory)	1,271,766
Consolidated Vultee Aircraft Corp., Pasadena, Calif.	Wind tunnel testing	661,666
Do	do	1,333,333
Do	do	666,667
Do	do	661,666
Do	do	661,675
Jones & Laughlin Steel Corp., Cleveland, Ohio.	Pig iron	8,955,300
Do	Steel ingots	9,259,000
Do	Steel plates, sheets, strips	9,144,850
Do	Steel ingots and slabs	1,485,000
Wright Aeronautical Corp., Caldwell, N. J.	Aircraft parts	578,600
Wright Aeronautical Corp., Woodridge, N. J.	do	5,334,440
Wright Aeronautical Corp., Garfield, N. J	do	6,124,000
Republic Steel Corp., South Chicago, Ill.	Seamless tubing	21,500,000
North American Refractories Co., Cleveland, Ohio.	Refractory brick	737,704
General Mills, Inc., Minneapolis, Minn	Services, research and development.	448,000
Derby Oil Co., Wichita, Kans	High octane gas and fuel	2,606,041
Jones & Laughlin Steel Corp., Aliquippa, Pa.	Steel beams, angles, and wire.	2,154,000
Jones & Laughlin Steel Corp., Pittsburgh, Pa.	Thermally treated steel	201,600
Do	Hot-rolled material	709,000
International Minerals & Chemicals Corp., Mulberry, Fla.	Chemicals	6,600,000
Ethyl Corp., Baton Rouge, La	Antiknock compounds	175,000
Stowe-Fuller Refractories Co., Alexandria, Pa.	Silica refractory brick	197,000
Robinson Clay Co., Parral, Ohio	Silica clay refractory brick	185,400
Stowe-Fuller Refractories Co., Strasburg, Ohio.	Silica refractory brick	369,000
General Electric Co., New Hartford, N. Y	Electronic equipment	15,693,000
Phillips Petroleum Co., Phillips, Tex	Propane and butane	4,056,575
Ben Hur Refining Corp., Long Beach, Calif.	Gasoline, fuel oil	2,230,000
Cleveland-Cliffe Steamship Co., Cleveland, Ohio.	Great Lakes transportation, cargo ships.	4,000,000
Avco Manufacturing Corp. (Crosley Division), Richmond, Ind.	Fire-control systems	1,909,000
Hughes Aircraft Co., Tucson, Ariz	Ordnance supplies	7,289,000
Northwestern Refining Co., St. Paul, Minn	Octane gasoline	2,074,998
Westinghouse Electric Corp., Pittsburgh, Pa.	Aircraft supplies	24,500,000
Superior Refinery Owners, Inc., Superior, Wis.	Gasoline, oil	1,228,800
General Electric Co., Lockland, Ohio	Aircraft parts	25,695,911
General Electric Co., Lynn, Mass	do	4,037,024
General Electric Co., Everett, Mass	do	647,689
Sunray Oil Corp., Stephens County, Okla	Gasoline components	1,750,866
Armour & Co., Fort Worth, Tex	Blood plasma	850,000
Tennessee Eastman Corp., Longview, Tex	Ethyl alcohol, synthetic	5,787,000
Clayton Manufacturing Co., Rosemeade, Calif.	Steam-cleaning machines, hydraulic dynamometers.	38,106
Lee Paper Co., Vicksburg, Mich	Fine paper, bonds, maps, etc	1,000,745
Gem City Engineering Co., Dayton, Ohio	Tools, dies, gages	69,466

Necessity certificates issued—Continued

JAN. 25 TO MAR. 7—continued

Name of company and location of facilities	Product or use	Amount certified
Magnum Corp., Barrington, Ill.	Magnesium and aluminum castings.	$8,851
Cincinnati Gear Co., Cincinnati, Ohio	Gears (Diesel and hydraulic).	97,791
Goodyear Tire & Rubber Co., Inc., Muncie, Ind.	Tank tracks	398,698
Goodyear Tire & Rubber Co., Inc., Akron, Ohio.	Tank bogie wheels and rollers.	322,855
Southern Pacific Co., Roseville, Calif.	Railroad transportation	4,591,500
Greenback Industries, Inc., Greenback, Tenn.	Copper powder, tin powder, brass powder.	370,922
Cotton Producers Co., Oraloma, northwest Fresno City, Calif.	Cotton ginning	175,630
Producers Cotton Oil Co., Westhaven, southwest Fresno City, Calif.	do	175,630
Cotton Oil Co., southwest Fresno City, Calif.	do	175,630
Cotton Oil Co., Kermay, Calif.	do	175,630
Ferrocute Machine Co., Bridgeton, N. J.	Power presses	186,275
Patterson Foundry & Machine Co., East Liverpool, Ohio.	Equipment for rolling mills	73,767
Nelson Stud Welding, Lorain, Ohio (division of Morton Gregory Corp.).	Welding equipment	184,660
Wendt-Sonis Co., Hannibal, Mo.	Tools and machinery	14,436
Accurate Products Co., Hillside, N. J.	Experimental tools	102,715
Standard Steel Spring Co., Gary, Ind.	Springs for vehicles	101,800
Kingston Products Co., Kokomo, Ind.	Tank truck pins	49,146
Wendelight Corp., Albertson, Long Island	Optical precision instruments.	115,435
Crobalt, Inc., Ann Arbor, Mich.	Cutting tools	41,200
Rheem Manufacturing Co., Sparrows Point, Md.	Metal shipping containers	534,783
Skarda, Inc., El Monte, Calif.	Ordnance supplies	172,411
Continental Foundry & Machine Co., East Chicago, Ind.	Tank turrets	192,711
Continental Foundry & Machine Co, Wheeling, W. Va.	Coat armor	60,776
B. F. Goodrich Co., Akron, Ohio	Testing tires	73,448
Therm Electric Meters Co., Inc., Ithaca, N. Y.	Forge dies and trim dies	196,314
Avalon Manufacturing Co., Garfield, N. J.	Sockets, terminals, rivets, and studs.	20,826
Westberg Tool & Manufacturing Co., Bridgeport, Conn.	Tools and dies	6,426
Union Pacific Railroad Co., rail system	Railroad transportation	5,807,500
General Motors Co., Wayne, Mich.	Diesel engines	1,317,893
Master Tool & Die Co., Inc., Detroit, Mich.	Tank parts	10,202
Bryant Checking & Grinding Co., Springfield, Vt.	Rifles and spare parts, and grinding machines.	37,876
Cincinnati Milling Machine Co., Cincinnati, Ohio.	Abrasive, grinding wheels	374,040
Milwaukee Solvay Coke Co., Milwaukee, Wis.	Coke, benzol, and xylol	1,200,000
Stewart-Warner Corp., Chicago, Ill.	Ordnance supplies	503,461
Pittsburgh Coke & Chemical Co., Neville Island, Pa.	Pig iron	$9,150,000
Weyerhaeuser Timber Co., Everett, Wash.	Paper pulp	19,125,000
Weyerhaeuser Timber Co., Longview, Wash.	Pulp, container board	12,469,377
Timken Roller Bearing Co., Canton, Ohio	Steel bars, seamless tubing	3,462,000
H. P. Deuscher Co., Hamilton, Ohio	Gray iron castings	33,791
Libby-Owens Ford Glass Co., Toledo, Ohio	Fibrous glass	737,780 3,413,800
Rayonier, Inc., New York, N. Y.	Cellulose	873,610
Do	do	1,412,418
Do	do	1,507,980
Firth Sterling Steel & Carbide Co., McKeesport, Pa.	Metal cutting tools	219,956
Pan-American Southern Corp., New Orleans, La.	Gasoline	5,500,000
Hartford Electrical Steel Corp., Hartford, Conn.	Steel sheet	3,243,000
New Britain Machine Co., New Britain, Conn.	Bolts and nuts	737,159
American Brake Shoe Co., Detroit, Mich.	Brake lining	13,593
Cincinnati Gear Co., Cincinnati, Ohio	Gears	236,643
Timken-Detroit Axle Co., south central Ohio.	Axle transfer cases and parts.	15,650,000
Standard Oil Co. of California, El Segundo, Calif.	Benzene and gasoline	14,000,000
White Fuel Corp., Boston, Mass.	Storage of petroleum products.	600,000
Screw Products of America, Los Angeles, Calif.	Self-locking nuts	1,575,709
International Business Machines Corp., Poughkeepsie, N. Y.	Ordnance supplies	17,910,000
Burgess-Norton Manufacturing Co., Geneva, Ill.	Tank truck bodies	157,600
Cupples Products Corp., Maplewood, Mo.	Alloy aluminum extrusions	881,798
Rockford Aeromatic Products Co., Rockford, Ill.	Universal joint bearings	33,000
Eaton Manufacturing Co., Cleveland, Ohio.	Compressor blades for aircraft.	850,000
National Steel Corp. (Weirton division), Weirton, W. Va.	Pig iron	15,450,000
Sealol Corp., Providence, R. I.	Oil seals	55,000
Fairchild Camera & Instrument Co., Long Island, N. Y.	Aerial photographic equipment.	4,395,292
Lodish Corp., Cudahy, Wis.	Steel forgings	3,757,452
Shenango Furnace Co., Pittsburgh, Pa.	Water transportation for iron ore.	1,158,000
Do	do	798,671
Do	do	1,050,500
Chisholm Boyd & White Co., Chicago, Ill.	Mechanical press	28,040
Aircraft Tapered Sheets, Inc., Los Angeles, Calif.	Wings and fuselage fittings	499,204
International Paper Co., Natchez, Miss.	Bleached dissolving pulp	22,034,300
Do	Bleached pulp	20,937,658
Pratt & Letchworth Co., Inc., Buffalo, N.Y.	Core assemblies	210,908
Argus Camera, Inc., Ann Arbor, Mich.	Lenses, prisms, etc.	450,000

In addition to the above listing, 3 applications from the Kaiser Aluminum & Chemical Corp. have been certified for indefinite amounts pending the submission of supplemental information by Kaiser. Total amount of the 3 original applications was $80,500,000.

MAR. 7 TO APR. 6

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
Continental Machines, Inc., Savage, Minn.	Sewing machines, metal cut-off machines, gage blocks, special gages.	$262,250	$262,250	85
Onsrud Machine Works, Inc., Chicago, Ill.	Metalworking machinery (aircraft)	26,629	26,629	90
Three M Tool & Die Co., York, Pa.	Machine tools, dies	15,000	15,000	75
Swan Engineering & Machine Co., Bettendorf, Iowa	Tools, dies, jigs, and fixtures	26,194	26,194	80
Jefferson Engineering & Manufacturing Co., Detroit, Mich.	Tank track components	118,782	118,782	85
Mathieson Hydro-carbon Chemical Corp., Doe Run, Ky.	Isobutane	19,000,000	18,980,095	75
Red Arrow Steamship Co., home port, Sheboygan, Wis.	Transportation (Great Lakes)	325,000	325,000	80
The Hobart Bros. Co., Troy, Ohio	Electric arc welders, power plant	13,787	13,787	75
Dresel-Betz Co., Belleville, Ill.	Dies, jigs, and fixtures	44,461	44,461	90
Harvey Machine Co., Kalispell, Mont., and in Northwest	Aluminum pig, bauxite	95,000,000	94,700,000	85
Reynolds Metals Co., Corpus Christi, Tex.	Aluminum	79,665,278	78,365,278	80
Aluminum Co. of America, Massena, N. Y.	Housing for employees	2,000,000		
Calhoun Development Co., near Port Lavaca, Tex.	Housing facilities	2,173,776		
ALCOA, unknown	Primary aluminum	60,000,000	64,775,236	80
Calhoun Development Co., Port Comfort, Tex.	Housing facilities	1,200,000		
Chicago & Eastern Illinois R. R. Co., home office, Chicago, Ill.	Transportation, rail	363,761	363,761	80
Seaboard Air Line R. R. Co., railroad line between Moncure, N. C., and Aberdeen, N. C.	do	851,000	851,000	65
The Jackson Iron & Steel Co., Jackson, Ohio	Silvery pig iron	2,438,550	2,438,550	85
The Timken-Detroit Axle Co., Detroit, Mich.	Axles for military vehicles	732,302	732,302	90
The Timken-Detroit Axle Co., Oshkosh, Wis.	do	429,014	429,014	80
The Timken-Detroit Axle Co., Ashtabula, Ohio	do	4,878	4,878	75
The Timken-Detroit Axle Co., Kenton, Ohio	do	49,760	49,760	85
The Timken-Detroit Axle Co., New Castle, Pa.	do	309,970	309,970	80
Allegheny Ludlum Steel Corp., Watervliet, N. Y.	Steel ingots	3,242,000	3,242,000	75
The Cleveland Pneumatic Tool Co., Cleveland, Ohio	Airplane landing gear	702,231	688,231	80
Do	do	375,000	350,000	75
Sylvania Electric Products, Inc., Burlington, Iowa	Subminiature electron tubes	4,277,322	4,252,322	75
Solar Aircraft Co., Des Moines, Iowa	Aircraft engine parts	1,750,000	1,679,000	75
Solar Aircraft Co., San Diego, Calif.	Manifold banks for aircraft engine	23,486	23,486	85
Do	Hood for aircraft engine	1,250	1,250	75
Do	Parts for jet engines	109,347	109,347	85
Do	Aircraft engine parts	158,549	158,549	75
Solar Aircraft Co., Des Moines, Iowa	do	15,284	15,284	85
Sylvania Electric Products, Inc., Towanda, Pa.	Tungsten and molybdenum (wire, powder, sheet).	2,899,335	2,899,335	80
Sylvania Electric Products, Inc., Warren, Pa.	Electron tubes	790,695	790,695	80
Solar Aircraft Co., San Diego, Calif.	Aircraft engine components	152,653	152,653	80

Necessity certificates issued—Continued

MAR. 7 TO APR. 6—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
Virginia Smelting Co., West Norfolk, Va	Zinc powder, chlorine gas	$1, 265, 485	$1, 265, 485	75
Atlantic Coast Line Railroad Co., Wilmington, N. C	Rail transportation	2, 330, 000	2, 330, 000	50
The Sherwin-Williams Co., Chicago, Ill	Refined napthalene	274, 060	274, 060	55
St. Joseph Lead Co. of Pennsylvania, Josephtown, Pa	Slab zinc	1, 468, 070	1, 468, 070	75
Randolph Metals Co., Canton, Mass	do	49, 753	49, 185	75
Manasco Manufacturing Co., Burbank, Calif	Hydraulic landing gears	771, 634	663, 634	80
The Sherwin-Williams Co., Chicago, Ill	Refined para cresol	279, 150	279, 150	55
Monsanto Chemical Co., Monsanto, Ill	Chlorine and caustic soda	1, 450, 000	1, 450, 000	50
Wyandotte Chemicals Corp., Wyandotte, Mich	do	760, 000	760, 000	50
Stauffer Chemical Co., Niagara Falls, N. Y	Chlorine and caustic soda, carbon tetrachloride	5, 155, 000	5, 155, 000	50
Pennsylvania Salt Manufacturing Co., Wyandotte, Mich	Chlorine, caustic soda	1, 380, 753	1, 380, 753	50
Diamond Alkali Co., Deer Park, Pasadena, Tex	do	5, 900, 000	5, 900, 000	50
Pennsylvania Salt Manufacturing Co., Calvert City, Ky	do	6, 500, 000	6, 500, 000	50
Pittsburgh Plate Glass Co., Natrium, W. Va	do	10, 200, 000	10, 200, 000	50
Southern Alkali Corp., Lake Charles, La	do	10, 080, 000	10, 080, 000	50
Southern Alkali Corp., Corpus Christi, Tex	do	8, 665, 000	8, 665, 000	50
Michigan Chemical Corp., St. Louis, Mich	do	9, 960, 000	9, 945, 238	50
Pennsylvania Salt Manufacturing Co. of Washington, Tacoma, Wash	do	445, 000	445, 000	50
Pennsylvania Salt Manufacturing Co. of Washington, Portland, Oreg	do	1, 497, 598	1, 497, 598	50
Mathieson Alabama Chemical Corp., McIntosh, Ala	do	8, 124, 900	8, 124, 900	50
National Distillers Chemical Corp., Ashtabula, Ohio	Chlorine, sodium	960, 000	[5] 960, 000	50
Do	do	9, 600, 000	[5] 9, 600, 000	50
Mathieson Hydrocarbon Chemical Corp., Saltsville, Va	Liquid chlorine	9, 149, 960	9, 149, 960	50
The Dow Chemical Co., Freeport, Tex	Chlorine, caustic soda	34, 619, 000	34, 619, 000	50
Allied Chemical & Dye Corp., Hopewell, Va	Chlorine	2, 150, 000	2, 150, 000	50
Diamond Alkali Co., Painesville, Ohio	do	2, 182, 910	2, 182, 910	50
Hooker Electro-Chemical Co., Niagara Falls, N. Y	do	688, 000	448, 000	50
Diamond Alkali Co., Deer Park, Pasadena, Tex	Chlorine, caustic soda	2, 264, 220	2, 264, 220	50
Do	do	3, 396, 330	3, 396, 330	50
The Solvay Process Division, Allied Chemical & Dye Corp., unknown	Chlorine	29, 200, 000	[5] 29, 000, 000	50
North Carolina Pulp Co., Plymouth, N. C	Chlorine, caustic soda	1, 500, 000	1, 389, 900	50
Southern Ferro Alloys Co., Chattanooga, Tenn	do	3, 250, 000	[5] 3, 250, 000	50
The Dow Chemical Co., Pittsburg, Calif	do	606, 400	606, 400	50
Do	do	2, 333, 360	2, 333, 360	50
Innis, Speiden & Co., Niagara Falls, N. Y	do	830, 000	830, 000	50
The Dow Chemical Co., Freeport, Tex	Perchloroethylene, chlorine	3, 141, 000	3, 141, 000	50
Brown Co., Berlin, N. H	Chlorine, caustic soda	221, 500	221, 500	50
Niagara Alkali Co., Niagara Falls, N. Y	Chlorine	1, 045, 088	1, 045, 088	50
Frontier Chemical Co. of Kansas Inc., Sedgwick County, Kans	Chlorine, hydrochloric acid	1, 467, 800	1, 432, 800	50
The Dow Chemical Co., Midland, Mich	Chlorine, caustic soda	2, 600, 000	2, 600, 000	50
Ahlberg Bearing Co., Chicago, Ill	Ball bearings	550, 000	550, 000	85
Mountain States Bean Co., Denver, Colo	Food storage	766, 500	766, 500	40
Seaboard Air Lines R. R. Co., railroad line near Eulonia, S. C., and Andrews, S. C	Rail transportation	267, 500	267, 500	65
The Torrington Co., Inc., of Indiana, South Bend, Ind	Antifriction bearings	312, 549	312, 549	85
Sheridan Towing Co., Inc., New York and Philadelphia	Tugboat transportation	550, 000	550, 000	70
Tyson Bearing Corp., Massillon, Ohio	Roller bearings	71, 515	71, 515	90
W. J. Bullock, Inc., Birmingham, Ala	Secondary aluminum, zinc, brass	765, 000	765, 000	75
B. & M. Towing Co., Gulf coast to Pittsburgh	Oil transportation, barges, tugboats	569, 882	{ 319, 882 250, 000	80 70
George Sall Metals Co., Inc., undecided	Nonferrous metals	665, 000	615, 000	75
McAllister Bros., Inc., New York Harbor	Towboat transportation	140, 375	140, 375	70
Ohio Steel Foundry Co., Lima, Ohio	Steel rolling-mill rolls	1, 001, 622	1, 001, 622	80
American Barge Lines Co., Mississippi River (home office, Jeffersonville, Ind.)	Water transportation	1, 513, 609	970, 806	80
New York, Chicago & St. Louis Ry. Co., Cleveland, Ohio	Rail transportation	2, 452, 007	2, 452, 007	80
Lebanon Steel Foundry, Lebanon, Pa	Armor castings for tanks	891, 591	891, 591	75
Atlantic Coast Line R. R. Co., Wilmington, N. C	Rail transportation	21, 393, 333	21, 393, 333	65
Tyson Bearing Corp., Massillon, Ohio	Roller bearings	1, 145, 000	1, 145, 000	90
Chemstrand Corp., Decatur, Ala	Staple synthetic fiber	25, 531, 500	25, 531, 500	50
Chemstrand Corp., to be selected	Nylon filament	88, 500, 000	88, 500, 000	50
Monsanto Chemical Co., Texas City, Tex	Acrylonitrile, hydrogen cyanide	25, 633, 000	25, 633, 000	50
National Distillers Chemical Corp., Ashtabula, Ohio	Chlorine, liquid sodium	9, 656, 490	9, 656, 490	50
Wyandotte Chemical Corp., Wyandotte, Mich	Chlorine, caustic soda	22, 572, 000	[5] 21, 761, 880	50
W. A. Handley Manufacturing Co., Roanoke, Ala	Heavy cotton fabrics	300, 364	300, 364	60
Spartan Mills, Spartanburg, S. C	Army duck	334, 638	334, 638	70
Romac Mills, Inc., Memphis, Tenn	Cotton duck	598, 320	598, 320	60
Spartan Mills, Spartanburg, S. C	Army duck	379, 654	379, 654	70
Brookside Mills, Inc., Knoxville, Tenn	Cotton duck	4, 586, 400	4, 586, 400	60
Mexia Textile Mills, Inc., Mexia, Tex	Duck cloth	203, 108	203, 108	60
Pacolet Manufacturing Co., New Holland, Ga	do	1, 870, 725	1, 870, 725	60
Limestone Manufacturing Co., Caffney, S. C	Shelter duck	1, 089, 235	1, 089, 235	60
Continental Sulphur & Phosphate Corp., Cody, Wyo	Sulfur	1, 850, 000	1, 850, 000	85
United Drill & Tool Corp. (Whitman & Barnes division), Plymouth, Mich	Cutting tools, drills	133, 617	133, 617	90
Champion Forge Co., Cleveland, Ohio	Steel drop forgings	470, 296	470, 296	80
Seaboard Air Line R. R. Co., Savannah, Ga	Rail transportation	3, 184, 000	3, 014, 000	65
Stratos division, Fairchild Engine & Airplane Corp., Farmingdale, Long Island, N. Y.	Ground air conditioner	36, 309	36, 309	85
Fairchild Engine & Airplane Corp., Farmingdale, Long Island, N. Y	Ordnance	11, 202	11, 202	85
Do	Aircraft engines	5, 979	5, 979	75
Ford Motor Co., Cincinnati, Ohio	Oil pump assemblies	2, 925, 577	2, 925, 577	75
General Motors Corp., Saginaw, Mich	Ball-bearing adjustors	235, 760	236, 760	90
General Motors Corp., Flint, Mich	Spark plugs	40, 275	40, 275	75
Menasco Manufacturing Co., Burbank, Calif	Landing gears	350, 000	350, 000	75
General Motors Corp., Grand Rapids, Mich	Aircraft engine parts	1, 598, 000	1, 598, 000	75
General Motors Corp., Harrison, N. J	Roller bearings	276, 672	276, 672	90
Good-All Electric Manufacturing Co., Ogallala, Nebr	Metal-clad condensers	200, 000	200, 000	75
Mechanics Universal Joint Division of Borg-Warner Corp., Rockford, Ill	Joint assemblies for aircraft	150, 000	150, 000	75
Kaiser Aluminum & Chemical Corp., Mead, Wash	Aluminum pig	5, 870, 500	5, 870, 500	80
Do	do	364, 006	364, 006	80
Titeflex, Inc., Newark, N. J	Radio and ignition components	289, 065	289, 065	80
General Motors Corp., Vandalia, Ohio	Propeller assembly	180, 655	180, 655	90
Goodyear Aircraft Corp., Akron, Ohio	Aircraft parts	200, 929	200, 929	80
Reynolds Metals Co., Jones Mills, Ark	Aluminum pig	4, 300, 000	4, 300, 000	80
Reynolds Aluminum Co., Troutdale, Oreg	do	475, 450	475, 450	80
Jones & Laughlin Steel Corp., Aliquippa, Pa	Pipe and tubing	1, 533, 250	1, 377, 000	60
Do	Recovery of iron	789, 000	742, 050	85
Marine Fuel Transfer Corp., New York Harbor	Barge fuel oil transportation	225, 000	225, 000	80
Peerless Woolen Mills, Rossville, Ga	Melton, kersey, flannel	1, 963, 000	578, 000	60
John L. Hutcheson, Jr., Cleveland, Tenn	Woolen cloth	2, 250, 000	2, 250, 000	60
Red Star Towing & Transportation Co., New York Harbor	Barge transportation	75, 000	75, 000	80
Do	do	225, 000	225, 000	80
Do	Diesel tug	350, 000	350, 000	70

[5] Less amount to be determined subsequently for mercury.

Necessity certificates issued—Continued

MAR. 7 TO APR. 6—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
New York, Chicago & St. Louis R. R. Co., Cleveland, Ohio	Rail transportation	$4,889,548	$4,889,548	65
Boeing Airplane Co., Seattle, Wash	Aircraft and accessories	4,941,916	4,941,916	85
Johns-Manville Corp., Bridgewater Township, Somerset County, N. J	Research and development of mineral fibers	3,817,000	3,817,000	75
The Cornelius Co., New Brighton, Minn	Aircraft air compressors	49,873	49,873	90
St. Regis Kraft Corp., Eastport, Fla	Wood pulp	17,638,000	17,638,000	60
Bergen Wire Rope Co., Lodi, N. J	Field wire conductors	60,000	60,000	75
Lycoming-Spencer Division of AVCO Manufacturing Corp., Williamsport, Pa	Throttle body assemblies	20,675	20,675	90
Allegheny Ludlum Steel Corp., Watervliet, N. Y	Stainless steel	3,200,000	3,200,000	70
Sun Oil Co., Marcus Hook, Pa	Benzene, toluene	8,380,000	8,380,000	85
Lockheed Aircraft Corp., Burbank and Van Nuys, Calif	Airplanes	3,666,693	3,371,238	85
Bell Aircraft Corp., Wheatfield, Niagara County, N. Y	Research, development engineering	250,000	250,000	75
Cities Service Oil Co., Ponca City, Okla	Gasoline, fuel oil	6,500,000	6,500,000	75
Heli Coil Corp., Danbury, Conn	Bushings, screw members, tools	244,429	244,429	80
Jack & Heintz Precision Industries, Inc., Maple Heights, Ohio	Aircraft rotating electrical equipment	410,900	411,900	90
Fairchild Engine & Airplane Corp., Farmingdale, Long Island, N. Y	Aircraft engine parts	12,357	2,414	75
Fairchild Aircraft Division, Fairchild Engine & Airplane Corp., Hagerstown, Md	Airplanes	83,118	71,456	80
Jones & Laughlin Steel Corp., Aliquippa, Pa	Transportation, barge loading	495,000	495,000	60
Do	Slag handling	93,000	93,000	85
Jones & Laughlin Steel Corp., Pittsburgh, Pa	Steel plates, sheets, strip	9,392,743	3,777,987	60
General Motors Corp., Vandalia, Ohio	Actuators	277,781	277,781	90
Consolidated Vultee Aircraft Corp., San Diego, Calif	Aircraft	144,851	144,851	75
Wyman-Gordon Co., Harvey, Ill	Engine crankshafts	4,848,200	4,848,200	80
Rockwood Oil Terminals, Inc., Cincinnati, Ohio	Transportation, oil barge	100,817	100,817	80
Bouchard Transportation Co., Inc., New York, N. Y	Oil barge	242,500	242,500	80
Worthington Pump & Machinery Corp., Piscataway Township, N. J	Welding equipment	211,470	211,470	90
National Steel Corp. (division of Weirton Steel Co.), Weirton, W. Va	Pig iron, steel ingots, etc	422,895	422,895	85
Phillips Oil Co., Borger, Tex	Aviation alkylate, gasoline, and Diesel fuel	15,573,700	15,573,700	75
Ashland Oil & Refining Co., St. Elmo and Wood River, Ill	Gasoline, kerosene	725,000	665,000	75
B. No. 90 Corp., care of Bouchard Transportation Co., Inc., New York, N. Y	Oil barge	242,500	242,500	80
Western States Refining Co., North Salt Lake, Utah	Gasoline	1,413,250	1,092,700	75
Sinclair Refining Co., Houston, Tex	Normal butylenes	27,000,000	27,000,000	75
Delhi gasoline plant, Sun Oil Co., Delhi, La	Isobutane	238,497	238,497	85
Frontier Natural Gasoline Co., Loco Hills, N. Mex	Natural gasoline	703,986	703,986	75
Standard Oil Co. of Indiana, Sugar Creek, Mo	Gasoline, kerosene	21,170,000	21,170,000	75
Premier Petroleum Co., Fort Worth, Tex	Gasoline	650,000	650,000	75
B. No. 70 Corp., care of Bouchard Transportation Co., Inc., New York, N. Y	Oil barge	242,500	242,500	80
Polan Industries, Hunting, W. Va	Glass bulbs, tubing, and flares for tubes	2,263,000	2,245,000	75
Continental Oil Co., Lake Charles, La	Gasoline, components, byproducts	23,820,150	23,820,150	80
River Co., Inc., New Orleans, La. (home port)	Water transportation, towboat and barge	850,000	510,000 340,000	80 70
Columbine Development Co., Columbine, Colo	Bleached sulfate pulp	16,552,000	15,846,000	65
Larson & Quigley Co., Chicago, Ill	Aircraft engine parts	37,348	37,348	90
Thompson Industries, Inc., Mineola, N. Y	Ball bearings	14,129	14,129	90
Union Tank Car Co., Chicago, Ill	Rail transportation	3,279,000	3,279,000	80
Do	do	3,185,000	3,185,000	80
Aluminum Co. of America (Alcoa reduction works), Alcoa, Tenn	Primary aluminum	912,900	912,900	80
Gulf Oil Corp., Port Arthur, Tex	Ethylene	15,427,000	15,427,000	80
United Aircraft Corp., East Hartford, Conn	Ordnance	329,855	329,855	80
Standard Oil Co. of Indiana, Whiting, Ind	Components for aviation gasoline	938,500	938,500	100
Kanotex Refining Co., Arkansas City, Kans	High-octane gasoline	2,347,423	2,347,423	75
Jones & Laughlin Steel Corp., Pittsburgh, Pa	Steel	379,600	379,600	75
Do	Steel ingots	104,600	101,900	75
Genesee Transporting Co., Nashville, Tenn	Water transportation	800,000	300,000 500,000	80 70
Petco Corp., Milwaukee, home office	Transportation, towboat	350,000	350,000	70
Bloom Engineering Co., Inc., Pittsburgh	Equipment for industrial furnaces, pipe insulation material.	165,080	157,080	80
The Haloid Co., Rochester, N. Y	Photographic papers	296,500	296,500	75
The B G Corp., Ridgefield, N. J	Spark plugs	1,400,000	1,400,000	75
Engineering Reproduction, Inc., Detroit	Reproduction of drafts for engineering	95,000	75,000	75
Talley Machine & Manufacturing Corp., Los Angeles, Calif	Machine work (aircraft parts)	27,434	27,434	90
Cargo Carriers, Inc., Wilmington, Del., home port	Transportation, tub and barge	700,000	325,000 375,000	80 70
The Heim Co., Fairfield, Conn	Special bearings	20,878	20,878	90
H. Levine Cooperage, Vernon, Calif	Reconditioning of steel drums	267,659	267,659	50
Research Welding & Engineering Co., South Gate, Calif	Tank assemblies and aircraft	16,500	16,500	90
Seaboard Air Line R. R. Co., West Jacksonville, Fla	Railroad transportation	247,000	247,000	65
Samuel Greenfield Co., scrap-iron depot, Buffalo, N. Y	Processing steel scrap	136,621	126,621	75
Union Tank Car Co., Chicago	Railroad transportation	2,275,000	2,275,000	80
The J. E. Baker Co., West Manchester Township, York County, Pa	Dead burned dolomite	2,038,895	2,038,895	85
Ethyl Corp., Houston, Tex	Antiknock compounds	45,000,000	44,135,000	85
Ethyl Corp., Baton Rouge, La	do	4,041,000	4,041,000	75
Ethyl-Dow Chemical Co., Freeport, Tex	Ethylene dibromide	8,185,000	8,185,000	100
National Grinding Wheel Co., Inc., Tonawanda, N. Y	Abrasive products	295,117	295,117	75
Patapsco & Black Rivers R. R. Co., Baltimore, Md	Transportation	523,000	360,000 163,000	75 65
Philadelphia, Bethlehem & New England R. R. Co., Bethlehem, Pa	Railroad transportation	200,000	200,000	75
Union Tank Car Co., Chicago, Ill	do	4,550,000	4,550,000	80
General Motors Corp., Cleveland	Diesel engine	1,744,282	1,744,282	75
Siskin Steel & Supply Co., Inc., Chattanooga, Tenn	Steel scrap	59,792	39,792	75
Worthington Pump & Machinery Corp., Harrison, N. J	Pumps	285,906	285,906	85
Slade Machine Products Co., Cleveland	Aircraft engine parts	23,885	23,885	90
American Non-Gran Bronze Co., Berwyn, Pa	Aircraft engine valve guides	60,413	60,413	85
Atlas Steel & Supply Co., Cleveland	Baled scrap iron	102,040	102,040	75
The Lederer Iron & Steel Co., Cleveland	Scrap iron	98,253	98,253	75
Alaska Junk Co., Seattle	do	70,000	30,000	75
Apex Steel & Supply Co., Chicago	Iron and steel scrap	142,700	142,700	75
Greer Hydraulics, Inc., Brooklyn, N. Y	Testing equipment	335,000	325,000	75
Dover Stamping Co., Fall River, Mass	Steel drums	3,917	3,917	75
Dow Corning Corp., Midland, Mich	Silicone, rubber	1,460,000	1,460,000	75
Lufkin Foundry & Machinery Co., Lufkin, Tex	Oil pumping units	100,000	100,000	75
Texas Vitrified Pipe Co., Mineral Wells, Tex	Vitrified clay sewer pipe	250,000	250,000	75
Litton Industries, San Carlos, Calif	Magnetron tubes	260,227	248,277	85
Steel City Iron & Metal Co., Inc., Youngstown, Ohio	Steel scrap	14,616	14,616	75
Seaboard Refractories, Raritan Township, N. J	Mullite, silicon, carbide, and clay refractories	174,700	174,700	85
Fitzgibbon Boiler Co., Inc., Oswego, N. Y	Hulls for tanks	1,750,000	1,750,000	75
Murray Refractories Co., Murray, Utah	Silica refractories	86,890	86,890	85
Landowne Steel & Iron, Morton, Pa	Ordnance supplies	6,500	6,500	75
Minneapolis-Honeywell Regulator Co., Philadelphia	Instruments for measuring, recording	750,000	731,000	75
Bol, Ltd., New York, N. Y	Research and development	11,201	11,201	85
Powers Regulator Co., Skokie, Ill	Process control apparatus, valves	2,378,390	1,588,390	75
The M. Cohen & Son Co., Cleveland	Iron and steel scrap	53,591	53,591	75
Jackson Iron & Metal Co., Inc., Jackson, Mich	Processing scrap metal	20,668	20,668	75
Mayer Pollock, Pottstown, Pa	Steel scrap	75,000	75,000	75
Hoyne Iron & Steel Co., Chicago, Ill	Copper scrap	150,111	146,000	75

Necessity certificates issued—Continued

MAR. 7 TO APR. 6—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
Euclid Road Machinery Co., Euclid, Ohio	Scrapers, loaders	$2,017,762	$2,017,762	50
Great Lakes Steamship Co., Inc., Superior, Wis	Water transportation	216,500	216,500	80
Goodyear Aircraft Corp., Akron, Ohio	Airplane wheels	269,690	269,690	85
California Bag & Metal Co., Portland, Oreg	Sheet-metal scrap	69,000	69,000	75
Abe & Albert A. Kaufman Iron & Metal Co., Cleveland, Ohio	Scrap iron	26,568	26,568	75
Ace Iron & Metal Co., Detroit	Scrap iron and steel	119,366	119,366	75
Hartford Machine Screw Co., Windsor, Conn	Aircraft engine parts	428,402	426,213	85
Laclede-Christy Co. of Colorado, Canon City, Colo	Clay firebrick and tile	347,000	347,000	85
Patapsco & Back Rivers R. R., Sparrows Point, Md	Railroad transportation	300,000	300,000	75
South Buffalo R. R. Co., Lackawanna, N. Y	do	995,000	600,000 395,000	75 65
Crouse-Hinds Co., Syracuse, N. Y	Conduit fittings	5,098,985	5,098,985	75
Sun Oil Co., Marcus Hook, Pa	Aviation gasoline	2,577,145	2,577,145	100
Taylor Refining Co., Corpus Christi, Tex	Butanes, gasoline and oil	5,057,493	5,057,493	75
The Kellex Corp., Summit, N. J	Research, development, and construction services.	285,000	260,000	75
A. P. Ward & Son, Inc., Pensacola, Fla., home port	Water transportation	140,000	140,000	70
Hardinge Bros., Inc., Elmira, N. Y	Lathes	128,957	128,957	85
Aluminum Co. of America, Port Lavaca, Tex	Primary aluminum	43,564,618	5,209,375	80
Clearfield Clay Products Co., Clearfield, Pa	Ladle brick	1,338,765	1,333,765	85
General Refractories Co., Rockdale, Ill	Silica refractory brick	189,820	189,820	85
General Refractories Co., Los Angeles, Calif	do	462,000	462,000	85
General Refractories Co., Portsmouth, Ohio	do	63,000	63,000	85
General Refractories Co., Bucks County, Pa	Silica refractory brick	3,782,550	3,782,550	85
General Refractories Co., Joliet, Ill	do	541,920	541,920	85
C. A. Dunham Co., Marshalltown, Iowa	Steam traps and valves	109,418	109,418	75
Standard Oil Co. of Indiana, Neodesha, Kans	Gasoline	10,029,000	10,029,000	80
Standard Oil Co. of Indiana, Whiting, Ind	Aviation gasoline	2,327,500	2,327,500	100
Mechanics Universal Joint Division, Memphis, Tenn	Joint assemblies for combat vehicles	270,000	270,000	75
The Climax Fire Brick Co., Climax, Pa	Refractories	363,200	363,200	85
Laclede-Christy Co., Bessemer, Ala	Clay firebrick	140,500	140,500	85
Red Bank Division, Red Bank, N. J	Dynamotors	142,377	142,377	85
Friez Instrument Division, Towson, Md	Measuring instruments	93,861	93,861	85
Bendix Radio Division of Bendix Radio Corp., Towson, Md	Aircraft communications and radar equipment	1,026,882	1,008,474	75
Laclede-Christy Co., Warm Springs, Calif	Clay firebrick	125,000	125,000	85
Laclede-Christy Co., Clearfield City, Pa	do	200,000	200,000	85
Laclede-Christy Co., Ottawa, Ill	Firebrick	220,000	220,000	85
Dana Corp., Marion, Ind	Transmission devices	5,825,822	5,750,000	75
Fairfield Manufacturing Co., Lafayette, Ind	Worm gears	2,930,889	2,917,389	75
Carroll B. Fulton & William H. Olmstead, San Antonio, Tex	Aviation gasoline	12,000,000	11,925,000	80
Burgess Battery Co., Galena, Ill	Dry batteries for Signal Corps	42,000	40,000	75
Clover Box & Manufacturing Co., Inc., New York, N. Y	Nose assembly for airborne searchlight	3,466	3,466	80
Chicago Aerial Survey Co., Chicago, Ill	Aircraft photographic equipment	11,231	11,231	85
W. R. Cranes Co., Verona, Wis	Metal fabrication and construction	35,000	35,000	75
Tennessee Eastman Corp., Kingsport, Tenn	Hydroquinone	755,000	755,000	60
The Carborundum Co., Calvert City, Ky	Aluminum oxide	3,273,000	3,233,000	50
Kansas City Southern Ry. Co., Kansas City, Mo	Railroad transportation	3,375,000	3,375,000	65
American Electric Motors, Inc., Los Angeles, Calif	Gyroscope motors, aircraft	22,635	4,246	85
Shipowners & Merchants Towboat Co., Ltd., San Francisco	Transportation, towboat	250,000	250,000	70
Do	do	250,000	250,000	70
The Karl Douglas Co., Inglewood, Calif	Fabrication of aircraft landing gear	20,588	20,588	90
American District Steam Co., Inc., North Tonawanda, N. Y	Foundry building and equipment	473,162	473,162	80
Steelton & Highspire R. R. Co., Steelton, Pa	Railroad transportation	275,000	200,000 75,000	75 65
Gerotor May Corp., Baltimore, Md	Hydraulic valves	203,680	203,680	85
United States Rubber Co., Passaic, N. J	Hose	86,742	86,742	75
Do	Side panels, dispense package	13,693	13,693	75
Monroe Scrap Metal, Inc., Shreveport, La	Scrap iron	125,000	125,000	75
Brown & Root, Inc., Houston, Tex	Rebuilding tanks	329,933	329,933	75
Strom Steel Ball Co., Cicero, Ill	Steel balls	915,000	790,000	80
Gerotor May Corp., Baltimore, Md	Valves, pumps	42,895	42,895	75
Granite City Steel Co., Granite City, Ill	Pig iron, steel ingots	71,250,000	63,033,900	80
William L. Gilbert Clock Corp., Winsted, Conn	Timing units, fuses	4,693	4,693	85
Kaiser Aluminum & Chemical Corp., Moss Landing, Monterey County, Calif	Periclase, magnesium oxide, dolomite	915,472	915,472	70
Indiana Gear Work, Inc., Indianapolis, Ind	Aircraft gear units	94,535	92,835	85
Georgia, Florida & Alabama R. R. Co., between Richland and Bainbridge, Ga	Railroad transportation	93,572	93,572	65
Peerless Tool & Engineering Co., Chicago, Ill	Precision machining and fabricating aircraft engine components.	149,087	149,087	90
Wyckoff Steel Co., Chicago, Ill	Steel bars and shapes	685,350	685,350	60
Wyckoff Steel Co., Ambridge, Pa	Steel bars, carbon, and alloys	118,385	118,385	60
Manlove Manufacturing Co., Los Angeles, Calif	Aircraft valves	10,989	10,989	90
Monarch Steel Co., Hammond, Ind	Steel bars	300,000	300,000	60
Associated Iron & Metal Co., Oakland, Calif	Scrap iron	51,076	40,030	75
Wisconsin-Appleton Co., South Milwaukee, Wis	Iron castings	1,293,419	1,293,419	75
Metal Fabricators Corp., Waltham, Mass	Aircraft engine parts	29,000	29,000	75
Cameron Iron Works, Inc., Houston, Tex	Forged and rough-machined beech rings	2,915,417	2,915,417	75
Bendix Products Division, Bendix Aviation Corp., South Bend, Ind	Aircraft landing gear	1,196,843	1,183,668	80
Stoner Manufacturing Co., Aurora, Ill	Brass cartridge cases	144,649	144,649	75
Lake Erie Engineering Corp., Tonawanda, N. Y	Hydraulic presses	271,758	271,758	80
The National Radiator Co., Danville, Pa	Iron powder	4,617,530	4,592,530	60
Greenback Metal Powder Co., Inc., Dayton, Ohio	do	4,741,605	4,726,605	60
Monsanto Chemical Co., Near Pocatello, Idaho (tentative)	Phosphorus	7,500,000	7,450,000	50
St. Paul & Tacoma Lumber Co., Tacoma, Wash	Wood chips for pulp	600,000	435,000	65
Bower Roller Bearing Co., Detroit, Mich	Roller bearings	2,247,686	2,122,686	85
The Stanley Works, New Britain, Conn	Cold-rolled steel	906,182	906,182	60
Ashland Oil & Refining Co., Canton, Ohio	Gasoline, butane, jet fuels	3,870,000	3,870,000	75
Gladding, McBean & Co., Pittsburg, Calif	Fire clay refractory products	1,712,089	1,683,589	85
Gladding, McBean & Co., South Gate, Calif	Brick refractory	710,050	655,050	85
Chrysler Corp., Detroit, Mich	Rear axle housings	196,991	196,991	90
Johns Hartford Tool Co., Inc., Hartford, Conn	Aircraft engine parts	8,038	8,038	90
Rockport Steamship Co., Manitowoc, Wis	Water transportation	1,000,000	1,000,000	80
Premier Petroleum Co., Fort Worth, Tex	Jet fuel, butane, gasoline	3,580,000	3,580,000	75
Westvaco Chemical Division, Food Machinery & Chemical Corp., Pocatello, Idaho.	Elemental phosphorus	9,000,000	9,000,000	50
Ingram Products Co., Nashville, Tenn	Transportation, barges	1,244,000	764,000 480,000	80 70
E. & G. Brooke Iron Co., Exeter Township, Berks County, Pa	Pig iron	175,000	130,450	85
United Aircraft Corp., Hamilton Standard Division, Windsor Locks, Conn	Aircraft propellers	17,000,000	16,800,000	75
United Aircraft Corp. (Pratt & Whitney Aircraft Division), North Haven, Conn	Aircraft engines and parts	14,200,000	14,000,000	75
United Aircraft Corp. (Pratt & Whitney Aircraft Division), East Hartford, Conn	Aircraft engines	8,400,000	8,400,000	75
Korhumel-Heffron & Preiss Steel Co., Evanston, Ill	Cold-rolled spring steel	1,182,904	1,167,904	60
Koppers Co., Inc., Petrolia, Pa	Resorcinol	617,000	617,000	50

Necessity certificates issued—Continued

MAR. 7 TO APR. 6—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
The Cold Metal Products Co., Youngstown, Ohio	Strip steel	$1,287,800	$1,267,185	60
Canton Drop Forging & Manufacturing Co., Canton, Ohio	Propeller extrusions	114,306	114,306	75
Do	Forgings (jet engines)	250,000	250,000	75
SKF Industries, Inc., Philadelphia, Pa	Roller bearings and lock nuts	5,749,693	5,749,693	85
Hoberg Paper Mills, Inc., Green Bay, Wis	Paper towels, sulfite pulp	100,000	100,000	65
Plainville Metal Works, Plainville, Conn	Parachute hardware	14,663	14,663	80
Los Angeles Die Casting Co., Los Angeles, Calif	Die castings	17,554	17,554	75
The Champion Paper & Fibre Co., Canton, N. C	Bleached chemical pulp	4,345,742	4,336,418	65
Stover Lock Nut & Machinery Corp., Easton, Pa	Safety nuts, tank track pins	299,000	299,000	70
National Gypsum Co., Newburgh, N. Y	Gypsum paper	476,106	476,106	50
Latrobe Electric Steel Co., Latrobe, Pa	Tool steels (high speed)	4,149,000	4,149,000	75
Hawthorne Finishing Co., St. Louis, Mo	Treating of cotton duck	186,497	180,497	60
The Flintkote Co., Santa Clara, Calif	Paperboard products: Shipping containers	2,700,000	2,625,000	50
The Chesapeake Corp. of Virginia, West Point, Va	Pulp (wood)	980,815	934,648	65
Pacific Piston Ring Co., Los Angeles, Calif	Aircraft valves	30,303	30,303	90
American Brake Shoe Co., Chicago, Ill	Forgings for tank track, shell bodies	219,442	172,969	80
Avon Tube Division, Higbie Manufacturing Co., Rochester, Mich	Electric-weld steel tubing	209,240	209,240	60
Manchester Board & Paper Co., Inc., Richmond, Va	Paperboard	4,000,000	4,000,000	50
Norma-Hoffman Bearings Corp., Stamford, Conn	Instrument ball bearings	350,000	250,000	75
Glass Fibers, Inc., Defiance, Ohio	Glass superfine wool	1,717,278	1,467,403 231,750	85 50
SKF Industries, Inc., Shippensburg, Pa	Roller, ball bearings, lock nuts	902,103	886,103	85
Rhinelander Paper Co., Rhinelander, Wis	Glassine and wax papers	2,929,526	1,436,303	50
The Okonite Co., Passaic, N. J	Shipboard cables (electricity)	10,000	10,000	75
William E. Hooper & Sons Co., Woodberry, Baltimore, Md	Cotton duck, rope, cord	354,900	354,900	60
Rowan Cotton Mills Co., Salisbury, N. C	Knitting yarns	768,000	768,000	60
Philadelphia Textile Finishers, Inc., Norristown, Pa	Finishes to cotton duck	52,000	52,000	60
Eaton Manufacturing Co., Battle Creek, Mich	Blades for jet engines	848,318	848,318	75
California Refining Co., Perth Amboy, N. J	Gasoline, fuels	32,950,583	32,950,583	80
Mills Mill, Woodruff plant, Woodruff, S. C	Cotton cloth	1,255,552	886,906	60
Chesnee Mills, Inc., Chesnee, S. C	do	1,530,617	1,421,737	60
Coast Centerless Grinding Co., Los Angeles, Calif	Precision grinding, honing, lapping, and machine work.	66,215	48,215	90
Morris & Cumings Dredging Co., Inc., New York Harbor, N. Y., and east coast, United States.	Dredging channels, harbors	1,100,000	550,000	50
Commercial Construction Co., Inc., Houston, Tex	Scrap iron	80,138	80,138	75
Commercial Metals Co., Houston, Tex	do	50,000	50,000	75
Jones & Laughlin Steel Corp., Pittsburgh, Pa	Transportation (towboats, barges)	2,571,700	720,175 1,833,525	70 80
National Steel Corp., Lorain, Ohio	Transportation (lake freighter)	6,500,000	6,500,000	80
California-Doran Heat Treating Co., Los Angeles, Calif	Steel fittings, bolts	224,672	151,672	75
Axelson Manufacturing Co., Vernon, Calif	Aircraft assemblies	230,688	230,688	85
Kennecott Copper Corp., White Pine County, Nev	Virgin copper	7,342,910	3,987,910	85
Thompson Trailer Corp., unknown	Housing for radar	455,000	445,000	75
Mills Mill, Saxon plant, Spartanburg, S. C	Cotton cloth	956,239	956,239	60
Rotary Electric Steel Co., Macomb County, Mich	Alloy and stainless steel billets	886,000	886,000	60
Aluminum Co. of America (Cleveland Works), Cleveland, Ohio	Aluminum, aircraft engine forgings	2,749,000	2,749,000	75
Fuller Manufacturing Co., Kalamazoo, Mich	Automotive transmissions	1,178,787	1,101,010	80
Jones & Laughlin Steel Corp., Pittsburgh, Pa	Steel scarfing	1,461,800	1,343,695	70
Stoner Manufacturing Co., Aurora, Ill	Brass cartridge cases	15,993	15,993	75
Inland Equipment Co., Nashville, Tenn	Rocket head assembly	56,534	56,534	85
Olin Industries, Inc., Covington, Tenn	Dry batteries	490,511	490,510	75
Aircraft Hardware Manufacturing Co., Inc., New York, N. Y	Aircraft hardware	19,976	19,976	85
Rem-Cru Titanium, Inc., Midland, Pa	Titanium ingots	450,000	450,000	75
Ingersoll Steel Division, Borg-Warner Corp., New Castle, Ind	Steel ingots	562,368	562,368	75
Ben Levy, doing business as Island City Iron & Metal Co., Galveston, Tex	Scrap iron	25,000	25,000	75
Moskowitz Bros., Cincinnati, Ohio	do	20,000	20,000	75
Aircraft Precision Products, Inc., Oak Park, Mich	Parts for jet engines	59,511	52,211	90
Ohio Ferro-Alloys Corp., Philo, Ohio	Ferro-silicon	237,500	237,500	85
Metalweld, Inc., Philadelphia, Pa	Spraying protective coating on shafts	232,000	213,000	60
Pacific Moulded Products Co., Los Angeles, Calif	Research (rubber and rubber synthetics)	5,609	5,609	75
Lukens Steel Co., Coatesville, Pa	Steel fabrication and assembly	142,000	142,000	60
Tantalum Defense Corp., North Chicago, Ill	Tungsten wire, sheet and fabricated parts; tungsten powder.	827,193	827,193	85
Globe Steel Tubes Co., Milwaukee, Wis	Steel tubing	780,434	780,434	75
Wells Aircraft Parts Co., Los Angeles, Calif	Machined aircraft parts	5,153	4,188	85
Hydraulic Units, Inc., Glendale, Calif	Hydraulic controls for aircraft	32,879	32,879	85
Summers Gyroscope Co., Santa Monica, Calif	Gyroscopic aircraft instruments	78,657	70,844	85
Columbia Iron & Metal Co., Girard, Ohio	Ferrous scrap	1,023,715	948,715	75

APR. 14 TO APR. 26

Chotin, Inc., New Orleans, La	Oil transportation, barges and towboat	$572,345	$178,000 394,345	80 70
New York Transformer Co., Inc., Alpha, N. J	Transformers for electronic equipment	50,000	50,000	75
Allegheny Ludlum Steel Corp., West Leechburg, Pa	Steel strip	3,800,000	3,800,000	70
The Torrington Co., Torrington, Conn	Antifriction bearings	1,854,897	1,645,098	80
Towle & Son Co., Philadelphia, Pa	Aircraft engine instruments	49,500	49,500	85
Interstate Engineering Corp., El Segundo, Calif	Aircraft parts	94,826	94,826	85
Climax Uranium Co., Grand Junction, Colo	Uranium oxide	909,023	908,194	90
Buckeye Cotton Oil Co., Chemical Pulp Division, Perry, Fla	Wood pulp, dissolving grade	26,777,735	21,527,735	65
Allen B. Dumont Laboratories, Inc., Clifton, N. J	Electronic equipment	27,625	27,625	75
Offshore Oil Transport Co., Houston, Tex	Transportation, towboat	124,210	124,210	70
Goodyear Tire & Rubber Co., Inc., Los Angeles, Calif	Earth-mover tire repairs	38,791	38,791	50
Pacific Valves, Inc., Long Beach, Calif	Industrial steel valves	45,800	45,800	85
General Ceramics & Steatite Corp., Keasbey, N. J	Transformer cores, materials for condensers	345,253	345,253	75
The Pennsylvania R. R. Co., Philadelphia, Pa	Transportation, rail	7,908,165	7,908,165	80
Do	do	3,000,000	3,000,000	80
Do	do	555,000	555,000	80
Do	do	1,574,420	1,574,420	80
Do	do	1,799,420	1,799,420	80
Do	do	2,731,330	2,731,330	80
Do	do	6,550,152	6,550,152	80
Do	do	5,525,000	5,525,000	80
Natona Mills, Inc., Dallas, Pa	Cotton twine netting, camouflage	22,525	22,525	60
Technicraft Laboratories, Inc., Thomaston, Conn	Electronic components	76,006	76,006	75
The B. F. Goodrich Co., Akron, Ohio	Testing tires	106,353	106,353	75
Collins Radio Co., Cedar Rapids, Iowa	Radar equipment	903,266	903,266	80
New Hampshire Ball Bearings, Inc., Peterborough, N. H	Precision ball bearings	38,783	38,783	85
Varian Associates, Palo Alto, Calif	Electronic equipment, tubes for radar	2,455,933	2,455,933	75
N. H. N. Tool & Die Works, Garwood, N. J	Stampings, metal	6,314	6,314	75
Seaboard Air Line R. R. Co., Hialeah, Fla	Transportation, rail	157,800	127,636	65

Necessity certificates issued—Continued

APR. 14 TO APR. 26—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
Kaiser Aluminum & Chemical Corp., Salinas, Calif.	Calcined dolomite	$1,173,000	$1,173,000	85
The Baltimore & Ohio R. R. Co., Baltimore, Md.	Transportation, rail	5,642,160	5,642,160	80
Electronic Associates, Inc., Long Branch, N. J.	Electronic instrumentation	8,709	8,709	85
United States Testing Co., Inc., Hoboken, N. J.	Testing of electronic equipment	11,829	11,829	75
Norma-Hoffmann Bearings Corp., Stanford, Conn.	Instrument ball bearings	180,000	180,000	75
Sonnet Supply Co., Hawthorne, Calif.	Cutting tools	17,091	17,091	90
The Baltimore & Ohio R. R. Co., Baltimore, Md.	Transportation, rail	4,534,000	4,534,000	80
The Torrington Co., Torrington, Conn.	Roller bearings	281,566	281,566	85
Oil Transfer Corp., New York, N. Y.	Tank barges	500,000	500,000	80
Chotin Transportation, Inc., New Orleans, La.	Transportation, barge	97,875	97,875	80
United Drill & Tool Corp. (Chicago-Latrobe Twist Drill Works Division), Chicago, Ill.	Cutting tools, drills	201,058	201,058	85
Coyle Lines, Inc., home port, Wilmington, Del.	Transportation, towboats	1,200,000	1,200,000	70
Tex-Mex Towing Co., Inc., Houston, Tex.	do	131,039	131,039	70
The Pennsylvania R. R. Co., Philadelphia, Pa.	Transportation, rail	1,475,000	1,475,000	80
Do	do	5,220,000	5,220,000	80
Gisholt Machine Co., Madison, Wis.	Machine tools	324,577	324,577	85
Mississippi Valley Barge Line Co., St. Louis, Mo.	Transportation, rail	1,075,772	1,075,772	80
American Smelting & Refining Co., New York, N. Y.	do	600,000	600,000	80
National Twist Drill & Tool Co., Rochester, Mich.	Metal-cutting tools	835,947	835,947	80
The Baltimore & Ohio R. R. Co., Baltimore, Md.	Transportation, rail	1,569,000	1,569,000	80
John Mohr & Sons, Chicago, Ill.	Construction of heavy industrial equipment	236,225	169,806	80
C. F. Harms Co., New York Harbor, N. Y.	Transportation, barge	73,100	73,100	90
Skagit Steel & Iron Works, Sedro Woolley, Wash.	Winch	22,137	22,317	75
Buffalo, Rochester & Pittsburgh Ry. Co., Baltimore, Md.	Transportation, rail	5,330,839	5,330,839	65
American Smelting & Refining Co., New York, N. Y.	Hopper cars	75,000	75,000	80
American Steamship Co., Manitowoc, Wis.	Transportation, freight vessel	6,593,253	6,593,253	80
R. & B. Tool & Gauge Co., Detroit, Mich.	Gages, tools, dies, fixtures	52,882	52,882	85
Star Cutter Co., Farmington, Mich.	Metal cutting tools	545,045	401,745	80
The Baltimore & Ohio R. R. Co., Baltimore, Md.	Transportation, rail	4,567,100	4,567,100	80
The Steel Improvement & Forge Co., Cleveland, Ohio	Aircraft engine parts	169,162	169,162	75
City Pattern Foundry & Machine Co., Detroit, Mich.	Metal patterns, castings	[6] 134,911	134,911	85
The Standard Lime & Stone Co., Woodville, Ohio	Dolmitic lime	22,022	22,022	85
The Pennsylvania R. R. Co., Philadelphia, Pa.	Transportation, rail	4,143,750	4,143,750	80
Do	do	4,474,744	4,474,744	80
Do	do	11,050,000	11,050,000	80
White-Roth Machine Corp., Lorain, Ohio	Mining machines	122,180	122,180	50
Aluminum Ore Co. (Bauxite, Arkansas works), Bauxite, Ark.	Alumina	54,000,000	53,900,000	80
Cosden Petroleum Corp., Big Spring, Tex.	Benzene	2,950,000	2,950,000	85
The Dow Chemical Co., Midland, Mich.	Ethylene dibromide	70,000	70,000	100
The Dow Chemical Co., Ludington, Mich.	Bromine	433,500	433,500	100
The Dow Chemical Co., Midland, Mich.	Ethylene dibromide	200,000	200,000	100
Do	Bromine	630,000	630,000	100
Do	Crude ethylene dibromide	100,000	100,000	100
The Benson Manufacturing Co., Kansas City, Mo.	Gasoline tanks, aircraft, oil tanks	550,000	511,127	80
Reynolds Aluminum Co., Jones Mills, Ark.	Aluminum pig	370,000	370,000	80
Le Roi Co., Milwaukee, Wis.	Engine, air compressors, generator sets	350,595	350,595	70
Hogan Laboratories, Inc., New York, N. Y.	Research and development, electronic	14,205	14,205	85
Philadelphia, Bethlehem & New England R. R. Co.	Transportation, rail	896,000	275,000 600,000	60 75
South Buffalo Ry. Co., Lackawanna, N. Y.	do	1,877,000	1,183,000 694,000	65 75
Warren Petroleum Corp., unknown	do	6,986,280	6,986,280	80
The Southland Towing Co., Louisville, Ky.	Towboat and barge transportation	535,026	325,402 209,624	70 80
Dana Corp., Toledo, Ohio	Transmission, gears (truck)	3,418,583	3,418,583	75
Sturges Gin Co., Somerton, Ariz.	Ginning of cotton	76,250	74,250	65
Sturges Gin Co., Yuma, Ariz.	do	76,250	74,250	65
Kearfett Manufacturing Corp., Newark, N. J.	Instrument motors and synchros	61,724	59,358	75
Moynahan Bronze Co., Flat Rock, Mich.	Aircraft hinges	241,130	[7] 241,130	80
W. H. Nichols Co., Waltham, Mass.	Aircraft engine pumps	202,934	202,934	85
Growers Gin Co., Inc., Gilbert, Ariz.	Lint cotton and cottonseed	143,380	121,880	65
Harper & Bowers, Estill, S. C.	Grain elevator	135,250	132,500	50
E. I. du Pont de Nemours & Co., Newport, Del.	Titanium	1,227,000	1,227,000	90
The Pure Oil Co., Toledo, Ohio	Butenes	7,140,000	7,140,000	75
The Ferro Engineering Co., Cleveland, Ohio	Refractory bottom rings	280,000	255,000	75
Shafter-Wasco Ginning Co., Inc., Shafter, Calif.	Cotton ginning	126,572	120,557	65
The Chesapeake & Ohio Ry. Co., Cleveland, Ohio	Transportation, rail	1,700,000	1,700,000	80
The Standard Lime & Stone Co., McCook, Ill.	Double-burned dolomite	679,333	679,333	85
Mississippi Valley Barge Line Co., St. Louis, Mo.	Transportation, barge	450,000	450,000	80
Belle City Malleable Iron Co., Racine, Wis.	Electric steel castings	1,508,064	1,508,064	75
Macon, Dublin & Savannah R. R. Co., Portsmouth, Va.	Transportation, rail	281,364	281,364	65
The Wheland Co., Chattanooga, Tenn.	Guns	2,750,000	2,697,000	90

[6] The net amount certified is the amount remaining after deducting the current or sale value of the replaced facilities from the cost of $134,911 estimated in the application.
[7] The net amount certified is the amount remaining after deducting the cost of the land, and the current or sale value of the replaced facilities from the cost of $241,130 estimated in the application.

APR. 27 TO MAY 3

Agricultural Products Co., Queen Creek, Ariz.	Ginning of cotton	$169,322	$167,322	65
Agricultural Products Co., Eley, Ariz.	do	169,322	167,322	65
Cattani Cotton Gins, Arvin, Calif.	do	165,436	163,436	65
Growers' Ginning & Marketing Co., Casa Grande, Ariz.	do	168,122	167,322	65
S. A. Camp Ginning Co., Wheeler Ridge, Calif.	do	134,190	124,190	65
Camp & McFarland, Delano, Calif.	do	134,190	124,190	65
Sam Hamburg Farms A Corp., Los Banos, Calif.	Lint, cottonseed	148,686	148,686	65
Maricopa Cotton Gin Co., Bakersfield, Calif.	Raw cotton	165,436	163,436	65
Plastic Wire & Cable Corp., Jewett City, Conn.	Wire	125,000	125,000	75
The Dow Chemical Co., Ludington, Mich.	Magnesium chloride	1,422,000	1,422,000	85
Metallurgical Laboratories, Bayside, N. Y.	Research and development	1,600,000	1,600,000	75
Shell Oil Co., Deer Park (Harris County), Tex.	Benzene	10,400,000	10,400,000	85
The Pure Oil Co., Nederland, Tex.	Butenes	11,140,000	11,140,000	75
Old Colony Manufacturing Corp., Taunton, Mass.	Cotton duck	472,640	472,640	60
Shell Oil Co., Wood River, Ill.	Butenes storage	243,000	243,000	100
Do	Pipeline	274,000	274,000	75
Standard Oil Co. of California, Richmond, Calif.	Alkylate	24,000	24,000	100
American Cyanamid Co., Michigan City, Ind.	Synthetic fluid cracking catalyst	5,116,987	5,077,035	85
Socony-Vacuum Oil Co., Inc., East St. Louis, Ill.	Butene	260,000	260,000	100
Aromatics Refining Co., Inc., Baton Rouge, La.	Benzene, xylene, toluene concentrate, motor gasoline.	11,930,000	11,630,000	85
The Delaware, Lackawanna & Western R. R. Co., New York, N. Y. (home office).	Transportation, rail	2,825,275	2,825,275	80
The Delaware, Lackawanna & Western R. R. Co., New York, N. Y.	do	1,923,556	1,923,556	80
The Baltimore & Ohio R. R. Co., Baltimore, Md.	do	7,861,750	7,861,750	80

Necessity certificates issued—Continued

APR. 27 TO MAY 3—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
Aerojet Engineering Corp., Nimbus, Calif	Ordnance	$2,275,965	$2,065,465	75
West Point Manufacturing Co., Langdale, Ala	Cotton duck	678,799	678,799	60
Great Lakes Steamship Co., Inc., Cleveland, Ohio	Water transportation, iron ore	6,000,000	6,000,000	80
Roosevelt Oil & Refining Corp., Mount Pleasant, Mich	Benzene	1,500,000	1,500,000	85
Texas Natural Gasoline Corp., Rankin and Tye, Tex	Rail transportation of iso-butene and normal butene in tank cars.	435,000	435,000	80
The New York Central R. R. Co., New York, N. Y	Transportation, rail	5,261,000	5,261,000	80
Do	do	4,660,000	4,660,000	80
Do	do	2,772,060	2,772,060	80
Do	do	5,450,000	5,450,000	80
Do	do	3,065,000	3,065,000	80
Do	do	2,625,000	2,625,000	80
Seaboard Shipping Corp., New York, N. Y	Water transportation of oil	254,819	254,819	80
The Baltimore & Ohio R. R. Co., Baltimore, Md	Transportation, rail	5,390,611	4,505,865	65
The Delaware, Lackawanna & Western R. R. Co., New York, N. Y	do	5,428,380	5,428,380	65
Gaylord Container Corp., Bogalusa, Washington Parish, La	Sulfate pulp	6,975,630	6,205,363	60
Arvey Corp., Memphis, Tenn	Chlorine, caustic soda	1,678,315	1,678,315	50
Libbey-Owens-Ford Glass Co., Rossford, Ohio	Plate glass	14,183,000	14,183,000	80
Monsanto Chemical Co., St. Louis, Mo	Malaic anhydride	1,345,000	1,345,000	60
Potash Co. of America, Dumas, Tex	Potassium sulfate hydrochloric acid	815,000	783,000	50
Monsanto Chemical Co., Springfield, Mass	Research	188,000	188,000	50
The Harshaw Chemical Co., Elyria, Ohio	Chrome alumina	149,082	78,600	70
Dow Corning Corp., Midland, Mich	Methyl chloride	820,000	820,000	70
Air Reduction Co., Inc., Calvert City, Ky	Calcium carbide	8,329,000	4,491,000	60
Minnesota Mining & Manufacturing Co., Langdon, Minn	Trifluorescetic acid	471,609	471,609	85
Jones & Laughlin Steel Corp., Aliquippa, Pa	Commercial fertilizers	70,000	69,400	85
Monsanto Chemical Co., Monsanto, Ill	Copper and quinolinolate	41,250	21,250	70
The Harshaw Chemical Co., Elyria, Ohio	Synthetic optical crystal	108,000	108,000	80
United States Industrial Chemicals, Inc., Baltimore, Md	Ethyl alcohol	328,815	328,815	50
The Dow Chemical Co., Freeport, Tex	Pipeline for petroleum gases	1,061,000	1,061,000	60
Do	Ethylene	5,600,000	5,600,000	60
Pennsylvania Salt Manufacturing Co., Calvert City, Ky	Hydrofluoric acid	341,088	341,088	75
Air Reduction Co., Inc., Louisville, Ky	Acetylene	103,416	103,416	60
The Dow Chemical Co., Pittsburg, Calif	Methylene chloride	670,000	670,000	70
The Chesapeake & Ohio R. R. Co., Cleveland, Ohio	Transportation, rail	23,757,704	17,133,436	65
Collins Radio Co., Arcadia, Calif	Radio units	842,382	777,382	80
The New York Central R. R. Co., New York, N. Y	Transportation, rail	4,415,000	4,415,000	80
National Container Corp., Valdosta, Ga	Kraft pulp, paper	25,000,000	23,165,000	60
Aluminum Co. of America (Massena reduction plant), Massena, N. Y	Primary aluminum	2,359,000	2,359,000	95
Carolina Aluminum Co., Badin, N. C	do	295,000	295,000	95
The New York Central R. R. Co., New York, N. Y	Transportation, rail	1,866,593	1,866,593	65
Do	do	2,307,832	2,307,832	65
Do	do	383,650	383,650	65
Do	do	2,257,132	2,257,132	65
Aluminum Co. of America (Point Comfort works), Port Lavaca, Tex	Primary aluminum	34,000,000	34,000,000	80
Standard Oil Co. of Texas, El Paso, Tex	Heating oils and gasolines, Diesel fuels	10,264,000	10,264,000	80
Electric Steel Castings Co., Indianapolis, Ind	Steel castings	9,083	9,083	75
Wagner Malleable Iron Co., Decatur, Ill	Iron castings	300,000	300,000	75
Western Alloyed Steel Casting Co., Minneapolis, Minn	Steel castings	7,905	7,905	75
National Malleable & Steel Castings Co., Cleveland, Ohio	Iron castings	3,547,875	3,547,875	75
National Malleable & Steel Castings Co., Sharon Pa	Ingots and steel castings	544,000	544,000	75
National Malleable & Steel Castings Co., Cicero, Ill	Malleable and steel castings	921,000	921,000	75
National Malleable & Steel Castings Co., Indianapolis, Ind	Malleable iron castings	1,123,000	1,118,500	75
Standard Steel Spring Co., Coraopolis, Pa	Springs, universal joints	175,000	175,000	75
National Malleable & Steel Castings Co., Melrose Park, Ill	Steel castings	158,000	158,000	75
The Harrison Steel Castings Co., Attica, Ind	do	658,476	658,476	75
Victor Chemical Works, Silver Bow, Mont	White phosphorus ferrophosphorus	9,320,688	9,304,950	50
Electrical Engineering & Manufacturing Corp., Los Angeles, Calif	Electrical motors	196,500	[8] 144,500	75
Detroit Aluminum & Brass Corp., Bellefontaine, Ohio	Friction bearings	1,081,413	1,071,413	75
Evans Tool & Die Co., Detroit, Mich	Machining castings	59,243	59,243	85
Pittsburgh Coke & Chemical Co., Neville Island, Pa	Coke, benzol	6,115,000	6,115,000	85
New England Forest Products, Inc., Berlin, N. H	Wood fiber board	2,850,000	2,762,000	50
Crown-Zellerbach Corp., Camas, Wash	Pulp	19,794,500	19,732,769	65
The Baltimore & Ohio R. R. Co., Baltimore, Md	Transportation, rail	1,732,560	1,732,560	65
Macon, Dublin & Savannah R. R. Co., Portsmouth, Va	do	117,497	113,497	65
Standard Oil Co. (an Indiana corporation), Wood River, Ill	Alcohols	2,552,000	2,552,000	80
Standard Oil Co. (an Indiana corporation), Sugar Creek, Mo	Olefin concentrate for alcohol	142,060	142,060	80
The Baltimore & Ohio R. R. Co., Baltimore, Md	Transportation, rail	781,280	781,280	65

[8] Amount to be diminished by current value or sale price of old building being replaced.

MAY 4 TO 11, 1951

E. R. Squibb & Sons, New Brunswick, N. J	Penicillin and streptomycin	$3,472,000	$3,472,000	60
Sharp & Dohme, Inc., West Point, Pa., Upper Gynedd Township	Dried human blood plasma	958,000	958,000	75
Chas. Pfizer & Co., Inc., Groton, Conn	Antibiotics (penicillin and streptomycin)	8,692,000	8,692,000	65
Chas. Pfizer & Co., Inc., Brooklyn, N. Y	do	890,000	890,000	65
Chas. Pfizer & Co., Inc., Terre Haute, Ind	do	475,000	475,000	65
American Cyanamid Co., Pearl River, N. Y	Aureomycin	6,000,000	6,000,000	60
Cutter Laboratories, Berkeley, Calif	Penicillin	146,988	146,988	70
Do	Dried human plasma and blood fractions	104,420	90,738	75
Novocol Chemical Manufacturing Co., Inc., Brooklyn, N. Y	Anesthetic cartridges	85,000	85,000	50
J. T. Baker Chemical Co., Phillipsburg, N. J	Penicillin	168,100	168,000	70
Climax Uranium Co., Outlaw and Calamity Mess, Colo., and Cactus Rat, Utah	Mineral ores	173,699	173,699	90
Continental Can Co., Inc., Hopewell, Va	Drum liner board	7,350,846	7,350,846	50
Servel, Inc., Evansville, Ind	Airplane parts	1,231,000	1,231,000	75
National-Standard Co., Clifton, N. J	Cold-rolled strip steel	786,000	786,000	60
Hooker Electrochemical Co., Tacoma, Wash	Chlorine	2,734,592	2,734,592	50
Sylvania Electric Products, Inc., Warren, Pa	Parts of electron tubes	427,533	427,533	80
Titanium Metals Corp. of America, Henderson, Nev	Titanium metal	14,162,840	14,162,840	90
Johnson Bronze Co., New Castle, Pa	Sleeve bearings	614,833	592,403	75
Do	do	785,118	785,118	75
The Trane Co., La Crosse, Wis	Heat transfer surface	671,800	671,800	75
The Alabama Great Southern R. R. Co., Birmingham, Ala	Transportation, rail	9,200,000	8,814,000	65
Flint Belt R. R. Co., Flint, Mich	do	92,320	92,320	65
The Chesapeake & Ohio R. R. Co., Cleveland, Ohio	do	2,383,763	2,383,763	65
Douglas Tool Co., Hazel Park, Mich	Ordnance, aircraft component	68,000	60,000	75
Wickes Engineering & Construction Co., Camden, N. J	Electronic equipment	230,977	230,977	75
Vulcan Mold & Iron Co., Lensing, Ill	Ingot molds and accessories	1,022,800	1,022,800	75
The Delaware & Hudson R. R. Corp., New York, N. Y	Transportation, rail	18,606,197	12,925,000 5,681,197	80 65

Necessity certificates issued—Continued

MAY 4 TO 11, 1951—continued

Name of company and location of facilities	Product or service	Amount applied for	Amount eligible	Percentage certified
The Cleveland-Cliffs Steamship Co., Cleveland, Ohio	Transportation, Lakes ore ship	$900,000	$900,000	80
Do	do	900,000	900,000	80
Phillips Oil Co., Sweeny, Tex	Aviation gasoline	8,417,400	8,417,400	85
Calolina Farms Gin, Kern County, Calif	Cotton and cottonseed	331,223	268,573	65
Penn Engineering & Manufacturing Corp., Buckingham, Pa	Self-clinching fasteners, hardware	22,458	22,458	85
Hudson Wire Co., Cassopolis, Mich	Insulated magnet wire	368,700	368,700	80
Casting Engineers, Inc., Chicago, Ill	Precision castings	153,815	143,815	85
Highway Trailer Co., Edgerton, Wis	Trailers	80,000	80,000	75
Transicoil Corp., New York, N. Y	Motors, generators, and gear trains	12,850	12,850	90
Carroll Pressed Metal Co., Worcester, Mass	Metal stampings and fabrication	4,975	4,618	90
Sloss-Sheffield Steel & Iron Co., Birmingham, Ala	Coke and coal chemicals	1,976,200	1,976,200	85
Wells Aircraft Parts Co., Los Angeles, Calif	Aircraft parts	95,000	95,000	90
Advance Electric & Relay Co., Burbank, Calif	Electrical relays	87,010	87,010	75
Cosden Petroleum Corp., Big Spring, Tex	Gasoline	270,000	270,000	75
Morrison Steel Products, Inc., Buffalo, N. Y	Stowage boxes, fenders, braces	1,720,007	1,720,007	80
Georgia-Pacific Plywood & Lumber Co., Jackson, Miss	Lumber	60,000	60,000	50
Zallea Bros., Wilmington, Del	Piping	34,048	30,616	75
Liberty Products Corp., Farmingdale, N. Y	Aircraft parts	186,070	186,070	90
The Monongahela Connecting R. R. Co., Pittsburgh, Pa	Transportation, rail	1,166,700	1,066,700	65
Do	do	1,784,889	1,523,500	65
Electric Specialty Co., Stamford, Conn	Armature laminations, castings (electrical)	15,683	15,683	90
Townsend Co., New Brighton, Pa	Self-locking nuts	106,500	106,500	75
Allen-Bradley Co., Milwaukee, Wis	Potentiometers	632,000	632,000	75
Standard Oil Co. of Indiana, Whiting, Ind	Benzene	1,170,000	1,170,000	85
Humble Oil & Refining Co., Baytown, Tex	Alkylate	177,845	177,845	100
Patterson Oil Terminals, Inc., Paulsboro, N. J	Storage of petroleum	725,000	725,000	85
H. V. Parker Grain Co., Hugoton, Stevens County, Kans	Grain storage	67,500	67,500	50
The Norman Lumber Co., Louisville, Ky	Lumber	17,500	17,500	50
Horner Flooring Co., Dollar Bay, Mich	Hardwood lumber	51,319	39,068	50
Standard Pressed Steel Co., Jenkintown, Pa	Set screws, shop equipment	6,798,067	6,697,540	75
Stauffer Chemical Co., Richmond, Calif	Ferric sulfate	147,204	147,204	50
Hartford Tool & Die Co., Inc. Hartford, Conn	Parts for aircraft engines	30,526	30,526	90
American Gystoscope Makers, Inc., New York, N. Y	Optical instruments	65,653	65,653	75
Kaiser Aluminum & Chemical Corp., Trentwood, Wash	Stretcher aluminum plate	350,000	350,000	75
Bethlehem Steel Co., Sparrows Point, Baltimore, Md	Sulfuric acid	4,000,000	4,000,000	70
General Chemical Division, Allied Chemical & Dye Corp., Newark, N. J	do	6,890,000	6,300,000	70
Stauffer Chemical Co., Comton, Calif	do	150,000	114,000	70
General Chemical Division, Allied Chemical & Dye Corp., Newell, Pa	do	1,910,000	1,910,000	70
The Cessna Aircraft Co., Wichita, Kans	Tail assemblies, aircraft components	947,186	940,536	80
Rome Cable Corp., Rome, N. Y	Cable (Signal Corps)	915,526	779,100	75
Woodward Iron Co., Woodward, Ala	Coke	2,820,000	2,820,000	85
The Cleveland Twist Drill Co., Cleveland, Ohio	Metal cutting tools	4,251,357	4,063,357	75
The Cuyahoga Valley Railway Co., Jennings Rd., Cleveland, Ohio	Transportation, rail	424,000	320,000 4,000	65 50
Godin Tool & Die Co., Detroit 5, Mich	Tools, jigs	257,300	257,300	80
The Bridgwater Machine Co., Akron, Ohio	Airplane parts	56,051	56,051	85
The B. F. Goodrich Co., Troy, Ohio	do	107,285	107,285	90
Greenfield Tap & Die Corp., Greenfield, Mass	Cutting tools	1,782,900	1,717,291	75
Alamo Water Transportation Co., Houston, Tex	Transportation, barge	223,600	223,600	80
Seaboard Air Line R. R. Co., Tampa, Fla	Transportation, rail	906,685	702,333	65
Tank Barge, Inc., San Francisco, Calif	Transportation, barge	239,501	239,501	80
Cutter Laboratories, East Chattanooga, Tenn	Solutions (intravenous), appliance sets (plasma)	956,096	924,436	80
United States Rubber Co., Bristol, R. I	Communications wire	111,338	108,864	75
Druge Bros, Manufacturing Co., Oakland, Calif	Ordnance parts	119,375	119,375	90
Beckman & Whitley, Inc., San Carlos, Calif	Ordnance components	15,866	15,866	90
The Great Lakes Towing Co., Towing Cleveland, Ohio	Towing service	2,000,444	2,000,444	70
Globe Hoist Co., Des Moines, Iowa	Bolts, fittings, bushings	61,485	61,485	90
The New York Central R. R. Co., New York, N. Y	Transportation, rail	6,735,000	6,735,000	65
The New York Central R. R. Co., New York, N. Y. (home office)	do	2,109,450	2,109,450	65
Do	do	904,392	904,392	65
Do	do	620,528	620,528	65
Ehrhardt Tool & Machine Co. (unknown)	Gages, dies, and precision tools	52,532	52,532	90
The Coleman Co., Inc., Wichita, Kans	Airplane parts	347,135	347,135	80
Roots-Connersville Blower Corp., Connersville, Ind	Centrifugal compressors	1,037,887	1,030,324	80
William Whitman Co., Inc., Lawrence, Mass	Wool serge cloth	212,521	212,521	60
The Texas & Pacific R. R. Co., Dallas, Tex. (home office)	Transportation, freight cars	5,018,539	5,018,539	80
Kingwell Bros., Ltd., San Francisco, Calif	Sleeve bushings	62,016	62,016	90
Atlantic Coast Terminals, Inc., Newark, N. J	Storage (petroleum)	1,542,541	1,478,516	85
Hermetic Seal Products Co., Newark, N. J	Terminals, plugs for radio	167,000	157,000	80
Winslow Manufacturing Co., Cleveland, Ohio	Gages, jigs, and fixtures	26,001	26,001	90
Westinghouse Electric Corp., Anne Arundel County, Md	Ordnance	11,515,000	11,475,000	75
Old Dutch Refining Co., Muskegon, Mich	Fuels	616,280	616,280	95
Hytron Radion & Electronics Corp., Danvers, Mass	Electron tubes	3,400,000	3,333,000	75
The Carpenter Steel Co., Reading, Pa	Flats and bands in coils, round rods in coils, round bars.	7,152,000	7,152,000	60
R. G. LeTourneau, Inc., Longview, Tex	Steel plates	4,550,000	4,550,000	70

Mr. MALONE. Mr. President, not only have investments a short amortization period, but a great many industries have a contract from the Government at a certain price and for enough production to cover the amortization period.

Now, why is that necessary? Two or three times within the past 60 or 90 days, on the floor of the Senate, the junior Senator from Nevada has discussed that very situation. The Senate has created a condition for which I blame only the United States Senate, not President Roosevelt, not President Truman, not Acheson, not the House of Representatives; I blame the Senate. Under this condition it is impossible for a private investor to put his money into the extension of a plant, which may be, let us say, a plant engaged in mining, for the purpose of producing tungsten or mercury; or into the extension of a textile plant of a certain needed type, or in the extension of any other kind of plant which produces goods of a nature which can be converted to peacetime production. Most of them are of that character. What is the reason for that? It is because, resulting from the removal of tariffs and import fees, the floor under the investment is gone, and as soon as the war is over the investment will be utterly destroyed. Men engaged in industry did not acquire the knowledge they now have without being smart enough to know that if they invested their own money, it will be lost; so they come to the Reconstruction Finance Corporation, they come to the General Services Administration, they come to the Bureau of Mines in the Interior Department, and they come to the Defense Production Administration crying for investment capital. The hotels of Washington are full of these men, and they are getting money by the billions of dollars.

I may say it is not the fault of these businessmen. I admire them for knowing their business. The Senate of the United States created the condition which makes it impossible for them to invest their own money. So, as the junior Senator from Nevada said last September of the floor of the Senate, and as carried by the press at the time, we could save more than $9,000,000,000 on

our domestic program. The President asked for $10,000,000,000 for this investment program. We did not need $10,000,000,000, for we could save $9,000,000,000 in the regular budget. We could have done that, but there was no disposition to do it.

The distinguished Senator from Virginia [Mr. BYRD] has said several times recently, within the past 3 or 4 or 5 months, that we could save $9,000,000,000 on our domestic budget, and I agree with him. But I say to the distinguished Senator from North Dakota that $9,000,000,000 is not drop in the bucket compared to what could be saved if we adopted business policies and principles, so that the businessmen of America could invest their money and know where they were going to land following an emergency.

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

Mr. MALONE. I yield to the distinguished Senator from North Dakota.

Mr. LANGER. But is it not true that, during all the time the distinguished Senator has mentioned, and during the past 20 years, this country has been in charge of the Democrats, and that if the very policy for which the Senator is contending has not been put into effect, it is the fault, not of the Senate, but of the Democratic Party, which has been in control continuously, with the exception of the life of the Eightieth Congress, during which we tried to have the policy changed?

Mr. MALONE. In answer to the distinguished Senator from North Dakota, I come back to the fact that individuals have to vote on the Senate floor. Senators understand what is going on here, as no one else can possibly understand, because they are here when the questions are being debated.

Mr. LANGER. Of course; but is it not true that, aside from the period of the life of the Eightieth Congress, the Senate has been controlled by the Democratic majority?

Mr. MALONE. That is true. But even a Democrat understands an argument. He does not need to be controlled by the President of the United States, and a Secretary of State who is entirely foreign-minded. They are only a part of the Government. There are three branches of the Government, and the mere fact that the Democratic majority has controlled all three from the White House for a considerable time is not the fault of the President. Everyone likes to have authority. The lust for power apparently grows on all men, as we learn by observing people who are in important offices. But the question leads down to the Senate of the United States and to every individual Senator. Let every Senator examine his record to see what he has done. If he likes it, let him continue it; if he does not like it, let him change it. He is not controlled, and he should not be controlled, from the White House or from the office of the Secretary of State.

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

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

Mr. DWORSHAK. The Senator from Idaho shares the sentiments expressed by the junior Senator from Nevada, in connection with his insistence upon the maintenance of certain safeguards for the benefit of the industries of the United States, particularly in the face of huge imports of potatoes from Canada and other countries. However, I should like to call the attention of the Senator from Nevada to a situation which undoubtedly exists, and which it is difficult to explain.

A perusal of the hearings will disclose that many Members of Congress endorse the general principle of reciprocal trade agreements, with this exception: They contend that, insofar as the specific industries of the respective States are concerned, they are entitled to protection. For instance, in the Northwest, it may be the mining industry, and, in the Southwest, the lumber industry. In the Southeast, it may be the oil industry, and in the Midwest and in the Allegheny section, the pottery, glassware, and woodworking industries. In the New England States it may be the watch-and-clock industry, and the various other industries operating in that area. In each case, invariably, a Member of Congress will insist that reciprocal trade agreements are very desirable, except that, in specific cases involving their States, there should be exemptions.

I ask the junior Senator from Nevada, if each State or each particular industrial area of the United States were to contend that it is entitled to exemptions of protection under reciprocal trade agreements then is it not true that, if we view all these exemptions compositely and consider the welfare of the entire country, it becomes very obvious that the reciprocal-trade-agreements program is not desirable from the standpoint of promoting the welfare of agriculture, industry, and labor in this country?

Mr. MALONE. I may say, in answer to the distinguished Senator from Idaho, that he is entirely correct as far as he goes. We have been sharpshooting, by either protecting individual segments of the economy, as with subsidies, or by destroying others by tariff cuts. But the sharpshooting days are over. We are familiar with the fact that each particular section of the country favors protection on something it produces and favors free trade in everything else. The steel fabricators come before the committees to make their case, urging that they must have their raw material imported under free trade, but that they must have a tariff of from 15 percent to 65 percent ad valorem on everything they make, from a hairpin to a bar of brass. That, of course, is the provincial theory, but it has been the theory, and it led to log rolling on the Senate floor, no doubt, over the years. But we have passed that point. We must adopt a principle. There is no principle represented by the measure which is now pending before the Senate. Witness the distinguished senior Senator from Florida, who says that there are now permissive amendments in the bill, "and we hope," the Senator said, "that we can prevail on the Secretary of State to protect our perishable agricultural products, under these permissive amendments."

We still have a great deal of this special pleading, this sectionalism and provincialism, but the sentiments are slowly changing. To wit: I have today received the resolution adopted at the Thirty-eighth Annual Congress of the National Society of New England Women. This society went on record as opposed to the extension of the 1934 Trade Agreements Act. They did not advocate protection of any single item or industry, but went the whole way. I ask unanimous consent to have the short resolution inserted in the RECORD at this point in my remarks.

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

RESOLUTION ADOPTED AT THIRTY-EIGHTH ANNUAL CONGRESS, NATIONAL SOCIETY OF NEW ENGLAND WOMEN, SWAMPSCOTT, MASS., MAY 16–18, 1951

TRADE AGREEMENTS ACT OF 1934 AS EXTENDED

Whereas our great mass production system is the basis of our national defense,

Whereas the Trade Agreements Act of 1934 as extended which expires in June 1951 has, through the so-called reciprocal trade agreements program negotiated by the State Department, removed protection from our workers and investors against the competition of low-paid workers of other nations, thereby gravely injuring various industries in this country and weakening our economy; Therefore be it

Resolved, That the National Society of New England Women urge Congress not to extend the Trade Agreements Act of 1934 as extended, but to reestablish the principle of flexible import fees in keeping with the Constitution of the United States.

Mr. LODGE and Mr. HAYDEN addressed the Chair.

Mr. MALONE. Let me finish my statement, and then I shall be glad to yield to the Senator from Massachusetts.

I will say to the Senator from Idaho that he has placed his finger on the feature that is vital at this moment. Sane men must arrive at a principle; they can no longer sharpshoot; they can no longer be concerned only with the products of Idaho or of California or of Texas. No doubt, there will be an oil-quota amendment before we are through, because oil is produced in the great State of Texas. It is a bad precedent, as long as it is not based on a principle. Some of us will vote for it, because only through some such arrangement can the oil wells be kept running. As soon as we have the peace, for which we all pray, oil will come in without any hindrance from the cheap-labor countries. Then rationing of oil production in Texas will start, and the oil producers will be here to protect their industry, just as the Senator from Florida [Mr. HOLLAND] is trying to protect the industry of his State. All I want to do is to have each individual Senator face the facts and say, "Let us have the principle of fair and reasonable competition laid down for all."

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

Mr. MALONE. I yield.

Mr. LANGER. Is it not true that only a few short months ago every Republican, every Member on this side of the aisle,

voted against a bill which the Democrats brought in having to do with reciprocal trade treaties? Yet the Senator says it is a matter for each individual Senator.

Mr. MALONE. I did not say it was a matter for each individual Senator. I supported the Senator from Idaho in his statement that under the present administration this situation has been brought about.

(At this point Mr. MALONE yielded to Mr. LODGE for a statement with reference to the pending bill and to other Senators for various matters, which, on request of Mr. MALONE, and by unanimous consent, were ordered to be printed at the conclusion of his speech.)

AMENDMENTS DO NOT INTRODUCE ANYTHING NEW

Mr. MALONE. Mr. President, I am opposed to the entire free-trade program of the State Department.

I say again, categorically, that the measure now reported to the Senate by the Finance Committee leaves every decision in the hands of the President and the thoroughly discredited State Department; and in making that statement, I refer to both the so-called peril-point amendment and the so-called escape-clause amendment. Those amendments would not give the President or the Secretary of State one iota of authority less than the authority they already have. Those amendments do not direct either the President or the Secretary of State to do anything that they have not previously been directed to do, except possibly less specifically so. The point is, this bill cannot force them to do anything.

I say again that the bill provides for a convenient cushion for the troubled conscience of any Senator who votes for free trade between our Nation, a Nation of high-living standards, and the lower-standard nations elsewhere in the world, and who votes to divide the markets of the United States with the sweatshop labor countries elsewhere in the world.

There is no substance to the statement that it is necessary to extend for 2 years the power of the Secretary of State and of the State Department and of the President under the 1934 Trade Agreements Act in order that the workingmen and investors of the United States may obtain relief. Our workingmen and investors already have been affected adversely by the so-called trade agreements, which really are not trade agreements, but are only treaties to lower tariffs.

ESCAPE CLAUSE COULD BE INCLUDED WITHOUT EXTENSION

Instead of the measure now before us, Mr. President, the Finance Committee could have reported to the Senate a substitute which would contain the escape-clause and would make it applicable to all previous trade agreements, in the same manner as would be done by the bill now before us, but would not propose to extend the 1934 Trade Agreements Act.

THE PRESENT POLICY IS NOT PRO-AMERICAN

Mr. President, the present administration's policy of division of the markets of the United States with the nations of the rest of the world is well known. As stated many times before committees of Congress, the alleged purpose of that policy is to give to foreign nations enough of our markets so as to make unnecessary the cash gifts we have made in the past by means of UNRRA, the Marshall plan, and the cash gifts which now it is proposed that we make under the so-called point 4 program.

INDUSTRIAL MAP OF UNITED STATES REMADE

Of course, the proposed point 4 program has the added advantage that under that program products made in foreign countries by branches of United States concerns could in many instances be imported into the United States without the payment of income taxes on the profits of those foreign operations.

It is obvious that it is the deliberate intention of the present administration to remake the industrial map of the United States. The administration has been engaged in that program for 18 years, and has extended it to practically all the products of this country, even including clothespins. The administration is pursuing its plan of remaking the industrial map of the United States by means of restricting the operations of many of our industries—for example, the mining industry. Seventy-five percent of the mines in the United States were closed down and a large part of the textile industry was closing down just before the beginning of the so-called police action in Korea which either put our young men back to work or put them into the Armed Forces.

Mr. President, the policy of the administration of remaking the industrial map of the United States results in restrictions on our mining industry, our glass industry, our pottery industry, our petroleum industry, our coal industry, and our precision-instrument industry. Those industries would thus be discriminated against in favor of foreign developments.

The national security of our country is threatened when we are made to depend, in time of emergency, upon the shipment of vitally needed raw materials from nations which are from 1,000 to 3,000 miles removed from our shores.

SUBSTITUTE FOR H. R. 1612

Mr. President, I am offering a substitute for the pending measure. The substitute will do two specific things. First, it will adopt the principle of fair and reasonable competition as a basis for establishing in the United States a market for the goods produced by foreign countries, as contrasted with the sharpshooting methods of the State Department which is deliberately attempting to divide the markets of the United States with the low-wage, low-living standard countries of the rest of the world, on the theory that that will make it unnecessary to make up their trade-balance deficits each year in cash.

My proposal would change that policy, and, instead, would have us proceed on the basis of the principle of fair and reasonable competition. That principle would be administed by a Foreign Trade Authority which would have sufficient latitude to be able to consider all the factors which affect the need for such an adjustment.

In the second place, my substitute would change the present long-experienced Tariff Commission into a Foreign Trade Authority. The new name would more correctly indicate the job that organization would be doing. The Foreign Trade Authority thus established would have, in regard to the fixing of tariffs and import fees on the principle of fair and reasonable competition, the same lattitude that the Interstate Commerce Commission has had for many years in regard to fixing freight rates for the common carriers on the basis of a reasonable return on their investments. In other words, Mr. President, my proposal would do away with the horse trading and sharpshooting and the logrolling and practically all the complaints which are offered in regard to the trade agreements made under the 1934 Trade Agreements Act.

ESTABLISHMENT OF FREE TRADE BY MANY DIFFERENT METHODS

Again I call attention to the fact that many of the proposed legislative acts which have come before the Congress—coming in from different directions and by means of different gates—have a common objective. However, few persons connect the Marshall plan, the point 4, and the other trick plans for making gift loans with the free-trade program to divide the markets of the United States with the other nations of the world, as initiated under the 1934 Trade Agreements Act.

THE ITO IS NOT DEAD

Few persons connect free trade with the International Trade Organization proposal, which now has been denounced by the State Department, because GATT had already adopted commercial policy chapter, chapter 4, of the International Trade Organization Charter. Chapter 4 of the ITO Charter is really a partial substitute for the ITO itself, and therefore representatives of the administration informed the Finance Committee that they would no longer push for our participation in the International Trade Organization.

So, under GATT, we adopted the important commercial policy provisions of the ITO, and notice is served on Congress, through a public statement, that legislation will be presented from time to time to make it entirely effective.

Yesterday, on the Senate floor, the junior Senator from Nevada explained the customs simplification bill, which is proposed and which is before the Congress at this moment. It was introduced last year, in the Eighty-first Congress, and revived now in the Eighty-second Congress, with six sleepers in it, all designed for what purpose? To complete the job of making the International Trade Organization almost completely effective. In turn, what does it do? It ties the hands of the sovereign United States in regard to many commercial policy matters. And all this was brought about when the Congress passed the 1934 Trade Agreements Act and thereby gave up its responsibility over the tariffs and the regulation of the foreign trade of the United States. The Congress surrendered this responsibility

without referring it to the people for a vote, and surrendered its authority to the Executive.

Under the 1934 Trade Agreements Act, Congress transferred that responsibility to the executive department. The President already having authority, under the Constitution, to fix foreign policy, it left nothing for the Congress to do except to make appropriations.

Under the ITO and under the commercial chapter policy—a chapter, now, in lieu of ITO—and with the six sleepers in the proposal now before the Congress, in regard to customs changes, complete the job, the effective transfer of the regulation of the foreign trade of this Nation from the executive department, where Congress put it, to an international tribunal, is completed. So I am calling attention to the different gates through which the interested parties come to the Senate and to the House of Representatives to complete a job which will end ultimately in the complete socialization and nationalization of private property within this country.

UNCONTROLLED INFLATION

We hear much debate about inflation. The President, we are led to believe, is lying awake at night worrying about inflation, but few people connect the removal of the metal base of our monetary system with the current inflation. We may as well cut the string of a toy balloon and then complain because it rises, as to cut the string, so to speak, tying the printed money to the metal base in this country, an authority which Congress deliberately gave to a President of the United States to do. The legislation was passed by the Senate. The administration should then and there have known, and they no doubt did know, that inflation was inevitable.

What was wanted, I suppose, was to have more money in the Government's pockets so that it might be able to give more money to everyone, while continuing to hold prices and the value of money at the former levels. Unfortunately, that is not the way it operates. It is as if someone were trying to support free trade, in order to help foreign nations make up their trade-balance deficits, while at the same time supporting a tariff to protect the workingmen and investors of this country. One might as well try to be on both sides of a barbed wire fence at one time. One cannot be on both sides of it. One can be on either side that he chooses, but he cannot be on both sides.

SMALL BUSINESS BEING ELIMINATED

Yesterday I read into the RECORD a letter from the Senator from Alabama [Mr. SPARKMAN], a man of estimable character, and a good Senator. In his letter he complains to me that small business, supposedly at the height of the prosperity of this Nation as the result of the arming of the Nation, with more contracts being let than it is possible to fulfill, is suffering because it does not get the work.

Few people connect the gradual destruction of the small business of the country with the free-trade program. Free trade for this Nation means that the large business organizations and aggregations of capital go behind the low-wage curtain in the foreign nations of the world, where they take over the markets of those nations from the small business concerns located therein, and also from the small business concerns located in this country, that have to some extent a foreign market for their goods. The large aggregations of capital take that market.

Small business in this country no longer has a market in the foreign nations, except temporarily and until such time as industries can be started in those nations. But in addition to that, the large business organizations not only take the markets there, and saturate those markets, but, under free trade, they then bring their manufactures back into this country, goods which are produced by the sweatshop labor of Europe and Asia, to displace the small-business man.

The Senator from Alabama [Mr. SPARKMAN] may take either side of this question he desires. If he wants to favor free trade, he should not complain about the small business of this country going down the drain, which is where it is going. There is no place for small business under a free-trade program, with large aggregations of capital allowed to go into the foreign countries, to export their products to those countries and to bring back into this country the products of those countries, produced by low-wage labor with the same machinery and under the same direction, when, hour for hour, factories abroad can produce as much as can be produced in our country, and at a lower cost. A man who can vote for this bill need not complain of the destruction of small business in this country.

I am for large aggregations of capital in this country. They are necessary to the carrying on of proper production, but I am also for enforcement of the Sherman Antitrust law. I am also for protection of the wage earner and investor in this country, upon a fair and reasonable competitive basis.

The complaint of the Senator from Alabama is that, at the height of the emergency, small business institutions are not prospering, and that, because of a lack of work, directly traceable to free trade, the Marshall Plan, and the point 4 program of the administration, the opportunity for small business in this country to succeed is gradually lessening and disappearing.

U. N. CHARTER OUTLAWS OUR CONSTITUTION

It has been noted that by reason of the United Nations Charter a California judge held a California land-holding law to be void.

Mr. President, in that connection, it happens that this morning there appeared an editorial in the Washington Times-Herald which is very interesting. It is entitled "Treaties Threatening Domestic Law."

I wonder how many persons have thought of the circumstance that treaties come before the Senate for a majority vote nowadays, by calling it by a different name. It used to take a two-thirds vote of the Senate to ratify a treaty, and a treaty could not be ratified otherwise. Treaties now come before Congress for a majority vote, by calling them agreements. Under the 1934 Trade Agreements Act, we have the spectacle of trade treaties being made, although officially they are executive agreements. It is not just a "happenstance" that we are ruining our economy; we are deliberately doing it. Every 3 years we extend the Trade Agreements Act, and the Congress washes its hands of it until the next time. It has been extended every time it came up for extension since 1934.

What has happened to the Congress of the United States? In my opinion, Congress has come to the point where it wants other people to take its responsibility. I would not go so far as to say Members are mentally lazy, but they have come to the point where they will transfer their authority at the least beckoning of an Executive who has already announced that he wants to give the country's markets away. The least the Senate could do would be to go on record by taking back from the incompetent State Department the authority to give away our markets, the basis of our income, and to destroy utterly the workingmen and investors of this Nation.

Mr. President, the editorial to which I have referred reads, in part, as follows:

> Because California has had an unfortunate experience with the United Nations members of the State's legislature are seeking an amendment to the Federal Constitution specifying that the sovereignty of the National Government and of the 48 States "shall not be abolished or altered by any treaty or Executive agreement."
>
> The proposed amendment is similar in purpose to one which the American Bar Association's committee on peace and law has taken under consideration. The amendment under study would provide that no treaty should become the supreme law of the land except to the extent that Congress thereafter passed specific laws to make it so.

Mr. President, some of our States and the American Bar Association have come to the point where they do not trust Congress to exercise its judgment in the matter of treaties which violate not only economic laws but other conditions that go to the well being of this Nation. In other words, they do not trust the judgment of the United States Senate. That is one of the greatest condemnations, in my opinion, that could possibly be visited on a Congress.

I ask unanimous consent to have included in the RECORD at this point the editorial from which I read two brief paragraphs.

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

TREATIES THREATENING DOMESTIC LAW

Because California has had an unfortunate experience with the United Nations, members of the State's legislature are seeking an amendment to the Federal Constitution specifying that the sovereignty of the National Government and of the 48 States "shall not be abolished or altered by any treaty or executive agreement."

The proposed amendment is similar in purpose to one which the American Bar Association's committee on peace and law has taken under consideration. The amendment under study would provide that no

treaty should become the supreme law of the land except to the extent that Congress thereafter passed specific laws to make it so.

TREATIES VERSUS UNITED STATES LAW

California's difficulties arose because of the existence of the constitutional provision that treaties shall be the supreme law, anything in the Constitution or laws of any State to the contrary notwithstanding. Some eager beavers on the Court of Appeals in California seized on this pretext in a case affecting alien land tenure to decree that any State law of California must yield to any statement conflicting with it which could be found in the United Nations Charter or even in such pronouncements as the U. N. declaration of human rights.

The court contended that even pious statements in the U. N. Charter outlining what were considered to be desirable, if largely unrealizable, conditions were binding upon any state ratifying the Charter. It adopted a like attitude with reference to the declaration of human rights, which is admittedly a mere statement of aims and aspirations, and not of legal obligation, and has never been submitted to the Senate for approval.

Because the California decision made clear that there is a real danger to American law and institutions, the State legislature decided that the safest method of foreclosing further usurpations of domestic rights was by constitutional amendment. This decision was taken even though there is an excellent possibility that the court of appeals decision will be thrown out upon review.

CLOSE THE DOOR

We subscribe to the belief that the best insurance against a danger of this kind is to close the constitutional door by passage of an amendment which will allow no legal quibble. The American Constitution, unlike all others, says that treaties are the "supreme law." Internationalist zealots and weak-minded courts will always be willing to try to abuse the opportunity thus afforded to subordinate the Constitution and domestic law to international authority and thus undermine the Republic.

The issue might be thought to have been settled once and for all in the decision of the Supreme Court in the Cherokee tobacco case in 1870. This case concerned a controversy over whether the internal revenue law applied to tobacco manufactured in Indian territory. The Cherokees contended that they were exempt under their treaty of 1866 with the Federal Government.

"It need hardly be said," stated Justice Swayne in his decision for the court, "that a treaty cannot change the Constitution or be held valid if it be in violation of that instrument."

While this principle may still apply, despite the subsequent interpretations of the applications of the treaty clause, Justice Swayne pointed out that there will always be a twilight zone: "The effects of treaties and acts of Congress, when in conflict, is not settled by the Constitution * * * A treaty may supersede a prior act of Congress, and an act of Congress may supersede a prior treaty."

As long as this condition obtains, domestic law will remain in jeopardy of the caprice of courts. An amendment to the Constitution, drawn in clear and unequivocal terms, can forever bar this threat to our sovereignty.

Mr. MALONE. Mr. President, the bill upon which we are about to vote and which was brought to the Senate floor from the distinguished Senate Finance Committee, also threatens the well being of the people of the United States.

I ask unanimous consent to have included in the RECORD at this point chapter IV, the commercial policy chapter of the International Trade Organization, which has been on the "must" list for the past 3 years. Now the President of the United States and the State Department have decided that, through the adoption of the commercial policy chapter of the ITO which I have asked unanimous consent to have included in the RECORD at this time for the ready reference of Senators, and through various bills, such as the customs simplification bill to bring the United States into the ITO through the back door. We do occasionally get a warning that the State Department will from time to time propose legislation to complete it. I invite the attention of the Senate to this back-door method of the State Department and the administration in completing an organization which the Secretary of State testified before the Senate Finance Committee he did not intend again to bring before the Senate.

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

CHAPTER IV. COMMERCIAL POLICY

SECTION A. TARIFFS, PREFERENCES, AND INTERNAL TAXATION AND REGULATIONS

Article 16. General most-favored-nation treatment

1. With respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation, and with respect to all matters within the scope of paragraphs 2 and 4 of article 18, any advantage, favor, privilege, or immunity granted by any member to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for all other member countries.

2. The provisions of paragraph 1 shall not require the elimination, except as provided in article 17, of any preferences in respect of import duties or charges which do not exceed the margins provided for in paragraph 4 and which fall within the following descriptions:

(a) preferences in force exclusively between two or more of the territories listed in Annex A, subject to the conditions set forth therein;

(b) preferences in force exclusively between two or more territories which on July 1, 1939, were connected by common sovereignty or relations of protection or suzerainty and which are listed in annexes B, C, D, and E;

(c) preferences in force exclusively between the United States of America and the Republic of Cuba;

(e) preferences in force exclusively between the Republic of the Philippines and the United States of America, including the dependent territories of the latter;

(e) preferences in force exclusively between neighboring countries listed in Annexes F, G, H, I, and J.

3. The provisions of paragraph 1 shall not apply to preferences between the countries formerly a part of the Ottoman Empire and detached from it on July 24, 1923, provided such preferences fulfill the applicable requirements of article 15.

4. The margin of preference on any product in respect of which a preference is permitted under paragraph 2 shall not exceed (a) the maximum margin provided for under the General Agreement on Tariffs and Trade or any subsequent operative agreement resulting from negotiations under article 17, or (b) if not provided for under such agreements, the margin existing either on April 10, 1947, or on any earlier date established for a member as a basis for negotiating the General Agreement on Tariffs and Trade, at the option of such member.

5. The imposition of a margin of tariff preference not in excess of the amount necessary to compensate for the elimination of a margin of preference in an internal tax existing on April 10, 1947, exclusively between two or more of the territories in respect of which preferential import duties or charges are permitted under paragraph 2, shall not be deemed to be contrary to the provisions of this article, it being understood that any such margin of tariff preference shall be subject to the provisions of article 17.

Article 17. Reduction of tariffs and elimination of preferences

1. Each member shall, upon the request of any other member or members, and subject to procedural arrangements established by the Organization, enter into and carry out with such other member or members negotiations directed to the substantial reduction of the general levels of tariffs and other charges on imports and exports, and to the elimination of the preferences referred to in paragraph 2 of article 16, on a reciprocal and mutually advantageous basis.

2. The negotiations provided for in paragraph 1 shall proceed in accordance with the following rules:

(a) Such negotiations shall be conducted on a selective product-by-product basis which will afford adequate opportunity to take into account the needs of individual countries and individual industries. Members shall be free not to grant concessions on particular products and, in the granting of a concession, they may reduce the duty, bind it at its then-existing level, or undertake not to raise it above a specified higher level.

(b) No member shall be required to grant unilateral concessions, or to grant concessions to other members without receiving adequate concessions in return. Account shall be taken of the value to any member of obtaining in its own right and by direct obligation the indirect concessions which it would otherwise enjoy only by virtue of article 16.

(c) In negotiations relating to any specific product with respect to which a preference applies—

(i) when a reduction is negotiated only in the most-favored-nation rate, such reduction shall operate automatically to reduce or eliminate the margin of preference applicable to that product;

(ii) when a reduction is negotiated only in the preferential rate, the most-favored-nation rate shall automatically be reduced to the extent of such reduction;

(iii) when it is agreed that reductions will be negotiated in both the most-favored-nation rate and the preferential rate, the reduction in each shall be that agreed by the parties to the negotiations;

(iv) no margin of preference shall be increased.

(d) The binding against increase of low duties or of duty-free treatment shall in principle be recognized as a concession equivalent in value to the substantial reduction of high duties or the elimination of tariff preferences.

(e) Prior international obligations shall not be invoked to frustrate the requirement under paragraph 1 to negotiate with respect to preferences, it being understood that

agreements which result from such negotiations and which conflict with such obligations shall not require the modification or termination of such obligations except (i) with the consent of the parties to such obligations, or, in the absence of such consent, (ii) by modification or termination of such obligations in accordance with their terms.

3. The negotiations leading to the General Agreement on Tariffs and Trade, concluded at Geneva on October 30, 1947, shall be deemed to be negotiations pursuant to this article. The concessions agreed upon as a result of all other negotiations completed by a member pursuant to this article shall be incorporated in the general agreement on terms to be agreed with the parties thereto. If any member enters into any agreement relating to tariffs or preferences which is not concluded pursuant to this article, the negotiations leading to such agreement shall nevertheless conform to the requirements of paragraph 2 (c).

4. (a) The provisions of article 16 shall not prevent the operation of paragraph 5 (b) of article XXV of the General Agreement on Tariffs and Trade, as amended at the first session of the contracting parties.

(b) If a member has failed to become a contracting party to the general agreement within two years from the entry into force of this charter with respect to such member, the provisions of article 16 shall cease to require, at the end of that period, the application to the trade of such member country of the concessions granted in the appropriate schedule annexed to the general agreement by another member which has requested the first member to negotiate with a view to becoming a contracting party to the general agreement but has not successfully concluded negotiations: *Provided*, That the Organization may, by a majority of the votes cast, require the continued application of such concessions to the trade of any member country which has been unreasonably prevented from becoming a contracting party to the general agreement pursuant to negotiations in accordance with the provisions of this article.

(c) If a member which is a contracting party to the general agreement proposes to withhold tariff concessions from the trade of a member country which is not a contracting party, it shall give notice in writing to the Organization and to the affected member. The latter member may request the Organization to require the continuance of such concessions, and if such a request has been made the tariff concession shall not be withheld pending a decision by the Organization under the provisions of subparagraph (b) of this paragraph.

(d) In any determination whether a member has been unreasonably prevented from becoming a contracting party to the general agreement, and in any determination under the provisions of chapter VIII whether a member has failed without sufficient justification to fulfill its obligations under paragraph 1 of this article, the Organization shall have regard to all relevant circumstances, including the developmental, reconstruction and other needs, and the general fiscal structures, of the member countries concerned and to the provisions of the charter as a whole.

(e) If such concessions are in fact withheld, so as to result in the application to the trade of a member country of duties higher than would otherwise have been applicable, such member shall then be free, within 60 days after such action becomes effective, to give written notice of withdrawal from the Organization. The withdrawal shall become effective upon the expiration of 60 days from the day on which such notice is received by the director general.

Article 18. National treatment on internal taxation and regulation

1. The members recognize that internal taxes and other internal charges, and laws, regulations, and requirements affecting the internal sale, offering for sale, purchase, transportation, distribution or use of products, and internal quantitative regulations requiring the mixture, processing or use of products in specified amounts or proportions, should not be applied to imported or domestic products so as to afford protection to domestic production.

2. The products of any member country imported into any other member country shall not be subject, directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like domestic products. Moreover, no member shall otherwise apply internal taxes or other internal charges to imported or domestic products in a manner contrary to the principles set forth in paragraph 1.

3. With respect to any existing internal tax which is inconsistent with the provisions of paragraph 2 but which is specifically authorized under a trade agreement, in force on April 10, 1947, in which the import duty on the taxed product is bound against increase, the member imposing the tax shall be free to postpone the application of the provisions of paragraph 2 to such tax until such time as it can obtain release from the obligations of such trade agreement in order to permit the increase of such duty to the extent necessary to compensate for the elimination of the protective element of the tax.

4. The products of any member country imported into any other member country shall be accorded treatment no less favorable than that accorded to like products of national origin in respect of all laws, regulations, and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use. The provision of this paragraph shall not prevent the application of differential internal transportation charges which are based exclusively on the economic operation of the means of transport and not on the nationality of the product.

5. No member shall establish or maintain any internal quantitative regulation relating to the mixture, processing or use of products in specified amounts or proportions which requires, directly or indirectly, that any specified amount or proportion of any product which is the subject of the regulation must be supplied from domestic sources. Moreover, no member shall otherwise apply internal quantitative regulations in a manner contrary to the principles set forth in paragraph 1.

6. The provisions of paragraph 5 shall not apply to any internal quantitative regulation in force in any member country on July 1, 1939, April 10, 1947, or on the date of this Charter, at the option of that member: *Provided*, That any such regulation which is contrary to the provisions of paragraph 5 shall not be modified to the detriment of imports and shall be subject to the negotiation and shall accordingly be treated as a customs duty for the purposes of article 17.

7. No internal quantitative regulation relating to the mixture, processing or use of products in specified amounts or proportions shall be applied in such a manner as to allocate any such amount or proportion among external sources of supply.

8. (a) The provisions of this article shall not apply to laws, regulations or requirements governing the procurement by governmental agencies of products purchased for governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

(b) The provisions of this article shall not prevent the payment of subsidies exclusively to domestic producers, including payments to domestic producers derived from the proceeds of internal taxes or charges applied consistently with provisions of this article and subsidies effected through governmental purchases of domestic products.

9. The members recognize that internal maximum price control measures, even though conforming to the other provisions of this article, can have effects prejudicial to the interests of member countries supplying imported products. Accordingly, members applying such measures shall take account of the interests of exporting member countries with a view to avoiding to the fullest practicable extent such prejudicial effects.

Article 19. Special provisions relating to cinematograph films

The provisions of article 18 shall not prevent any member from establishing or maintaining internal quantitative regulations relating to exposed cinematograph films. Any such regulations shall take the form of screen quotas which shall conform to the following conditions and requirements:

(a) Screen quotas may require the exhibition of cinematograph films of national origin during a specified minimum proportion of the total screen time actually utilized over a specified period of not less than 1 year, in the commercial exhibition of all films of whatever origin, and shall be computed on the basis of screen time per theater per year or the equivalent thereof.

(b) With the exception of screen time reserved for films of national origin under a screen quota, screen time, including screen time released by administrative action from time reserved for films of national origin, shall not be allocated formally or in effect among sources of supply.

(c) Notwithstanding the provisions of subparagraph (b) any member may maintain screen quotas conforming to the requirements of subparagraph (a) which reserve a minimum proportion of screen time for films of a specified origin other than that of the member imposing such screen quotas: *Provided*, That such minimum proportion of screen time shall not be increased above the level in effect on April 10, 1947.

(d) Screen quotas shall be subject to negotiation and shall accordingly be treated as customs duties for the purposes of article 17.

SECTION B. QUANTITATIVE RESTRICTIONS AND RELATED EXCHANGE MATTERS

Article 20. General elimination of quantitative restrictions

1. No prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any member on the importation of any product of any other member country or on the exportation or sale for export or any product destined for any other member country.

2. The provisions of paragraph 1 shall not extend to the following:

(a) Export prohibitions or restrictions applied for the period necessary to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting member country;

(b) Import and export prohibitions or restrictions necessary to the application of standards or regulation for the classification, grading or marketing of commodities in international trade; if, in the opinion of the Organization, the standards or regulations adopted by a member under this subparagraph have an unduly restrictive effect on trade, the Organization may request the member to revise the standards or regula-

tions: *Provided*, That it shall not request the revision of standards internationally agreed pursuant to recommendations made under paragraph 7 of article 39;

(c) Import restrictions on any agricultural or fisheries product, imported in any form, necessary to the enforcement of governmental measures which operate effectively—

(i) to restrict the quantities of the like domestic product permitted to be marketed or produced, or, if there is no substantial domestic production of the like product, of a domestic agricultural or fisheries product for which the imported product can be directly substituted; or

(ii) to remove a temporary surplus of the like domestic product, or, if there is no substantial domestic production of the like product, of a domestic agricultural or fisheries product for which the imported product can be directly substituted by making the surplus available to certain groups of domestic consumers free of charge or at prices below the current market level; or

(iii) to restrict the quantities permitted to be produced of any animal product the production of which is directly dependent, wholly or mainly, on the imported commodity, if the domestic production of that commodity is relatively negligible.

3. With regard to import restrictions applied under the provisions of paragraph 2 (c):

(a) such restrictions shall be applied only so long as the governmental measures referred to in paragraph 2 (c) are in force, and, when applied to the import of products of which domestic supplies are available during only a part of the year, shall not be applied in such a way as to prevent their import in quantities sufficient to satisfy demand for current consumption purposes during those periods of the year when like domestic products, or domestic products for which the imported product can be directly substituted, are not available;

(b) any Member intending to introduce restrictions on the importation of any product shall, in order to avoid unnecessary damage to the interests of exporting countries, give notice in writing as far in advance as practicable to the Organization and to members having a substantial interest in supplying that product, in order to afford such members adequate opportunity for consultation in accordance with the provisions of paragraphs 2 (d) and 4 of article 22, before the restrictions enter into force. At the request of the importing member concerned, the notification and any information disclosed during the consultations shall be kept strictly confidential:

(c) any member applying such restrictions shall give public notice of the total quantity or value of the product permitted to be imported during a specified future period and of any change in such quantity or value;

(d) any restrictions applied under paragraph 2 (c) (i) shall not be such as will reduce the total of imports relative to the total of domestic production, as compared with the proportion which might reasonably be expected to rule between the two in the absence of restrictions. In determining this proportion, the member applying the restrictions shall pay due regard to the proportion prevailing during a previous representative period and to any special factors which may have affected or may be affecting the trade in the product concerned.

4. Throughout this section the terms "import restrictions" and "export restrictions" include restrictions made effective through state-trading operations.

Article 21. Restrictions to safeguard the balance of payments

1. The members recognize that—

(a) it is primarily the responsibility of each member to safeguard its external financial position and to achieve and maintain stable equilibrium in its balance of payments.

(b) an adverse balance of payments of one member country may have important effects on the trade and balance of payments of other member countries, if it results in, or may lead to, the imposition by the member of restrictions affecting international trade;

(c) the balance of payments of each member country is of concern to other members, and therefore it is desirable that the Organization should promote consultations among members and, where possible, agreed action consistent with this charter for the purpose of correcting a maladjustment in the balance of payments; and

(d) action taken to restore stable equilibrium in the balance of payments should, so far as the member or members concerned find possible, employ methods which expand rather than contract international trade.

2. Notwithstanding the provisions of paragraph 1 of article 20, any member, in order to safeguard its external financial position and balance of payments, may restrict the quantity or value of merchandise permitted to be imported, subject to the provisions of the following paragraphs of this article.

3. (a) No member shall institute, maintain, or intensify import restrictions under this article except to the extent necessary—

(i) to forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or

(ii) in the case of a member with very low monetary reserves, to achieve a reasonable rate of increase in its reserves.

Due regard shall be paid in either case to any special factors which may be affecting the member's reserves or need for reserves, including, where special external credits or other resources are available to it, the need to provide for the appropriate use of such credits or resources.

(b) A member applying restrictions under subparagraph (a) shall progressively relax and ultimately eliminate them, in accordance with the provisions of that subparagraph, as its external financial position improves. This provision shall not be interpreted to mean that a member is required to relax or remove such restrictions if that relaxation or removal would thereupon produce conditions justifying the intensification or institution, respectively, of restrictions under subparagraph (a).

(c) Members undertake—

(i) not to apply restrictions so as to prevent unreasonably the importation of any description of merchandise in minimum commercial quantities the exclusion of which would impair regular channels of trade, or restrictions which would prevent the importation of commercial samples or prevent the importation of such minimum quantities of a product as may be necessary to obtain and maintain patent, trade-mark, copyright, or similar rights under industrial or intellectual property laws;

(ii) to apply restrictions under this article in such a way as to avoid unnecessary damage to the commercial or economic interests of any other member, including interests under articles 3 and 9.

4. (a) The members recognize that in the early years of the Organization all of them will be confronted in varying degrees with problems of economic adjustment resulting from the war. During this period the Organization shall, when required to take decisions under this article or under article 23, take full account of the difficulties of postwar adjustment and of the need which a member may have to use import restrictions as a step toward the restoration of equilibrium in its balance of payments on a sound and lasting basis.

(b) The members recognize that, as a result of domestic policies directed toward the fulfillment of a member's obligations under article 3 relating to the achievement and maintenance of full and productive employment and large and steadily growing demand, or its obligations under article 9 relating to the reconstruction or development of industrial and other economic resources and to the raising of standards of productivity, such a member may find that demands for foreign exchange on account of imports and other current payments are absorbing the foreign exchange resources currently available to it in such a manner as to exercise pressure on its monetary reserves which would justify the institution or maintenance of restrictions under paragraph 3 of this article. Accordingly,

(i) No member shall be required to withdraw or modify restrictions which it is applying under this article on the ground that a change in such policies would render these restrictions unnecessary;

(ii) Any member applying import restrictions under this article may determine the incidence of the restrictions on imports of different products or classes of products in such a way as to give priority to the importation of those products which are more essential in the light of such policies.

(c) Members undertake, in carrying out their domestic policies, to pay due regard to the need for restoring equilibrium in their balance of payments on a sound and lasting basis and to the desirability of assuring an economic employment of productive resources.

5. (a) Any member which is not applying restrictions under this article, but is considering the need to do so, shall, before instituting such restrictions (or, in circumstances in which prior consultation is impracticable, immediately after doing so), consult with the organization as to the nature of its balance-of-payments difficulties, alternative corrective measures which may be available, and the possible effect of such me sures on the economies of other members. No member shall be required in the course of consultations under this subparagraph to indicate in advance the choice or timing of any particular measure which it may ultimately determine to adopt.

(b) The Organization may at any time invite any member which is applying import restrictions under this article to enter into such consultations with it, and shall invite any member substantially intensifying such restrictions to consult within 30 days. A member thus invited shall participate in the consultations. The Organization may invite any other member to take part in the consultations. Not later than 2 years from the day on which this charter enters into force, the Organization shall review all restrictions existing on that day and still applied under this article at the time of the review.

(c) Any member may consult with the Organization with a view to obtaining the prior approval of the Organization for restrictions which the member proposes, under this article, to maintain, intensify or institute, or for the maintenance, intensification or institution of restrictions under specified future conditions. As a result of such consultations, the Organization may approve in advance the maintenance, intensification or institution of restrictions by the member in question insofar as the general extent, degree of intensity, and duration of the restrictions are concerned. To the extent to which such approval has been given, the requirements of subparagraph (a) of this paragraph shall be deemed to have been fulfilled, and the action of the member applying the restrictions shall not be open to challenge under subparagraph (d) of this paragraph on the ground that such action is inconsistent with the provisions of subparagraphs (a) and (b) of paragraph 3.

(d) Any member which considers that another member is applying restrictions under this article inconsistently with the provisions of paragraph 3 or 4 of this article or with those of article 22 (subject to the provisions of art. 23) may bring the matter to the Organization for discussion; and the member applying the restrictions shall participate in the discussion. If, on the basis of the case presented by the member initiating the procedure, it appears to the Organization that the trade of that member is adversely affected, the Organization shall submit its views to the parties with the aim of achieving a settlement of the matter in question which is satisfactory to the parties and to the Organization. If no such settlement is reached and if the Organization determines that the restrictions are being applied inconsistently with the provisions of paragraphs 3 or 4 of this article or with those of article 22 (subject to the provisions of art. 23), the Organization shall recommend the withdrawal or modification of the restrictions. If the restrictions are not withdrawn or modified in accordance with the recommendation of the Organization within 60 days, the Organization may release any member from specified obligations or concessions under or pursuant to this charter toward the member applying the restrictions.

(e) In consultations between a member and the Organization under this paragraph there shall be full and free discussion as to the various causes and the nature of the member's balance-of-payments difficulties. It is recognized that premature disclosure of the prospective application, withdrawal or modification of any restrictions under this article might stimulate speculative trade and financial movements which would tend to defeat the purposes of this article. Accordingly, the Organization shall make provision for the observance of the utmost secrecy in the conduct of any consultation.

6. If there is a persistent and widespread application of import restrictions under this article, indicating the existence of a general disequilibrium which is restricting international trade, the Organization shall initiate discussions to consider whether other measures might be taken, either by those members whose balances of payments are under pressure or by those members whose balances of payments are tending to be exceptionally favorable, or by any appropriate intergovernmental organization, to remove the underlying causes of the disequilibrium. On the invitation of the Organization, members shall participate in such discussions.

Article 22. Nondiscriminatory administration of quantitative restrictions

1. No prohibition or restriction shall be applied by any member on the importation of any product of any other member country or on the exportation of any product destined for any other member country, unless the importation of the like product of all third countries or the exportation of the like product to all third countries is similarly prohibited or restricted.

2. In applying import restrictions to any product, members shall aim at a distribution of trade in such product approaching as closely as possible to the shares which the various member countries might be expected to obtain in the absence of such restrictions, and to this end shall observe the following provisions:

(a) Wherever practicable, quotas representing the total amount of permitted imports (whether allocated among supplying countries or not) shall be fixed, and notice given of their amount in accordance with paragraph 3 (b);

(b) In cases in which quotas are not practicable, the restrictions may be applied by means of import licenses or permits without a quota;

(c) Members shall not accept for purchases of operating quotas allocated in accordance with subparagraph (d) of this paragraph, require that import licenses or permits be utilized for the importation of the product concerned from a particular country or source;

(d) in cases in which a quota is allocated among supplying countries, the member applying the restrictions may seek agreement with respect to the allocation of shares in the quota with all other members having a substantial interest in supplying the product concerned. In cases in which this method is not reasonably practicable, the member concerned shall allot to member countries having a substantial interest in supplying the product shares of the total quantity or value of imports of the product based upon the proportions supplied by such member countries during a previous representative period, due account being taken of any special factors which may have affected or may be affecting the trade in the product. No conditions or formalities shall be imposed which would prevent any member country from utilizing fully the share of any such total quantity or value which has been allotted to it, subject to importation being made within any prescribed period to which the quota may relate.

3. (a) In the case of import restrictions involving the granting of import licenses, the member applying the restrictions shall provide, upon the request of any member having an interest in the trade in the product concerned, all relevant information concerning the administration of the restrictions, the import licenses granted over a recent period and the distribution of such licenses among supplying countries: *Provided*, That there shall be no obligation to supply information as to the names of importing or supplying enterprises.

(b) In the case of import restrictions involving the fixing of quotas, the member applying the restrictions shall give public notice of the total quantity or value of the product or products which will be permitted to be imported during a specified future period and of any change in such quantity or value. Any supplies of the product in question which were en route at the time at which public notice was given shall not be excluded from entry; *Provided*, That they may be counted, so far as practicable, against the quantity permitted to be imported in the period in question, and also, where necessary, against the quantities permitted to be imported in the next following period or periods, and *Provided further*, That if any member customarily exempts from such restrictions products entered for consumption or withdrawn from warehouse for consumption during a period of 30 days after the day of such public notice, such practice shall be considered full compliance with this subparagraph.

(c) In the case of quotas allocated among supplying countries, the member applying the restrictions shall promptly inform all other members having an interest in supplying the product concerned of the shares in the quota currently allocated, by quantity or value, to the various supplying countries and shall give public notice thereof.

(d) If the Organization finds, upon the request of a member, that the interests of that member would be seriously prejudiced by giving, in regard to certain products, the public notice required under subparagraphs (b) and (c) of this paragraph, by reason of the fact that a large part of its imports of such products is supplied by nonmember countries, the Organization shall release the member from compliance with the obligations in question to the extent and for such time as it finds necessary to prevent such prejudice. Any request made by a member pursuant to this subparagraph shall be acted upon promptly by the Organization.

4. With regard to restrictions applied in accordance with the provisions of paragraph 2 (d) of this article or under the provisions of paragraph 2 (c) of article 20, the selection of a representative period for any product and the appraisal of any special factors affecting the trade in the product shall be made initially by the member applying the restrictions; *Provided*, That such member shall, upon the request of any other member having a substantial interest in supplying that product, or upon the request of the Organization, consult promptly with the other member or the Organization regarding the need for an adjustment of the proportion determined or of the base period selected, or for the reappraisal of the special factors involved, or for the elimination of conditions, formalities or any other provisions established unilaterally with regard to the allocation of an adequate quota or its unrestricted utilization.

5. The provisions of this article shall apply to any tariff quota instituted or maintained by any member and, insofar as applicable, the principles of this article shall also extend to export restrictions.

Article 23. Exceptions to the rule of nondiscrimination

1. (a) The members recognize that the aftermath of the war has brought difficult problems of economic adjustment which do not permit the immediate full achievement of nondiscriminatory administration of quantitative restrictions and therefore require the exceptional transitional period arrangements set forth in this paragraph.

(b) A member which applies restrictions under article 21 may, in the use of such restrictions, deviate from the provisions of article 22 in a manner having equivalent effect to restrictions on payments and transfers for current international transactions which that member may at that time apply under article XIV of the articles of agreement of the International Monetary Fund, or under an analogous provision of a special exchange agreement entered into pursuant to paragraph 6 of article 24.

(c) A member which is applying restrictions under article 21 and which on March 1, 1948, was applying import restrictions to safeguard its balance of payments in a manner which deviated from the rules of nondiscrimination set forth in article 22 may, to the extent that such deviation would not have been authorized on that date by subparagraph (b), continue so to deviate, and may adapt such deviation to changing circumstances.

(d) Any member which before July 1, 1948, has signed the Protocol of Provisional Application agreed upon at Geneva on October 30, 1947, and which by such signature has provisionally accepted the principles of paragraph 1 of article 23 of the Draft Charter submitted to the United Nations Conference on Trade and Employment by the Preparatory Committee, may elect, by written notice to the Interim Commission of the International Trade Organization or to the Organization before January 1, 1949, to be governed by the provisions of annex K of this charter, which embodies such principles, in lieu of the provisions of subparagraphs (b) and (c) of this paragraph. The provisions of subparagraphs (b) and (c) shall not be applicable to members which have so elected to be governed by the provisions of annex K; and conversely, the provisions of annex K shall not be applicable to members which have not so elected.

(e) The policies applied in the use of import restrictions under subparagraphs (b) and (c) or under annex K in the postwar transitional period shall be designed to promote the maximum development of multilateral trade possible during that period and to expedite the attainment of a balance-of-payments position which will no longer require resort to the provisions of article 21 or to transitional exchange arrangements.

(f) A member may deviate from the provisions of article 22, pursuant to subpara-

graph (b) or (c) of this paragraph or pursuan to annex K, only so long as it is availing itself of the postwar transitional period arrangements under article XIV of the articles of agreement of the International Monetary Fund, or of an analogous provision of a special exchange agreement entered into under paragraph 6 of article 24.

(g) Not later than March 1, 1950 (3 years after the date on which the International Monetary Fund began operations) and in each year thereafter, the Organization shall report on any action still being taken by members under subparagraphs (b) and (c) of this paragraph or under annex K, in March 1952, and in each year thereafter, any member still entitled to take action under the provisions of subparagraph (c) or of annex K shall consult the Organization as to any deviations from article 22 still in force pursuant to such provisions and as to its continued resort to such provisions. After March 1, 1952, any action under annex K going beyond the maintenance in force of deviations on which such consultation has taken place and which the Organization has not found unjustifiable, or their adaptation to changing circumstances, shall be subject to any limitations of a general character which the Organization may prescribe in the light of the member's circumstances.

(h) The Organization may, if it deems such action necessary in exceptional circumstances, make representations to any member entitled to take action under the provisions of subparagraph (c) that conditions are favorable for the termination of any particular deviation from the provisions of article 22, or for the general abandonment of deviations, under the provisions of that subparagraph. After March 1, 1952, the Organization may make such representations, in exceptional circumstances, to any member entitled to take action under annex K. The member shall be given a suitable time to reply to such representations. If the Organization finds that the member persists in unjustifiable deviation from the provisions of article 22, the member shall, within 60 days, limit or terminate such deviations as the Organization may specify.

2. Whether or not its transitional period arrangements have terminated pursuant to paragraph 1 (f), a member which is applying import restrictions under article 21 may, with the consent of the Organization, temporarily deviate from the provisions of article 22 in respect of a small part of its external trade where the benefits to the member or members concerned substantially outweigh any injury which may result to the trade of other members.

3. The provisions of article 22 shall not preclude restrictions in accordance with the provisions of article 21 which either—

(a) are applied against imports from other countries, but not as among themselves, by a group of territories having a common quota in the International Monetary Fund, on condition that such restrictions are in all other respects consistent with the provisions of article 22, or

(b) assist, in the period until December 31, 1951, by measures not involving substantial departure from the provision of article 22, another country whose economy has been disrupted by war.

4. A member applying import restrictions under article 21 shall not be precluded by this section from applying measures to direct its exports in such a manner as to increase its earnings of currencies which it can use without deviation from the provisions of article 22.

5. A member shall not be precluded by this section from applying quantitative restrictions—

(a) having equivalent effect to exchange restrictions authorized under section 3 (b) of article VII of the articles of agreement of the International Monetary Fund; or

(b) under the preferential arrangements provided for in annex A of this charter, pending the outcome of the negotiations referred to therein.

Article 24. Relationship with the International Monetary Fund and exchange arrangements

1. The Organization shall seek cooperation with the International Monetary Fund to the end that the organization and the fund may pursue a coordinated policy with regard to exchange questions within the jurisdiction of the fund and questions of quantitative restrictions and other trade measures within the jurisdiction of the Organization.

2. In all cases in which the Organization is called upon to consider or deal with problems concerning monetary reserves, balance of payments or foreign exchange arrangements, the Organization shall consult fully with the fund. In such consultation, the Organization shall accept all findings of statistical and other facts presented by the fund relating to foreign exchange, monetary reserves and balance of payments, and shall accept the determination of the fund whether action by a member with respect to exchange matters is in accordance with the articles of agreement of the International Monetary Fund, or with the terms of a special exchange agreement entered into between that member and the Organization pursuant to paragraph 6 of this article. When the Organization is examining a situation in the light of the relevant considerations under all the pertinent provisions of article 21 for the purpose of reaching its final decision in cases involving the criteria set forth in paragraph 3 (a) of that article, it shall accept the determination of the fund as to what constitutes a serious decline in the member's monetary reserves, a very low level of its monetary reserves or a reasonable rate of increase in its monetary reserves, and as to the financial aspects of other matters covered in consultation in such cases.

3. The Organization shall seek agreement with the fund regarding procedures for consultation under paragraph 2 of this article. Any such agreement, other than informal arrangements of a temporary or administrative character, shall be subject to confirmation by the Conference.

4. Members shall not, by exchange action, frustrate the intent of the provisions of this section, nor, by trade action, the intent of the provisions of the articles of agreement of the International Monetary Fund.

5. If the Organization considers, at any time, that exchange restrictions on payments and transfers in connection with imports are being applied by a member in a manner inconsistent with the provisions of this section with respect to quantitative restrictions, it shall report thereon to the fund.

6. (a) Any member of the Organization which is not a member of the fund shall, within a time to be determined by the Organization after consultation with the fund, become a member of the fund, or failing that, enter into a special exchange agreement with the Organization. A member of the Organization which ceases to be a member of the fund shall forthwith enter into a special exchange agreement with the Organization. Any special exchange agreement entered into by a member under this subparagraph shall thereupon become part of its obligations under this charter.

(b) Any such agreement shall provide to the satisfaction of the Organization that the objectives of this charter will not be frustrated as a result of action with respect to exchange matters by the member in question.

(c) Any such agreement shall not impose obligations on the member with respect to exchange matters generally more restrictive than those imposed by the articles of agreement of the International Monetary Fund on members of the fund.

(d) No member shall be required to enter into any such agreement so long as it uses solely the currency of another member and so long as neither the member nor the country whose currency is being used maintains exchange restrictions. Nevertheless, if the Organization at any time considers that the absence of a special exchange agreement may be permitting action which tends to frustrate the purposes of any of the provisions of this charter, it may require the member to enter into a special exchange agreement in accordance with the provisions of this paragraph. A member of the Organization which is not a member of the fund and which has not entered into a special exchange agreement may be required at any time to consult with the Organization on any exchange problem.

7. A member which is not a member of the fund, whether or not it has entered into a special exchange agreement, shall furnish such information within the general scope of section 5 of article VIII of the articles of agreement of the International Monetary Fund as the Organization may require in order to carry out its functions under this charter.

8. Nothing in this section shall preclude—

(a) the use by a member of exchange controls or exchange restrictions in accordance with the articles of agreement of the International Monetary Fund or with that member's special exchange agreement with the Organization; or

(b) the use by a member of restrictions or controls on imports or exports, the sole effect of which, in addition to the effects permitted under articles 20, 21, 22, and 23, is to make effective such exchange controls or exchange restrictions.

SECTION C. SUBSIDIES

Article 25. Subsidies in general

If any member grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to maintain or increase exports of any product from, or to reduce, or prevent an increase in, imports of any product into, its territory, the member shall notify the Organization in writing of the extent and effect of the subsidization, of the estimated effect of the subsidization on the quantity of the affected product or products imported into or exported from its territory and of the circumstances making the subsidization necessary. In any case in which a member considers that serious prejudice to its interests is caused or threatened by any such subsidization, the member granting the subsidy shall, upon request, discuss with the other member or members concerned, or with the Organization, the possibility of limiting the subsidization.

Article 26. Additional provisions on export subsidies

1. No member shall grant, directly or indirectly, any subsidy on the export of any product, or establish or maintain any other system, which subsidy or system results in the sale of such product for export at a price lower than the comparable price charged for the like product to buyers in the domestic market, due allowance being made for differences in the conditions and terms of sale, for differences in taxation, and for other differences affecting price comparability.

2. The exemption of exported products from duties or taxes imposed in respect of like products when consumed domestically, or the remission of such duties or taxes in amounts not in excess of those which have accrued, shall not be deemed to be in conflict with the provisions of paragraph 1. The use of the proceeds of such duties or taxes to make payments to domestic producers in general of those products shall be considered as a case under article 25.

3. Members shall give effect to the provisions of paragraph 1 at the earliest practicable date but not later than 2 years from the day on which this charter enters into force. If any member considers itself unable to do so in respect of any particular product or products, it shall, at least 3 months before the expiration of such period, give notice in writing to the Organization, requesting a specific extension of the period. Such notice shall be accompanied by a full analysis of the system in question and the circumstances justifying it. The Organization shall then determine whether the extension requested should be made and, if so, on what terms.

4. Notwithstanding the provisions of paragraph 1, any member may subsidize the exports of any product to the extent and for such time as may be necessary to offset a subsidy granted by a nonmember affecting the member's exports of the product. However, the member shall, upon the request of the Organization or of any other member which considers that its interests are seriously prejudiced by such action, consult with the Organization or with that member, as appropriate, with a view to reaching a satisfactory adjustment of the matter.

Article 27. Special treatment of primary commodities

1. A system for the stabilization of the domestic price or of the return to domestic producers of a primary commodity, independently of the movements of export prices, which results at times in the sale of the commodity for export at a price lower than the comparable price charged for the like commodity to buyers in the domestic market, shall be considered not to involve a subsidy on export within the meaning of paragraph 1 of article 26, if the Organization determines that—

(a) the system has also resulted, or is so designed as to result, in the sale of the commodity for export at a price higher than the comparable price charged for the like commodity to buyers in the domestic market; and

(b) the system is so operated, or is designed so to operate, either because of the effective regulation of production or otherwise, as not to stimulate exports unduly or otherwise seriously prejudice the interests of other members.

2. Any member granting a subsidy in respect of a primary commodity shall cooperate at all times in efforts to negotiate agreements, under the procedures set forth in chapter VI, with regard to that commodity.

3. In any case involving a primary commodity, if a member considers that its interests would be seriously prejudiced by compliance with the provisions of article 26, or if a member considers that its interests are seriously prejudiced by the granting of any form of subsidy, the procedures set forth in chapter VI may be followed. The member which considers that its interests are thus seriously prejudiced shall, however, be exempt provisionally from the requirements of paragraphs 1 and 3 of article 26 in respect of that commodity, but shall be subject to the provisions of article 28.

4. No member shall grant a new subsidy or increase an existing subsidy affecting the export of a primary commodity, during a commodity conference called for the purpose of negotiating an intergovernmental control agreement for the commodity concerned, unless the Organization concurs, in which case such new or additional subsidy shall be subject to the provisions of article 28.

5. If the measures provided for in chapter VI have not succeeded, or do not promise to succeed, within a reasonable period of time, or if the conclusion of a commodity agreement is not an appropriate solution, any member which considers that its interests are seriously prejudiced shall not be subject to the requirements of paragraphs 1 and 3 of article 26 in respect of that commodity, but shall be subject to the provisions of article 28.

Article 28. Undertaking regarding stimulation of exports of primary commodities

1. Any member granting any form of subsidy, which operates directly or indirectly to maintain or increase the export of any primary commodity from its territory, shall not apply the subsidy in such a way as to have the effect of maintaining or acquiring for that member more than an equitable share of world trade in that commodity.

2. As required under the provisions of article 25, the member granting such subsidy shall promptly notify the Organization of the extent and nature of the subsidization, of the estimated effect of the subsidization on the quantity of the affected commodity exported from its territory, and of the circumstances making the subsidization necessary. The member shall promptly consult with any other member which considers that serious prejudice to its interests is caused or threatened by the subsidization.

3. If, within a reasonable period of time, no agreement is reached in such consultation, the Organization shall determine what constitutes an equitable share of world trade in the commodity concerned and the member granting the subsidy shall conform to this determination.

4. In making the determination referred to in paragraph 3, the Organization shall take into account any factors which may have affected or may be affecting world trade in the commodity concerned, and shall have particular regard to:

(a) the member country's share of world trade in the commodity during a previous representative period;

(b) whether the member country's share of world trade in the commodity is so small that the effect of the subsidy on such trade is likely to be of minor significance;

(c) the degree of importance of the external trade in the commodity to the economy of the member country granting, and to the economies of the member countries materially affected by, the subsidy;

(d) the existence of price stabilization systems conforming to the provisions of paragraph 1 of article 27;

(e) the desirability of facilitating the gradual expansion of production for export in those areas able to satisfy world market requirements of the commodity concerned in the most effective and economic manner, and therefore of limiting any subsidies or other measures which make that expansion difficult.

SECTION D. STATE TRADING AND RELATED MATTERS

Article 29. Nondiscriminatory treatment

1. (a) Each member undertakes that if it establishes or maintains a state enterprise, wherever located, or grants to any enterprise, formally or in effect, exclusive or special privileges, such enterprise shall, in its purchases and sales involving either imports or exports, act in a manner consistent with the general principles of nondiscriminatory treatment prescribed in this charter for governmental measures affecting imports or exports by private traders.

(b) The provisions of subparagraph (a) shall be understood to require that such enterprises shall, having due regard to the other provisions of this charter, make at any such purchases or sales solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation and other conditions of purchase or sale, and shall afford the enterprises of the other member countries adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases or sales.

(c) No member shall prevent any enterprise (whether or not an enterprise described in subparagraph (a)) under its jurisdiction from acting in accordance with the principles of subparagraphs (a) and (b).

2. The provisions of paragraph 1 shall not apply to imports of products purchased for governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial sale. With respect to such imports, and with respect to the laws, regulations, and requirements referred to in paragraph 8 (a) of article 18, each member shall accord to the trade of the other members fair and equitable treatment.

Article 30. Marketing organizations

If a member establishes or maintains a marketing board, commission or similar organization, the member shall be subject—

(a) with respect to purchases or sales by any such organization, to the provisions of paragraph 1 of article 29;

(b) with respect to any regulations of any such organizations governing the operations of private enterprises, to the other relevant provisions of this charter.

Article 31. Expansion of trade

1. If a member establishes, maintains or authorizes, formally or in effect, a monopoly of the importation or exportation of any product, the member shall, upon the request of any other member or members having a substantial interest in trade with it in the product concerned, negotiate with such other member or members in the manner provided for under article 17 in respect of tariffs, and subject to all the provisions of this charter with respect to such tariff negotiations, with the object of achieving—

(a) in the case of an export monopoly, arrangements designed to limit or reduce any protection that might be afforded through the operation of the monopoly to domestic users of the monopolized product, or designed to assure exports of the monopolized product in adequate quantities at reasonable prices;

(b) in the case of an import monopoly, arrangements designed to limit or reduce any protection that might be afforded through the operation of the monopoly to domestic producers of the monopolized product, or designed to relax any limitation on imports which is comparable with a limitation made subject to negotiation under other provisions of this chapter.

2. In order to satisfy the requirements of paragraph 1 (b), the member establishing, maintaining, or authorizing a monopoly shall negotiate—

(a) for the establishment of the maximum import duty that may be applied in respect of the product concerned; or

(b) for any other mutually satisfactory arrangement consistent with the provisions of this charter, if it is evident to the negotiating parties that to negotiate a maximum import duty under subparagraph (a) of this paragraph is impracticable or would be ineffective for the achievement of the objectives of paragraph 1; any member entering into negotiations under this subparagraph shall afford to other interested members an opportunity for consultation.

3. In any case in which a maximum import duty is not negotiated under paragraph 2 (a), the member establishing, maintaining, or authorizing the import monopoly shall make public, or notify the Organization of, the maximum import duty which it will apply in respect of the product concerned.

4. The import duty negotiated under paragraph 2, or made public or notified to the Organization under paragraph 3, shall represent the maximum margin by which the price charged by the import monopoly for the imported product (exclusive of internal taxes conforming to the provisions of article 18, transportation, distribution, and other expenses incident to the purchase, sale, or further processing, and a reasonable margin of profit) may exceed the landed cost: *Pro-*

vided, That regard may be had to average landed costs and selling prices over recent periods: *And provided further,* That, where the product concerned is a primary commodity which is the subject of a domestic price stabilization arrangement, provision may be made for adjustment to take account of wide fluctuations or variations in world prices, subject where a maximum duty has been negotiated to agreement between the countries parties to the negotiations.

5. With regard to any product to which the provisions of this article apply, the monopoly shall, wherever this principle can be effectively applied and subject to the other provisions of this charter, import and offer for sale such quantities of the product as will be sufficient to satisfy the full domestic demand for the imported product, account being taken of any rationing to consumers of the imported and like domestic product which may be in force at that time.

6. In applying the provisions of this article, due regard shall be had for the fact that some monopolies are established and operated mainly for social, cultural, humanitarian, or revenue purposes.

7. This article shall not limit the use by members of any form of assistance to domestic producers permitted by other provisions of this charter.

Article 32. Liquidation of noncommercial stocks

1. If a member holding stocks of any primary commodity accumulated for noncommercial purposes should liquidate such stocks, it shall carry out the liquidation, as far as practicable, in a manner that will avoid serious disturbance to world markets for the commodity concerned.

2. Such member shall:

(a) give not less than 4 months' public notice of its intention to liquidate such stocks; or

(b) give not less than 4 months' prior notice to the Organization of such intention.

3. Such member shall, at the request of any member which considers itself substantially interested, consult as to the best means of avoiding substantial injury to the economic interests of producers and consumers of the primary commodity in question. In cases where the interests of several members might be substantially affected, the Organization may participate in the consultations, and the member holding the stocks shall give due consideration to its recommendations.

4. The provisions of paragraphs 2 and 3 shall not apply to routine disposal of supplies necessary for the rotation of stocks to avoid deterioration.

SECTION E. GENERAL COMMERCIAL PROVISIONS

Article 33. Freedom of transit

1. Goods (including baggage), and also vessels and other means of transport, shall be deemed to be in transit across the territory of a member country when the passage across such territory, with or without transshipment, warehousing, breaking bulk, or change in the mode of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of the member country across whose territory the traffic passes. Traffic of this nature is termed in this article "traffic in transit."

2. There shall be freedom of transit through each member country, via the routes most convenient for international transit, for traffic in transit to or from other member countries. No distinction shall be made which is based on the flag of vessels, the place of origin, departure, entry, exit or destination, or on any circumstances relating to the ownership of goods, of vessels, or of other means of transport.

3. Any member may require that traffic in transit through its territory be entered at the proper customhouse, but, except in cases of failure to comply with applicable customs laws and regulations, such traffic coming from or going to other member countries shall not be subject to any unnecessary delays or restrictions and shall be exempt from customs duties and from all transit duties or other charges imposed in respect of transit, except charges commensurate with administrative expenses entailed by transit or with the cost of services rendered.

4. All charges and regulations imposed by members on traffic in transit to or from other member countries shall be reasonable, having regard to the conditions of the traffic.

5. With respect to all charges, regulations, and formalities in connection with transit, each member shall accord to traffic in transit to or from any other member country treatment no less favorable than the treatment accorded to traffic in transit to or from any third country.

6. The Organization may undertake studies, make recommendations, and promote international agreement relating to the simplification of customs regulations concerning traffic in transit, the equitable use of facilities required for such transit, and other measures designed to promote the objectives of this article. Members shall cooperate with each other directly and through the Organization to this end.

7. Each member shall accord to goods which have been in transit through any other member country treatment no less favorable than that which would have been accorded to such goods had they been transported from their place of origin to their destination without going through such other member country. Any member shall, however, be free to maintain its requirements of direct consignment existing on the date of this charter, in respect of any goods in regard to which such direct consignment is a requisite condition of eligibility for entry of the goods at preferential rates of duty or has relation to the member's prescribed method of valuation for customs purposes.

8. The provisions of this article shall not apply to the operation of aircraft in transit, but shall apply to air transit of goods (including baggage).

Article 34. Antidumping and countervailing duties

1. The members recognize that dumping, by which products of one country are introduced into the commerce of another country at less than the normal value of the products, is to be condemned if it causes or threatens material injury to an established industry in a member country or materially retards the establishment of a domestic industry. For the purposes of this article, a product is to be considered as being introduced into the commerce of an importing country at less than its normal value, if the price of the product exported from one country to another—

(a) is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting country, or,

(b) in the absence of such domestic price, is less than either—

(i) the highest comparable price for the like product for export to any third country in the ordinary course of trade, or

(ii) the cost of production of the product in the country of origin plus a reasonable addition for selling cost and profit.

Due allowance shall be made in each case for differences in conditions and terms of sale, for differences in taxation, and for other differences affecting price comparability.

2. In order to offset or prevent dumping a member may levy on any dumped product an antidumping duty not greater in amount than the margin of dumping in respect of such product. For the purposes of this article, the margin of dumping is the price difference determined in accordance with the provisions of paragraph 1.

3. No countervailing duty shall be levied on any product of any member country imported into another member country in excess of an amount equal to the estimated bounty or subsidy determined to have been granted, directly or indirectly, on the manufacture, production or export of such product in the country of origin or exportation, including any special subsidy to the transportation of a particular product. The term "countervailing duty" shall be understood to mean a special duty levied for the purpose of offsetting any bounty or subsidy bestowed, directly or indirectly, upon the manufacture, production or export of any merchandise.

4. No product of any member country imported into any other member country shall be subject to antidumping or countervailing duty by reason of the exemption of such product from duties or taxes borne by the like product when destined for consumption in the country of origin or exportation, or by reason of the refund of such duties or taxes.

5. No product of any member country imported into any other member country shall be subject to both antidumping and countervailing duties to compensate for the same situation of dumping or export subsidization.

6. No member shall levy any antidumping or countervailing duty on the importation of any product of another member country unless it determines that the effect of the dumping or subsidization, as the case may be, is such as to cause or threaten material injury to an established domestic industry, or is such as to retard materially the establishment of a domestic industry. The Organization may waive the requirements of this paragraph so as to permit a member to levy an antidumping or countervailing duty on the importation of any product for the purpose of offsetting dumping or subsidization which causes or threatens material injury to an industry in another member country exporting the product concerned to the importing member country.

7. A system for the stabilization of the domestic price or of the return to domestic producers of a primary commodity, independently of the movements of export prices, which results at times in the sale of the commodity for export at a price lower than the comparable price charged for the like commodity to buyers in the domestic market, shall be presumed not to result in material injury within the meaning of paragraph 6 if it is determined by consultation among the members substantially interested in the commodity concerned that:

(a) the system has also resulted in the sale of the commodity for export at a price higher than the comparable price charged for the like commodity to buyers in the domestic market, and

(b) the system is so operated, either because of the effective regulation of production, or otherwise, as not to stimulate exports unduly or otherwise seriously prejudice the interests of other members.

Article 35. Valuation for customs purposes

1. The members shall work toward the standardization, as far as practicable, of definitions of value and of procedures for determining the value of products subject to customs duties or other charges or restrictions based upon or regulated in any manner by value. With a view to furthering cooperation to this end, the Organization may study and recommend to members such bases and methods for determining value for customs purposes as would appear best suited to the needs of commerce and most capable of general adoption.

2. The members recognize the validity of the general principles of valuation set forth in paragraphs 3, 4, and 5, and they undertake to give effect, at the earliest practicable date, to these principles in respect of all

products subject to duties or other charges or restrictions on importation based upon or regulated in any manner by value. Moreover, they shall, upon a request by another member directly affected, review in the light of these principles the operation of any of their laws or regulations relating to value for customs purposes. The Organization may request from members reports on steps taken by them in pursuance of the provisions of this article.

3. (a) The value for customs purposes of imported merchandise should be based on the actual value of the imported merchandise on which duty is assessed, or of like merchandise, and should not be based on the value of merchandise of national origin or on arbitrary or fictitious values.

(b) "Actual value" should be the price at which at a time and place determined by the legislation of the country of importation, and in the ordinary course of trade, such or like merchandise is sold or offered for sale under fully competitive conditions. To the extent to which the price of such or like merchandise is governed by the quantity in a particular transaction, the price to be considered should uniformly be related to either (i) comparable quantities, or (ii) quantities not less favorable to importers than those in which the greater volume of the merchandise is sold in the trade between the countries of exportation and importation.

(c) When the actual value is not ascertainable in accordance with subparagraph (b), the value for customs purposes should be based on the nearest ascertainable equivalent of such value.

4. The value for customs purposes of any imported product should not include the amount of any internal tax, applicable within the country of origin or export, from which the imported product has been exempted or has been or will be relieved by means of refund.

5. (a) Except as otherwise provided in this paragraph, where it is necessary for the purposes of paragraph 3 for a member to convert into its own currency a price expressed in the currency of another country, the conversion rate of exchange to be used shall be based on the par values of the currencies involved, as established pursuant to the Articles of Agreement of the International Monetary Fund or by special exchange agreements entered into pursuant to article 24 of this charter.

(b) Where no such par value has been established, the conversion rate shall reflect effectively the current value of such currency in commercial transactions.

(c) The Organization, in agreement with the International Monetary Fund, shall formulate rules governing the conversion by members of any foreign currency in respect of which multiple rates of exchange are maintained consistently with the articles of agreement of the International Monetary Fund. Any member may apply such rules in respect of such foreign currencies for the purposes of paragraph 3 of this article as an alternative to the use of par values. Until such rules are adopted by the Organization, any member may employ, in respect of any such foreign currency, rules of conversion for the purposes of paragraph 3 of this article which are designed to reflect effectively the value of such foreign currency in commercial transactions.

6. Nothing in this article shall be construed to require any member to alter the method of converting currencies for customs purposes which is applicable in its territory on the date of this charter, if such alteration would have the effect of increasing generally the amounts of duty payable.

7. The bases and methods for determining the value of products subject to duties or other charges or restrictions based upon or regulated in any manner by value should be stable and should be given sufficient publicity to enable traders to estimate, with a reasonable degree of certainty, the value for customs purposes.

Article 36. Formalities connected with importation and exportation

1. The members recognize that all fees and charges of whatever character (other than import and export duties and other than taxes within the purview of article 18) imposed by governmental authorities on or in connection with importation or exportation should be limited in amount to the approximate cost of services rendered and should not represent an indirect protection to domestic products or a taxation of imports or exports for fiscal purposes. The members also recognize the need for reducing the number and diversity of such fees and charges, for minimizing the incidence and complexity of import and export formalities, and for decreasing and simplifying import and export documentation requirements.

2. The members shall take action in accordance with the principles and objectives of paragraph 1 at the earliest practicable date. Moreover, they shall, upon request by another member directly affected, review the operation of any of their laws and regulations in the light of these principles. The Organization may request from members reports on steps taken by them in pursuance of the provisions of this paragraph.

3. The provisions of paragraphs 1 and 2 shall extend to fees, charges, formalities, and requirements imposed by governmental authorities in connection with importation and exportation, including those relating to—

(a) consular transactions, such as those relating to consular invoices and certificates;

(b) quantitative restrictions;

(c) licensing;

(d) exchange control;

(e) statistical services;

(f) documents, documentation, and certification;

(g) analysis and inspection; and

(h) quarantine, sanitation, and fumigation.

4. The organization may study and recommend to members specific measures for the simplification and standardization of customs formalities and techniques and for the elimination of unnecessary customs requirements, including those relating to advertising matter and samples for use only in taking orders for merchandise.

5. No member shall impose substantial penalties for minor breaches of customs regulations or procedural requirements. In particular, no penalty in respect of any omission or mistake in customs documentation which is easily rectifiable and obviously made without fraudulent intent or gross negligence shall be greater than necessary to serve merely as a warning.

6. The members recognize that tariff descriptions based on distinctive regional or geographical names should not be used in such a manner as to discriminate against products of member countries. Accordingly, the members shall cooperate with each other directly and through the Organization with a view to eliminating at the earliest practicable date practices which are inconsistent with this principle.

Article 97. Marks of origin

1. The members recognize that, in adopting and implementing laws and regulations relating to marks of origin, the difficulties and inconveniences which such measures may cause to the commerce and industry of exporting countries should be reduced to a minimum.

2. Each member shall accord to the products of each other member country treatment with regard to marking requirements no less favorable than the treatment accorded to like products of any third country.

3. Whenever it is administratively practicable to do so, members should permit required marks of origin to be affixed at the time of importation.

4. The laws and regulations of members relating to the marking of imported products shall be such as to permit compliance without seriously damaging the products or materially reducing their value or unreasonably increasing their cost.

5. The members agree to work in cooperation through the Organization toward the early elimination of unnecessary marking requirements. The Organization may study and recommend to members measures directed to this end, including the adoption of schedules of general categories of products, in respect of which marking requirements operate to restrict trade to an extent disproportionate to any proper purpose to be served, and which shall not in any case be required to be marked to indicate their origin.

6. As a general rule no special duty or penalty should be imposed by any member for failure to comply with marking requirements prior to importation unless corrective marking is unreasonably delayed or deceptive marks have been affixed or the required marking has been intentionally omitted.

7. The members shall cooperate with each other directly and through the Organization with a view to preventing the use of trade names in such manner as to misrepresent the true origin of a product, to the detriment of the distinctive regional or geographical names of products of a member country which are protected by the legislation of such country. Each member shall accord full and sympathetic consideration to such requests or representations as may be made by any other member regarding the application of the undertaking set forth in the preceding sentence to names of products which have been communicated to it by the other member. The Organization may recommend a conference of interested members on this subject.

Article 38. Publication and administration of trade regulations

1. Laws, regulations, judicial decisions and administrative rulings of general application made effective by any member, pertaining to the classification or the valuation of products for customs purposes, or to rates of duty, taxes or other charges, or to requirements, restrictions or prohibitions on imports or exports or on the transfer of payments therefor, or affecting their sale, distribution, transportation, insurance, warehousing, inspection, exhibition, processing, mixing or other use, shall be published promptly in such a manner as to enable governments and traders to become acquainted with them. Agreements affecting international trade policy which are in force between the government or governmental agency of any member country and the government or governmental agency of any other country shall also be published. Copies of such laws, regulations, decisions, rulings and agreements shall be communicated promptly to the Organization. The provisions of this paragraph shall not require any member to divulge confidential information the disclosure of which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. No measure of general application taken by any member effecting an advance in a rate of duty or other charge on imports under an established and uniform practice or imposing a new or more burdensome requirement, restriction or prohibition on imports, or on the transfer of payments therefor, shall be enforced before such measure has been officially made public.

3. (a) Each member shall administer in a uniform, impartial and reasonable manner all its laws, regulations, decisions and rulings of the kind described in paragraph 1. Suitable facilities shall be afforded for traders directly affected by any of those matters to consult with the appropriate governmental authorities.

(b) Each member shall maintain, or institute as soon as practicable, judicial, arbitral or administrative tribunals or procedures for the purpose, inter alia, of the prompt review and correction of administrative action relating to customs matters. Such tribunals or procedures shall be independent of the agencies entrusted with administrative enforcement and their decisions shall be implemented by, and shall govern the practice of, such agencies unless an appeal is lodged with a court or tribunal of superior jurisdiction within the time prescribed for appeals to be lodged by importers: *Provided* that the central administration of such agency may take steps to obtain a review of the matter in another proceeding if there is good cause to believe that the decision is inconsistent with established principles of law or the actual facts.

(c) The provisions of subparagraph (b) shall not require the elimination or substitution of procedures in force in a member country on the date of this charter which in fact provide for an objective and impartial review of administrative action, even though such procedures are not fully or formally independent of the agencies entrusted with administrative enforcement. Any member employing such procedures shall, upon request, furnish the organization with full information thereon in order that the organization may determine whether such procedures conform to the requirements of this subparagraph.

Article 39. Information, statistics, and trade terminology

1. The members shall communicate to the organization, or to such agency as may be designated for the purpose by the organization, as promptly and in as much detail as is reasonably practicable:

(a) statistics of their external trade in goods (imports, exports and, where applicable, reexports, transit and transshipment and goods in warehouse or in bond);

(b) statistics of governmental revenue from import and export duties and other taxes on goods moving in international trade and, insofar as readily ascertainable, of subsidy payments affecting such trade.

2. So far as possible, the statistics referred to in paragraph 1 shall be related to tariff classifications and shall be in such form as to reveal the operation of any restrictions on importation or exportation which are based on or regulated in any manner by quantity or value or amounts of exchange made available.

3. The members shall publish regularly and as promptly as possible the statistics referred to in paragraph 1.

4. The members shall give careful consideration to any recommendations which the Organization may make to them with a view to improving the statistical information furnished under paragraph 1.

5. The members shall make available to the Organization, at its request and insofar as is reasonably practicable, such other statistical inforation as the Organization may deem necessary to enable it to fulfill its functions, provided that such information is not being furnished to other intergovernmental organizations from which the Organization can obtain it.

6. The Organization shall act as a center for the collection, exchange, and publication of statistical information of the kind referred to in paragraph 1. The Organization, in collaboration with the Economic and Social Council of the United Nations, and with any other organization deemed appropriate, may engage in studies with a view to improving the methods of collecting, analyzing, and publishing economic statistics and may promote the international comparability of such statistics, including the possible international adoption of standard tariff and commodity classifications.

7. The Organization, in cooperation with the other organizations referred to in paragraph 6, may also study the question of adopting standards, nomenclatures, terms, and forms to be used in international trade and in the official documents and statistics of members relating thereto, and may recommend the general acceptance by members of such standards, nomenclatures, terms, and forms.

SECTION F. SPECIAL PROVISIONS

Article 40. Emergency action on imports of particular products

1. (a) If, as a result of unforeseen developments and of the effect of the obligations incurred by a member under or pursuant to this chapter, including tariff concessions, any product is being imported into the territory of that member in such relatively increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the member shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession.

(b) If any product which is the subject of a concession with respect to a preference is being imported into the territory of a member in the circumstances set forth in subparagraph (a), so as to cause or threaten serious injury to domestic producers of like or directly competitive products in the territory of a member which receives or received such preference, the importing member shall be free, if that other member so requests, to suspend the relevant obligation in whole or in part or to withdraw or modify the concession in respect of the product, to the extent and for such time as may be necessary to prevent or remedy such injury.

2. Before any member shall take action pursuant to the provisions of paragraph 1, it shall give notice in writing to the organization as far in advance as may be practicable and shall afford the organization and those members having a substantial interest as exporters of the product concerned an opportunity to consult with it in respect of the proposed action. When such notice is given in regard to a concession relating to a preference, the notice shall name the member which has requested the action. In circumstances of special urgency, where delay would cause damage which it would be difficult to repair, action under paragraph 1 may be taken provisionally without prior consultation, on the condition that consultation shall be effected immediately after taking such action.

3. (a) If agreement among the interested members with respect to the action is not reached, the member which proposes to take or continue the action shall, nevertheless, be free to do so, and if such action is taken or continued, the affected members shall then be free, not later than 90 days after such action is taken, to suspend, upon the expiration of 30 days from the day on which written notice of such suspension is received by the organization, the application to the trade of the member taking such action, or, in the case envisaged in paragraph 1 (b), to the trade of the member requesting such action, of such substantially equivalent obligations or concessions under or pursuant to this chapter the suspension of which the organization does not disapprove.

(b) Notwithstanding the provisions of subparagraph (a), where action is taken without prior consultation under paragraph 2 and causes or threatens serious injury in the territory of a member to the domestic producers of products affected by the action, that member shall, where delay would cause damage difficult to repair, be free to suspend, upon the taking of the action and throughout the period of consultation, such obligations or concessions as may be necessary to prevent or remedy the injury.

4. Nothing in this article shall be construed—

(a) to require any member, in connection with the withdrawal or modification by such member of any concession negotiated pursuant to article 17, to consult with or obtain the agreement of members other than those members which are contracting parties to the general agreement on tariffs and trade, or

(b) to authorize any member which is not a contracting party to that agreement, to withdraw from or suspend obligations under this charter by reason of the withdrawal or modification of such concession.

Article 41. Consultation

Each member shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as may be made by any other member with respect to the operation of customs regulations and formalities, antidumping and countervailing duties, quantitative and exchange regulations, internal price regulations, subsidies, transit regulations and practices, State trading, sanitary laws and regulations for the protection of human, animal, or plant life or health, and generally with respect to all matters affecting the operation of this chapter.

Article 42. Territorial application of chapter IV

1. The provisions of chapter IV shall apply to the metropolitan customs territories of the members and to any other customs territories in respect of which this charter has been accepted in accordance with the provisions of article 104. Each such customs territory shall, exclusively for the purposes of the territorial application of chapter IV, be treated as though it were a member; *Provided*, That the provisions of this paragraph shall not be construed to create any rights or obligations as between two or more customs territories in respect of which this charter has been accepted by a single member.

2. For the purposes of this chapter a customs territory shall be understood to mean any territory with respect to which separate tariffs or other regulations of commerce are maintained for a substantial part of the trade of such territory with other territories.

Article 43. Frontier traffic

The provisions of this chapter shall not be construed to prevent—

(a) Advantages accorded by any member to adjacent countries in order to facilitate frontier traffic;

(b) Advantages accorded to the trade with the Free Territory of Trieste by countries contiguous to that territory, provided that such advantages are not in conflict with the treaties of peace arising out of the Second World War.

Article 44. Customs unions and free-trade areas

1. Members recognize the desirability of increasing freedom of trade by the development, through voluntary agreements, of closer integration between the economies of the countries parties to such agreements. They also recognize that the purpose of a customs union or free-trade area should be to facilitate trade between the parties and not to raise barriers to the trade of other member countries with such parties.

2. Accordingly, the provisions of this chapter shall not prevent, as between the territories of members, the formation of a customs union or of a free-trade area or the adoption of an interim agreement necessary for the formation of a customs union or of a free-trade area: *Provided*, That—

(a) with respect to a customs union, or an interim agreement leading to the formation of a customs union, the duties and other regulations of commerce imposed at the institution of any such union or interim agreement in respect of trade with member countries not parties to such union or agreement shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement, as the case may be;

(b) with respect to a free-trade area, or an interim agreement leading to the formation of a free-trade area, the duties and other regulations of commerce maintained in each of the constituent territories and applicable at the formation of such free-trade area or the adoption of such interim agreement to the trade of member countries not included in such area or not parties to such agreement shall not be higher or more restrictive than the corresponding duties and other regulations of commerce existing in the same constituent territories prior to the formation of the free-trade area, or interim agreement, as the case may be; and

(c) any interim agreement referred to in subparagraphs (a) or (b) shall include a plan and schedule for the formation of such a customs union or of such a free-trade area within a reasonable length of time.

3. (a) Any member deciding to enter into a customs union or free-trade area, or an interim agreement leading to the formation of such a union or area, shall promptly notify the organization and shall make available to it such information regarding the proposed union or area as will enable the organization to make such reports and recommendations to members as it may deem appropriate.

(b) If, after having studied the plan and schedule provided for in an interim agreement referred to in paragraph 2 in consultation with the parties to that agreement and taking due account of the information made available in accordance with the provisions of subparagraph (a), the Organization finds that such agreement is not likely to result in the formation of a customs union or of a free-trade area within the period contemplated by the parties to the agreement or that such period is not a reasonable one, the Organization shall make recommendations to the parties to the agreement. The parties shall not maintain or put into force, as the case may be, such agreement if they are not prepared to modify it in accordance with these recommendations.

(c) Any substantial change in the plan or schedule referred to in paragraph 2 (c) shall be communicated to the Organization, which may request the members concerned to consult with it if the change seems likely to jeopardize or delay unduly the formation of the customs union or of the free-trade area.

4. For the purposes of this charter—

(a) a customs union shall be understood to mean the substitution of a single customs territory for two or more customs territories, so that—

(i) duties and other restrictive regulations of commerce (except, where necessary, those permitted under section B of chapter IV and under article 45) are eliminated with respect to substantially all the trade between the constituent territories of the union or at least with respect to substantially all the trade in products originating in such territories; and

(ii) subject to the provisions of paragraph 5, substantially the same duties and other regulations of commerce are applied by each of the members of the union to the trade of territories not included in the union;

(b) a free-trade area shall be understood to mean a group or two or more customs territories in which the duties and other restrictive regulations of commerce (except, where necessary, those permitted under section B of chapter IV and under article 45) are eliminated on substantially all the trade between the constituent territories in products originating in such territories.

5. The preferences referred to in paragraph 2 of article 16 shall not be affected by the formation of a customs union or of a free-trade area but may be eliminated or adjusted by means of negotiations with members affected. This procedure of negotiations with affected members shall, in particular, apply to the elimination of preferences required to conform with the provisions of paragraph 4 (a) (i) and paragraph 4 (b).

6. The Organization may, by a two-thirds majority of the members present and voting, approve proposals which do not fully comply with the requirements of the preceding paragraphs, provided that such proposals lead to the formation of a customs union or of a free-trade area in the sense of this article.

Article 45. General exceptions to chapter IV

1. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between member countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this chapter shall be construed to prevent the adoption or enforcement by any member of measures—

(a) (i) necessary to protect public morals;

(ii) necessary to the enforcement of laws and regulations relating to public safety;

(iii) necessary to protect human, animal, or plant life or health;

(iv) relating to the importation or exportation of gold or silver;

(v) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this chapter, including those relating to customs enforcement, the enforcement of monopolies operated under section D of this chapter, the protection of patents, trade marks, and copyrights, and the prevention of deceptive practices;

(vi) relating to the products of prison labor;

(vii) imposed for the protection of national treasures of artistic, historic, or archaeological value;

(viii) relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption;

(ix) taken in pursuance of intergovernmental commodity agreements concluded in accordance with the provisions of chapter VI;

(x) taken in pursuance of any intergovernmental agreement which relates solely to the conservation of fisheries resources, migratory birds or wild animals and which is subject to the requirements of paragraph 1 (d) of article 70; or

(xi) involving restrictions on exports of domestic materials necessary to assure essential quantities of such materials to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilization plan: *Provided*, That such restrictions shall not operate to increase the exports of or the protection afforded to such domestic industry and shall not depart from the provisions of this chapter relating to nondiscrimination;

(b) (i) essential to the acquisition or distribution of products in general or local short supply: *Provided*, That any such measures shall be consistent with any general intergovernmental arrangements directed to an equitable international distribution of such products or, in the absence of such arrangements, with the principle that all members are entitled to an equitable share of the international supply of such products;

(ii) essential to the control of prices by a member country, experiencing shortages subsequent to the Second World War; or

(iii) essential to the orderly liquidation of temporary surpluses of stocks owned or controlled by the Government of any member country, or of industries developed in any member country owing to the exigencies of the Second World War which it would be uneconomic to maintain in normal conditions: *Provided*, That such measures shall not be instituted by any member except after consultation with other interested members with a view to appropriate international action.

(2) Measures instituted or maintained under paragraph 1 (b) which are inconsistent with the other provisions of this chapter shall be removed as soon as the conditions giving rise to them have ceased, and in any event not later than at a date to be specified by the organization: *Provided*, That such date may be deferred for a further period or periods, with the concurrence of the organization, either generally or in relation to particular measures taken by members in respect of particular products.

Mr. MALONE. Mr. President, during my address yesterday, I read into the RECORD the complete platform record of the Democratic Party from 1856 to 1948, inclusive, on the tariff question. I now ask unanimous consent to have included in the RECORD at this point the position of the Republican Party on tariffs from 1856 to 1948, inclusive, and a short tariff history of the United States.

There being no objection, the platform planks on tariffs of the Republican Party from 1856 to 1948, inclusive, and a short tariff history were ordered to be printed in the RECORD, as follows:

THE POSITION OF THE REPUBLICAN PARTY ON TARIFFS FROM 1856 TO 1948

1856 PLATFORM

No mention of tariffs.

1860 PLATFORM

Plank 12: "That, while providing revenue for the support of the general Government by duties upon imports, sound policy requires such an adjustment of these imposts, as to encourage the development of the industrial interests of the whole country."

1864 PLATFORM

No mention of tariffs.

1868 PLATFORM

No mention of tariffs.

1872 PLATFORM

Plank 7: "The annual revenue, after paying current expenditures, pensions, and the interest on the public debt, should furnish a moderate balance for the reduction of the principal, and that revenue, except so much as may be derived from a tax on tobacco and liquors, should be raised by duties upon importations, the details of which should be so adjusted as to aid in securing remunerative wages to labor, and promote the industries, prosperity, and growth of the whole country."

1876 PLATFORM

Plank 8: "The revenue necessary for current expenditures and the obligations of the public debt must be largely derived from

duties upon importations, which, so far as possible, should be adjusted to promote the interests of American labor and advance the prosperity of the whole country."

1880 PLATFORM

Plank 5: "We reaffirm the belief avowed in 1876, that the duties levied for the purpose of revenue should so discriminate as to favor American labor."

1884 PLATFORM

"We therefore demand that the imposition of duties on foreign imports shall be made, not 'for revenue only,' but that in raising the requisite revenues for the Government such duties shall be so levied as to afford security to our diversified industries and protection to the rights and wages of the laborer, to the end that active and intelligent labor, as well as capital, may have its just reward, and the laboring man his full share in the national prosperity.

"Against the so-called economic system of the Democratic Party, which would degrade our labor to the foreign standard, we enter our earnest protest."

1888 PLATFORM

Protection to American industries

We are uncompromisingly in favor of the American system of protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue and confidently appeal to the people for their judgment. The protective system must be maintained. Its abandonment has always been followed by general disaster to all interests, except those of the usurer and the sheriff. We denounce the Mills bill as destructive to the general business, the labor, and the farming interests of the country, and we heartily endorse the consistent and patriotic action of the Republican Representatives in Congress in opposing its passage.

Duties on wool

We condemn the proposition of the Democratic Party to place wool on the free list, and we insist that the duties thereon shall be adjusted and maintained so as to furnish full and adequate protection to that industry throughout the United States.

The internal revenue

The Republican Party would effect all needed reduction of the national revenue by repealing the taxes upon tobacco, which are an annoyance and burden to agriculture, and the tax upon spirits used in the arts and for mechanical purposes, and by such revision of the tariff laws as will tend to check imports of such articles as are produced by our people, the production of which gives employment to our labor, and release from import duties those articles of foreign production (except luxuries) the like of which cannot be produced at home. If there shall still remain a larger revenue than is requisite for the wants of the Government, we favor the entire repeal of internal taxes rather than the surrender of any part of our protective system, at the joint behests of the whisky trusts and the agents of foreign manufacturers.

1892 PLATFORM

The principle of protection

We reaffirm the American doctrine of protection. We call attention to its growth abroad. We maintain that the prosperous condition of our country is largely due to the wise revenue legislation of the last Republican Congress. We believe that all articles which cannot be produced in the United States, except luxuries, should be admitted free of duty, and that on all imports coming into competition with products of American labor there should be levied duties equal to the difference between wages abroad and at home.

We assert that the prices of manufactured articles of general consumption have been reduced under the operations of the Tariff Act of 1890.

We denounce the efforts of the Democratic majority of the House of Representatives to destroy our tariff laws piecemeal, as manifested by their attacks upon wool, lead, and lead ores, the chief products of a number of States, and we ask the people for their judgment thereon.

Triumph of reciprocity

We point to the success of the Republican policy of reciprocity, under which our export trade has vastly increased and new and enlarged markets have been opened for the products of our farms and workshops. We remind the people of the bitter opposition of the Democratic Party to this practical business measure, and claim that, executed by a Republican administration, our present laws will eventually give us control of the trade of the world.

1896 PLATFORM

Tariff

We renew and emphasize our allegiance to the policy of protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and prices; it diffuses general thrift, and founds the strength of all on the strength of each. In its reasonable application it is just, fair to sectional discrimination and individual favoritism.

We denounce the present Democratic tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable tariff on foreign imports which have come into competition with American products as will not only furnish adequate revenue for the neecssary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question to be governed by the conditions of time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

Reciprocity

We believe the repeal of the reciprocity arrangements negotiated by the last Republican administration was a national calamity, and we demand their renewal and extension on such terms as will equalize our trade with other nations, remove the restrictions which now obstruct the sale of American products of our farms, forests, and factories.

Protection and reciprocity are twin measures of Republican policy and go hand in hand. Democratic rule has recklessly struck down both, and both must be reestablished. Protection for what we produce; free admission for the necessaries of life which we do not produce; reciprocity agreements of mutual interests which gain open markets for us in return for our open market to others. Protection builds up domestic industry and trade, and secures our own market for ourselves; reciprocity builds up foreign trade, and finds an outlet for our surplus.

Sugar

We condemn the present administration for not keeping faith with the sugar producers of this country. The Republican Party favors such protection as will lead to the production on American soil of all the sugar which the American people use, and for which they pay other countries more than $100,000,000 annually.

Wool and woolens

To all our products—to those of the mine and the fields as well as to those of the shop and the factory; to hemp, to wool, the products of the great industry of sheep husbandry, as well as to the finished woolens of the mills—we promise the most ample protection.

Merchant marine

We favor restoring the American policy of discriminating duties for the upbuilding of our merchant marine and the protection of our shipping in the foreign-carrying trade, so that American ships—the product of American labor, employed in American shipyards, sailing under the Stars and Stripes, and manned, officered, and owned by Americans—may regain the carrying of our foreign commerce.

1900 PLATFORM

Protection policy reaffirmed

We renew our faith in the policy of protection to American labor. In that policy our industries have been established, diversified, and maintained. By protecting the home market, competition has been stimulated and production cheapened. Opportunity to the inventive genius of our people has been secured and wages in every department of labor maintained at high rates—higher now than ever before, and always distinguishing our working people in their better conditions of life from those of any competing country. Enjoying the blessings of the American common school, secure in the right of self-government, and protected in the occupancy of their own markets, their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world.

Reciprocity favored

We favor the associated policy of reciprocity, so directed as to open our markets on favorable terms for what we do not ourselves produce in return for free foreign markets.

1904 PLATFORM

The protective tariff

Protection which guards and develops our industries is a cardinal policy of the Republican Party. The measure of protection should always at least equal the difference in the cost of production at home and abroad.

We insist upon the maintenance of the principles of protection, and, therefore, rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration, but this work cannot safely be committed to any other hands than those of the Republican Party. To entrust it to the Democratic Party is to invite disaster. Whether, as in 1892, the Democratic Party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system.

However specious the name, the purpose is ever the same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity.

To a Republican Congress and a Republican President this great question can be safely entrusted. When the only free-trade country among the great nations agitates a return to protection, the chief protective country should not falter in maintaining it.

We have extended widely our foreign markets, and we believe in the adoption of all practicable methods for their further extension, including commercial reciprocity wherever reciprocal arrangements can be effected consistent with the principles of protection and without injury to American agriculture, American labor, or any American industry.

1908 PLATFORM

Tariff revision promised

The Republican Party declares unequivocally for a revision of the tariff by a special session of the Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of these schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between cost of production at home and abroad, together with a reasonable profit to American industries. We favor establishment of a maximum and minimum rate to be administered by the President under the limitations fixed by the law, the maximum to be available to meet the discrimination by foreign countries against American goods entering our markets, and the minimum representing the normal measure of protection at home, the aim and the purpose of Republican policy being not only to preserve without excessive duties the security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage workers of this country, who are the most direct beneficiaries of the protective system.

Philippine tariff

Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

1912 PLATFORM

The tariff policy

We reaffirm our belief in a protective tariff. The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries, and protecting our workingmen against competition with cheaper labor abroad, thus establishing for our wage earners the American standard of living. The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor.

We hold that the import duties should be high enough, while yielding a sufficient revenue, to protect adequately American industries and wages. Some of the existing import duties are too high and should be reduced. Readjustment should be made from time to time to conform to changing conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the Tariff Board has demonstrated.

Tariff board endorsed

The pronounced feature of modern industrial life is its enormous diversification. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of a tariff board its recognition of this situation and its determination to be equal to it. We condemn the Democratic Party for its failure either to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation.

We condemn the Democratic tariff bills passed by the House of Representatives of the Sixty-second Congress as sectional, as injurious to the public credit, and as destructive of business enterprise.

1916 PLATFORM

Tariff

The Republican Party stands now, as always, in the fullest sense for the policy of tariff protection to American industries and American labor and does not regard an anti-dumping provision as an adequate substitute.

Such protection should be reasonable in amount but sufficient to protect adequately American industries and American labor and so adjusted as to prevent undue exactions by monopolies or trust. It should, moreover, give special attention to securing the industrial independence of the United States as in the case of dyestuffs.

Through wise tariff and industrial legislation our industries can be so organized that they will become not only a commercial bulwark but a powerful aid to national defense.

The Underwood Tariff Act is a complete failure in every respect. Under its administration, imports have enormously increased in spite of the fact that intercourse with foreign countries has been largely cut off by reason of the war, while the revenues of which we stand in such dire need have been greatly reduced.

Under the normal conditions which prevailed prior to the war it was clearly demonstrated that this act deprived the American producer and the American wage earner of that protection which enabled them to meet their foreign competitors, and but for the adventitious conditions created by the war, would long since have paralyzed all forms of American industry and deprived American labor of its just reward.

It has not in the least degree reduced the cost of living, which has constantly advanced from the date of its enactment. The welfare of our people demands its repeal and the substitution of a measure which in peace as well as in war will produce ample revenue and give reasonable protection to all forms of American production in mine, forest, field, and factory.

We favor the creation of a tariff commission with complete power to gather and compile information for the use of Congress in all matters relating to the tariff.

1920 PLATFORM

International trade and tariff

The uncertain and unsettled condition of internal balances, the abnormal economic and trade situation of the world, and the impossibility of forecasting accurately even the near future, preclude the formulation of a definite program to meet conditions a year hence. But the Republican Party reaffirms its belief in the protective principle and pledges itself to a revision of the tariff as soon as conditions shall make it necessary for the preservation of the home market or American labor, agriculture, and industry.

1924 PLATFORM

The tariff

We affirm our belief in the protective tariff to extend needed protection to our productive industries. We believe in protection as a national policy with equal regard to all sections and to agriculture and industry. It is only by adherence to this policy that the interests of the consumers can be safeguarded and American agriculture, American labor, and American manufacturers be assured a return sufficient to perpetuate American standards of life.

A protective tariff is designed to support the high American economic level of life for the average family and to prevent a lowering to the levels of economic life prevailing in other lands. It is the history of the Nation that the protective system has ever justified itself by promoting industrial activity and employment, enormously increasing our purchasing power, restoring confidence, and bringing increased prosperity to all.

The tariff protection to our industry works for increased consumption of domestic agricultural products by an employed population instead of one unable to purchase the necessities of life. Without the strict maintenance of the tariff principle our farmers will need always to compete with cheap lands and cheap labor abroad, and with lower standards of living.

The enormous value of the protective principle has once more been demonstrated by the effects of the Emergency Tariff Act of 1921 and the Tariff Act of 1922.

We believe that the power of the President to decrease or increase any rate of duty in the tariff act furnishes a safeguard against excessive duties and against too low customs charges, and affords ample opportunity for tariff duties to be adjusted after a hearing that they may cover the actual differences in the cost of production in the United States and the principal competing countries of the world.

1928 PLATFORM

Tariff

We reaffirm our belief in the protective tariff as a fundamental and essential principle of the economic life of this Nation. While certain provisions of the present law require revision in the light of changes in the world competitive situation since its enactment, the record of the United States since 1922 clearly shows that the fundamental protective principle of the law has been fully justified. It has stimulated the development of our natural resources, provided fuller employment at higher wages through the promotion of industrial activity, assured thereby the continuance of the farmer's major market, and further raised the standards of living and general comfort and well-being of our people. The great expansion in the wealth of our Nation during the past 50 years, and particularly in the past decade, could not have been accomplished without a protective tariff system designed to promote the vital interests of all classes.

Nor have these manifest benefits been restricted to any particular section of the country. They are enjoyed throughout the land either directly or indirectly. Their stimulus has been felt in industries, farming sections, trade circles, and communities in every quarter. However, we realize that there are certain industries which cannot now successfully compete with foreign producers because of lower foreign wages and a lower cost of living abroad, and we pledge the next Republican Congress to an examination and where necessary a revision of these schedules to the end that American labor in these industries may again command the home market, may maintain its standard of living, and may count upon steady employment in its accustomed field.

Adherence to that policy is essential for the continued prosperity of the country. Under it the standard of living of the American people has been raised to the highest levels ever known. Its example has been eagerly followed by the rest of the world whose experts have repeatedly reported with approval the relationship of this policy to our prosperity, with the resultant emulation of that example by other nations.

A protective tariff is as vital to American agriculture as it is to American manufacturing. The Republican Party believes that the

home market, built up under the protective policy, belongs to the American farmer, and it pledges its support of legislation which will give this market to him to the full extent of his ability to supply it. Agriculture derives large benefits not only directly from the protective duties levied on competitive farm products of foreign origin but also, indirectly, from the increase in the purchasing power of the American workmen employed in industries similarly protected. These benefits extend also to persons engaged in trade, transportation, and other activities.

The Tariff Act of 1922 has justified itself in the expansion of our foreign trade during the past 5 years. Our domestic exports have increased from $3,800,000,000 in 1922 to $4,800,000,000 in 1927. During the same period imports have increased from $3,100,000,000 to $4,400,000,000. Contrary to the prophesies of its critics, the present tariff law has not hampered the natural growth in the exportation of the products of American agriculture, industry, and mining, nor has it restricted the importation of foreign commodities which this country can utilize without jeopardizing its economic structure.

The United States is the largest customer in the world today. If we were not prosperous and able to buy, the rest of the world also would suffer. It is inconceivable that American labor will ever consent to the abolition of protection, which would bring the American standard of living down to the level of that in Europe, or that the people in this country were curtailed and its market at home, if not destroyed, at least seriously impaired.

1932 PLATFORM

The tariff

The Republican Party has always been the stanch supporter of the American system of a protective tariff. It believes that the home market, built up under that policy, the greatest and richest market in the world, belongs first to American agriculture, industry, and labor. No pretext can justify the surrender of that market to such competition as would destroy our farms, mines, and factories, and lower the standard of living which we have established for our workers.

Because many foreign countries have recently abandoned the gold standard, as a result of which the costs of many commodities produced in such countries have, at least for the time being, fallen materially in terms of American currency, adequate tariff protection is today particularly essential to the welfare of the American people. The Tariff Commission should promptly investigate individual commodities so afflicted by currency depreciation, and report to the President any increase in duties found necessary to equalize domestic with foreign costs of production.

To fix the duties on some thousands of commodities, subject to highly complex conditions, is necessarily a difficult technical task. It is unavoidable that some of the rates established by legislation should, even at the time of their enactment, be too low or too high. Moreover, a subsequent change in costs or other conditions may render obsolete a rate that was before appropriate. The Republican Party has, therefore, long supported the policy of a flexible tariff, giving power to the President, after investigation by an impartial commission and in accordance with prescribed principles, to modify the rates named by the Congress.

We commend the President's veto of the measure, sponsored by Democratic Congressmen, which would have transferred from the President to the Congress the authority to put into effect the findings of the Tariff Commission. Approval of the measure would have returned tariff making to politics and destroyed the progress made during 10 years of effort to lift it out of logrolling methods. We pledge the Republican Party to a policy which will retain the gains made and enlarge the present scope of greater progress.

We favor the extension of the general Republican principle of tariff protection to our natural-resource industries, including the products of our farms, forests, mines, and oil wells, with compensatory duties on the manufactured and refined products thereof.

1936 PLATFORM

Tariff

Nearly 60 percent of all imports into the United States are now free of duty. The other 40 percent of imports compete directly with the product of our industry. We would keep on the free list all products not grown or produced in the United States in commercial quantities. As to all commodities that commercially compete with our farms, our forests, our mines, our fisheries, our oil wells, our labor, and our industries, sufficient protection should be maintained at all times to defend the American farmer and the American wage earner from the destructive competition emanating from the subsidies of foreign governments and the imports from low-wage and depreciated-currency countries.

We will repeal the present reciprocal-trade-agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and farmer.

We will restore the principle of the flexible tariff in order to meet changing economic conditions here and abroad and broaden by careful definition the powers of the Tariff Commission in order to extend this policy along nonpartisan lines.

We will adjust tariffs with a view to promoting international trade, the stabilization of currencies, and the attainment of a proper balance between agriculture and industry.

We condemn the secret negotiation of reciprocal trade treaties without public hearing or legislative approval.

1940 PLATFORM

Tariff and reciprocal trade

We are threatened by unfair competition in world markets and by the invasion of our home markets, especially by the products of state-controlled foreign economies.

We believe in tariff protection for agriculture, labor, and industry, as essential to our American standard of living. The measure of the protection shall be determined by scientific methods with due regard to the interest of the consumer.

We shall explore every possibility of reopening the channels of international trade through negotiations so conducted as to produce genuine reciprocity and expand our exports.

We condemn the manner in which the so-called reciprocal trade agreements of the New Deal have been put into effect without adequate hearings, with undue haste, without proper consideration of our domestic producers, and without congressional approval. These defects we shall correct.

1944 PLATFORM

Foreign trade

We assure American farmers, livestock producers, workers, and industry that we will establish and maintain a fair protective tariff on competitive products so that the standards of living of our people shall not be impaired through the importation of commodities produced abroad by labor or producers functioning upon lower standards than our own.

If the postwar world is to be properly organized, a great extension of world trade will be necessary to repair the wastes of war and build an enduring peace. The Republican Party, always remembering that its primary obligation, which must be fulfilled, is to our own workers, our own farmers, and our own industry, pledges that it will join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade. We will always bear in mind that the domestic market is America's greatest market and that tariffs which protect it against foreign competition should be modified only by reciprocal bilateral trade agreements approved by Congress.

1948 PLATFORM

At all times safeguarding our own industry and agriculture, and under efficient administrative procedures for the legitimate consideration of domestic needs, we shall support the system of reciprocal trade and encourage international commerce.

NATIONAL REPUBLICAN PLATFORM FOREIGN TRADE PLANK

1950

The Foreign Trade Plank: Excerpt from the Republican principles and objectives adopted on February 6, 1950, by the Republican National Committee, in cooperation with the Republican Policy Committees of the United States Senate and the House of Representatives in Washington, D. C.

"We favor the promotion of world trade on the basis of fair and reasonable competition and we assert that this can be done within the Republican principle that foreign products of underpaid foreign labor shall not be admitted to this country on terms which endanger the living standards of the American workman or the American farmer, or threaten serious injury to a domestic industry. A strong American economy is a vital factor for our security."

This is in line with the flexible import fee bill offered as a substitute for the 1934 Trade Agreements Act (the first part of the administration's three-part free trade program) in September of 1949—and is now in the Senate Finance Committee as a regular bill.

The foreign trade plank in the national Republican platform is also in accord with the resolutions passed in 1949 by the Nevada Republican State Executive Committee, the Nevada State Farm Bureau, and by the Ploche Union Local, No. 407, CIO, the White Pine County Central Labor Council, the Legislative Committee of Local Lodge 706 International Association of Machinists and the Property Owners Association of Clark County, State of Nevada, and the Washoe County Central Trades Council. Signed by Angus Cauble, president of the council and Harry Depoali, president of the Nevada State American Federation of Labor.

A SHORT TARIFF HISTORY OF THE UNITED STATES

I. DEFINITION OF TARIFFS

There are two basically different kinds of tariffs:

(a) Revenue tariffs.

(b) Protective tariffs.

A revenue tariff is one which is levied on imports with the objective of raising the maximum revenue for the support of the Government. To maximize revenue it is necessary to have large imports which require low tariff rates.

A protective tariff is one which is designed to protect domestic manufactures, or mining, or agriculture from imports from abroad. The more protective a tariff is, the more it will keep out imports. A tariff which is 100 percent protective will keep out all imports.

Hence, a completely protective tariff will yield no revenue to the Government since there will be no imports.

II. HISTORY OF UNITED STATES TARIFFS FROM 1780 TO 1949

A short survey of tariff history of the United States can be best described by dividing it into seven periods.

A. The period 1780 to 1789 (American Government under the Articles of Confederation).

B. The period 1789 to 1816 (interval from the establishment of the United States under the Constitution to the end of the War of 1812).

C. The period 1816 to 1861 (interval from the end of the War of 1812 to the beginning of the Civil War).

D. The period 1861 to 1913 (interval from the Civil War to Woodrow Wilson's free-trade program).

E. The period of 1913 to 1921 (interval of free-trade tariffs under Woodrow Wilson and the Democrats).

F. The period 1921 to 1934 (interval of protective tariffs under Republican administration).

G. The period 1934 to 1948 (interval of trade agreements and free trade).

The principal development during each of these seven periods will be described in order.

A. Confederation period, 1780–89

When the 13 American Colonies declared their independence from England, they formed a provisional Government in 1776 known as the Confederation Government which provided for a Continental Congress. The new Government operated under the Articles of Confederation which were finally ratified in 1781.

Under the Confederation Government, the individual States levied numerous tariffs, many of which were definitely protective tariffs.

During the period from 1780 to 1789 Pennsylvania enacted 15 tariff acts; Virginia, 12; Massachusetts, New York, and Maryland, 7 each; Connecticut, 6, and the other States a lesser number.

The tariffs levied in the Middle Atlantic and New England States were protective tariffs or for purposes of retaliation, while those of the Southern States were chiefly revenue tariffs.

B. Period from 1789 to 1816

With the establishment of the United States Government in 1789, control over foreign commerce was reserved to the Federal Government so that the individual States lost their power to levy import duties. The new Congress under the Constitution met for the first time on March 4, 1789, and its first act was to levy a tariff primarily for revenue purposes.

During the period from 1789 to 1816 numerous tariff acts were passed, but the first time a definite protective tariff system was passed was in 1816, after the close of the War of 1812. It was designed to protect the infant manufacturing industries that had sprung up during the war from a flood of cheap postwar manufactured products from England.

The revenue tariff passed in 1789 provided for import duties ranging from 5 percent to 15 percent, with no commodities on the free list. A 5-percent duty was levied on all commodities not otherwise enumerated.

From 1789 to the beginning of the War of 1812, Congress passed 13 tariff laws, raising duties on some commodities to secure higher revenues and placing other commodities on the free list.

The average level of tariffs from 1791 to 1812, found by dividing the duties collected by the value of the dutiable imports each year, ranged from 11.2 percent in 1795 to 37.2 percent in 1808. The level of tariffs for each year from 1791 to 1812 is as follows:

Rate of duty on dutiable imports

Year:	Percent
1791	15.34
1792	11.54
1793	14.68
1794	17.10
1795	11.21
1796	12.02
1797	15.60
1798	19.99
1799	19.70
1800	17.42
1801	16.61
1802	30.67
1803	20.52
1804	22.76
1805	19.19
1806	21.22
1807	20.09
1808	37.22
1809	18.80
1810	14.07
1811	35.62
1812	13.07

The average level of tariffs for the 10-year period from 1791 to 1800 was just under 15 percent (14.89 percent) while for the 10-year period 1801 to 1810 it was 21.4 percent.

It is of great interest to note that during the first two decades of the Republic the tariff level ranged from 15 to 21 percent, a period when tariffs were primarily for revenue and not for protection. This was the free-trade period in American tariff history. Yet last year, 1948, the average tariffs on dutiable imports were only 13.7 percent, an amount lower than during the first 25 years of our history. It can truly be said that today America is a free-trade country, with the lowest level of tariffs in its history, with tariffs lower than the revenue tariffs of 150 years ago.

C. Tariffs from 1816 to 1861

The 45-year period from 1816 to the Civil War in 1861 was marked by the inauguration of a protective-tariff system in 1816 just after the close of the War of 1812. Increasing protection was given manufactures for the next 15 to 20 years, after which the level of protective tariffs showed a downward trend to 1861.

The upward trend of protective tariffs to 1830 and the trend toward lower protective tariffs from 1830 to 1860 is indicated in the average tariff level by 10-year periods from 1810 to 1860. These were as follows:

Duties collected as a percent of the value of dutiable imports

10-year period:	Percent
1811–20	24.06
1821–30	37.47
1831–40	31.22
1841–50	27.01
1851–60	24.06

While protective tariffs when averaged for 10-year periods varied from a low of 24 percent to a high of 37 percent, the range for individual years was much greater. In 1830 the tariff level was 47.59 percent and was in excess of 40 percent for the years 1826, 1828, 1829, 1833, and 1835. For the 10 years ending in 1845, with the exception of 1 year, the tariff level was never less than 25 percent and never over 30 percent. From a level of 30 percent in 1845 the tariff declined gradually during the next 15 years to a level of only 19 and a fraction percent for the years 1859, 1860, and 1861. This was the lowest tariff level reached until 1920 when the Wilsonian free trade tariff took effect at the end of World War I.

The principal tariff acts passed between 1816 and 1861 were the acts of 1816, 1824, 1828, 1833, 1842, 1846, and 1867. The first three of these acts (1816, 1824, and 1828) raised tariffs and gave a high degree of protection to cotton and woolen goods and to some kinds of iron. In the tariff of 1828, for example, tariffs on woolen goods reached 100 percent ad valorem.

Beginning with the tariff act of 1833, protective duties were lowered in each successive tariff act with the exception of the 1842 act which raised tariffs for the 4-year period from 1842 to 1846. The Walker Tariff Act of 1846 and the Tariff Act of 1857 brought about substantial reductions in tariffs, the average tariff level falling from 29.2 percent in 1846 to 19.1 percent in 1861.

It was during the congressional battles over the tariff acts of 1828 and 1833 that the split between the South and the North over protective tariffs became acute, the South favoring tariffs for revenue only and the North favoring high tariffs to protect manufacturers who were rapidly expanding in the Northern States.

D. Tariffs from 1861 to 1913

The 53-year period from the beginning of the Civil War to the inauguration of Woodrow Wilson in 1913 was a period when the Republican Party was in power almost all of the time and when the tariffs were maintained consistently at a protectionist level. The annual level of the tariff by 10-year periods from 1860 to 1913 never fell below 40 percent and never rose much above 40 percent, although the level nearly reached 50 percent from 1898 to 1904. The average annual tariff level by decades during this period was as follows:

Tariff level (annual average)

10-year period:	Percent
1861–70	44.62
1871–80	41.95
1881–90	44.53
1891–1900	46.73
1901–10	45.20

During the Civil War period from 1861 to 1865 a series of tariff acts was passed, the net effect of which was to raise the level of tariffs from 19.1 percent in 1861 to 53.1 percent in 1865. Tariffs were raised for three reasons: To increase revenues to help finance the war; to provide additional protection for manufacturing; and to impose countervailing duties to equal the internal-revenue taxes levied on various manufactured products as a means of helping to finance the war.

During the first few years after the war ended in 1865 tariffs were lowered on various commodities, such as coffee, tea, sugar, spices, etc., but these were revenue tariffs. At the same time tariff duties on woolens and other manufactured goods of certain kinds were increased. The net effect was to maintain the protective-tariff general level above 40 percent, or over twice that when the war began.

The election of Grover Cleveland on the Democratic ticket in 1892 led to the passage of the Wilson Tariff Act—named for the Congressman who introduced the bill—in 1894. Some duties were reduced under the 1894 act, but the net effect on the general level of tariffs was slight.

When the Republicans came back into power with the election of McKinley in 1896, they quickly passed a new tariff act on July 24, 1897, known as the Dingley Act. This act provided for substantial increases in protective-tariff duties on many commodities so that for the next 7 years the average tariff level was about 50 percent. This was the peak level of protective tariffs for a seven-consecutive-year period throughout our entire history.

This 7-year period of high protective tariffs averaging about 50 percent came to an end with the year 1904. For this year the tariff level was 49 percent and gradually sank year by year to a level of 40 percent for the year 1913.

Brief mention should be made of the Payne-Aldrich Tariff Act passed in 1909 by the Republicans under President Taft. Both

major parties in the election of 1908 adopted a plank in their platform favoring a downward revision of the tariff. This Tariff Act provided for reductions in tariffs on 584 items and for increases on 300 items, many of which were on cotton goods of various types. The net effect of this tariff was to bring about a slight decrease in the tariff level from 1909 to 1913. The tariff level fell from 43 percent in 1909 to 40 percent in 1913.

E. Tariffs from 1913 to 1921

In the election campaign of 1912 the Republican Party came out boldly in its platform in favor of protective tariffs, while the Democratic Party platform came out flatly opposed to all protective tariffs and stated it believed in tariffs for revenue only. In fact, the Democratic platform went so far as to assert the following:

"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."

Because of the split in the Republican Party occasioned by Teddy Roosevelt's formation of the Bull Moose Party, the Democrats won the election and Woodrow Wilson became President on March 4, 1913.

The first thing Congress did after Wilson's inauguration was to take up the question of revision of the tariffs and on October 3, 1913, the Underwood Tariff Act was passed. The Underwood tariff reduced tariffs on many commodities and eliminated tariffs entirely on a large number of commodities, placing them on the free list.

Under the Underwood tariff the following commodities were deprived of all tariffs and placed on the free list: Raw wool; metals; agricultural products including live cattle, meats, wheat, corn, flax, tea, hemp; and numerous manufactures including boots, shoes, gunpowder, wood pulp, and print paper.

The full economic effects of these drastic reductions in tariffs could not be measured during the immediate years that followed because 9 months after the passage of the act, World War I broke out in Europe. The war greatly increased the demand for United States exports and greatly reduced imports from Europe at the same time that imports increased from other continents. But even so a pronounced drop in the tariff level occurred between 1914 and 1918 which became even greater in the 2 years following the war. The tariff level by years from 1913 to 1920 was as follows:

	Percent
1913	40.1
1914	37.6
1915	33.4
1916	30.7
1917	27.2
1918	24.4
1919	21.3
1920	16.4

These levels of tariff just described are the ratio between the value of duties collected and the value of all dutiable imports. If the value of imports on the free list are included, the tariff level for 1921 was only 6.4 percent compared with 17.7 percent for 1913.

It is of interest to note that the level of protective tariffs fell over 50 percent in 5 years and fell 33 percent during the 2-year period 1918 to 1920. It is also significant to note that a slump in prices and widespread unemployment accompanied these rapid reductions in protective tariffs.

So disastrous had become the fall in prices and unemployment in 1920, particularly the fall in agricultural prices, that an emergency tariff was rushed through May 28, 1921. The return of the Republican Party to power in the Presidential election in November 1920, paved the way for new tariff legislation providing for adequate protective tariffs.

F. Tariffs from 1921 to 1934

During the 14-year period from 1921 to 1934 three important tariff acts were passed; the Emergency Tariff Act of 1921, the Fordney-McCumber Tariff Act of 1922, and the Hawley-Smoot Tariff Act of 1930.

The Emergency Tariff Act of 1921

The Emergency Tariff Act of 1921 was rushed through primarily for three reasons. In the first place, it was to satisfy the widespread demand of American farmers for protection from imports of foreign agricultural products. In the second place, it was to prevent the dumping of foreign-produced goods in the United States at prices below the foreigners' cost of production. Finally, in the third place, it was to provide for the protection of American producers against the devaluation of foreign currencies, a device which was widespread after World War I as a means of circumventing protective tariffs of other countries.

The tremendous slump in farm prices following loss of foreign markets threatened the American farmer with competition from foreign agricultural producers and was the principal reason for rushing through the tariff legislation in 1921. Protective duties were levied on imports of wheat, flaxseed, corn, beans, peanuts, potatoes, onions, rice, peanut, cottonseed and soya bean oils, cattle, sheep, and fresh or frozen meats. The import duty levied on wheat was 35 cents per bushel, on corn 15 cents per bushel, on potatoes 25 cents per bushel, on beans 2 cents per pound, and sheep $2 per head, on fresh or frozen meats 2 cents per pound, on peanuts 3 cents per pound, on rice 2 cents per pound, on cattle 30 percent ad valorem, and meats of all kinds, prepared or preserved, not specially provided for, 25 percent ad valorem. Protective duties were also levied on cotton, wool, sugar, butter, cheese, milk, tobacco, apples, cherries, and other products.

The Fordney-McCumber Tariff Act of 1922

The Emergency Act of 1921 was superseded the following year by the Fordney-McCumber Tariff Act of 1922.

Since the passage of the Underwood Tariff Act in 1913 drastic changes in the economic conditions in the United States and other countries had occurred as a result of World War I and the conditions which followed the war. These changes in conditions in world production and trade required a reappraisal of American tariff policy. In general the tariff adjustments of 1922 took the form of higher duties. The enactment of higher import duties in 1922 may be attributed to the following five causes:

1. Fear of excessive imports following the cessation of hostilities and the return to more normal conditions.

2. The demand for higher duties by a number of industries, especially chemical and mineral, newly created or greatly expanded as a result of the extraordinary demands made upon them by the shutting off of foreign sources of supply during the war.

3. The increased competition encountered by staple agricultural products resulting from overproduction in domestic areas under the stimulus of war conditions and the return to production of low-cost areas developed during the war as well as by the return to production in various war areas.

4. The demand that industries producing material essential to war be encouraged.

5. Changes in economic conditions resulting from depreciation of currency in many European countries and from the depression of 1921.

The professed general objective of the 1922 Tariff Act was to restore import duties to approximately the level prevailing before the Underwood Tariff Act of 1913. In the majority of schedules this was actually done although in individual cases duties were lowered while in other cases they were raised above the 1913 level. For example, duties were raised on chemicals, oils, and paints from 22 to 29 percent ad valorem, on metals and manufactures of metals from 24 to 33 percent ad valorem, and on wood and manufactures of wood from 13 to 24 percent. On the other hand, import duties on tobacco and manufactures of tobacco were reduced from 83 to 54 percent, while duties on spirits, wines, and other beverages were reduced from 90 to 39 percent ad valorem. The net effect of all the changes can be seen by comparing the ad valorem rate of duty on dutiable imports for the year 1914 and the year 1926, 4 years after the passage of the act. In 1926 import duties collected averaged 39 percent of the value of all dutiable imports compared with 38 percent for the year 1914. For the entire period from the passage of the Fordney-McCumber Act, September 22, 1922, to the passage of the Hawley-Smoot law, June 18, 1930, the average import duties were 38.5 percent of the value of all dutiable imports.

Under the Payne-Aldrich tariff from 1909 to 1913 import duties were 40.8 percent of the value of dutiable imports. Hence, it will be seen that the protective tariffs under the Republicans during the decade following World War I were lower than the tariffs prior to the First World War. Furthermore, during the decade of the 1920's a larger percent of our imports came in free of any duties than during the prewar period, 1909 to 1913. During the decade of the 1920's 64 percent of all our imports came in free of duty while only 53 percent of all imports came in free of duty during the period 1909 to 1913.

Flexible Tariff Provisions

The Tariff Act of 1922 also provided, in section 315, for a system of flexible tariffs in order to equalize foreign and domestic costs of production. The President was authorized to increase or decrease existing rates of duties by not more than 50 percent after investigation by the Tariff Commission. Very few changes, however, were made under this authorization prior to 1934 and, in these cases where the President exerted his power, it was usually to raise duties.

Another important provision of the act of 1922 was that contained in section 316, which provided for additional duties, or in extreme cases, that imports might be completely prohibited, if a foreign country engaged in unfair competition.

The Hawley-Smoot Tariff Act of 1930

The Hawley-Smoot Tariff Act of 1930 was passed primarily in order to provide still greater protection for the American farmer against competitive imports of oil, fats, dairy products, hides, skins, and numerous other agricultural products. The purpose was to preserve the home market in these commodities for the American farmer. Furthermore, certain other industries were experiencing increased competition from imports of foreign goods and demanded more protection. Some increases in import duties on industrial products were, also, made to compensate for the higher duties upon raw materials which were provided by the 1930 act.

The net effect of the various tariff changes in the Hawley-Smoot Tariff Act was to raise the average import-duty level over the 1922 act from 38 percent to 41 percent ad valorem. Since, however, the period from 1930 through 1933 was one of depression and declining prices and, since many duties were specific, the net effect was to raise the average level of tariffs considerably above 41 percent. The average amount of import duties collected as a percentage of the value of all dutiable imports reached 59.1 percent for the year 1932, but by 1935, as prices rose, had dropped back to 42.9 percent.

The Hawley-Smoot Act of 1930 continued the flexible tariff provisions of the 1922 act, which authorized the President to increase or decrease the duties by as much as 50 percent on recommendation of the Tariff Commission. One change was made, however.

The power of the Tariff Commission was strengthened and the President was no longer given the power to alter the actual rate recommended.

The Revenue Acts of 1932 and 1934

In 1932 an amendment was attached to a revenue act providing for the imposition of duties on petroleum, petroleum products, coal, lumber, and copper. In 1934 similar action was taken with respect to whale and fish oils. These new duties were classed as import taxes and were not considered as import duties subject to the provisions of the Tariff Act of 1930.

Conclusions, 1920–34 Period

In conclusion, it may be stated that the level of protective tariffs under the Republicans from 1922 to 1930 was slightly lower than the level which prevailed from 1880 to 1913. Under the Hawley-Smoot tariff of 1930 the level of tariff rates was slightly increased but the actual effect was a substantial temporary increase in the tariff level because of the rapid fall in prices from 1930 to 1933. With the return of rising prices, which began in 1932, the protective-tariff level started to decline and in 1936 fell to 39.2 percent. This is a level approximately equal to that during the 1920's under the Fordney-McCumber Act. Not enough trade agreements had been signed by 1936 under the terms of the Trade Agreements Act of 1934 to noticeably affect the tariff level. During 1934 and 1935 only nine trade agreements had been signed and in every case but one were with small countries such as Belgium, Cuba, Haiti, and Honduras.

G. Tariffs from 1934 to 1949

Despite the fact that there have been no new tariff acts since the enactment of the Smoot-Hawley Act in 1930, we must regard the period from June 1934 to the present as a separate one in the tariff history of the United States. On the 12th of June 1934 Congress passed an amendment to the Tariff Act of 1930, the so-called Trade Agreements Act. With this amendment Congress authorized the President to negotiate and enter into foreign-trade agreements. To give the President bargaining power he was authorized to raise or lower tariffs a maximum of 50 percent of the rates of the Tariff Act of 1930. The ostensible reason for surrendering the legislative function in regard to making tariffs was the desire to assist in the then existing emergency in restoring the American standard of living, in overcoming domestic employment and the present economic depression, etc.

In advocating this means of reducing tariffs, the Roosevelt administration lived up to its commitments in the Democratic Party platform of the 1932 election, when the party had pledged reduction of tariffs. The act had been passed primarily as an emergency measure, and under the terms of the act its duration was to be 3 years. However, under this authority the administration reduced tariffs to the lowest level in United States history, and several extensions of the act continued it far beyond the point when it could have had any justification as an emergency measure. In 1937 and 1940 the act was extended for 3 years each, and in 1943 for 2 years only. In 1945 it was extended for another 3 years, and the President was again entitled to raise or lower the rates of duty by a maximum of 50 percent of the rates in force on January 1, 1945. In other words, those products which had suffered a reduction by 50 percent of the rate under the 1930 act by virtue of the first Trade Agreements Act, could again be affected by a further reduction of 50 percent. Thus, on a good number of products the reduction of duties reached 75 percent of the rates provided for under the Tariff Act of 1930. In 1948 the Trade Agreements Act was continued for 1 year only, with a few changes, the most important being the provision for peril-point studies by the Tariff Commission.

Under the Trade Agreements Act trade agreements with 42 nations are in effect today. Twenty-three of these agreements were negotiated in one great tariff-cutting festival at Geneva, Switzerland, where 23 nations bartered and horse-traded with each other for tariff reductions.

At the present time in Annecy, France, the GATT nations have again met to discuss the results of the first Geneva agreements on tariffs and trade, and to negotiate with 13 more nations on further tariff cuts.

The agreements entered into under the Trade Agreements Act are executive agreements and as such are not subject to congressional approval. The function of legislating on tariffs was surrendered to the President under the 1934 act.

Mr. MALONE. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point excerpts from a press dispatch appearing in the Washington Times-Herald of May 23, 1951.

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

In his attack on the legislation, MALONE denounced the reciprocal trade agreements as "farcical" and "delusionary." He said American living standards are threatened by tariff reductions negotiated by the State Department, which are opening United States markets to sweatshop labor in Europe and Asia.

SEES PROSPERITY PERILED

"Unaccustomed as the Senate has become to dealing with national issues within the legal and ethical framework of our Constitution," he said, "I cannot refrain from making a plea on behalf of the citizens of the United States—the 150,000,000 people who look to us to safeguard their welfare and who make the sacrifices incident to supporting their Federal Government and activities.

"I am well aware that it has become naive to concern oneself with the plight of the American workingman and the American taxpayer, just as it has become naive to place the interests of America anywhere but at the bottom of the international donation list. But my conscience will not permit me to remain silent when the strength and prosperity of America are in jeopardy," MALONE said.

Mr. MALONE. Mr. President, I also ask unanimous consent to have included at this point in the RECORD a Washington Times-Herald dispatch of Tuesday, May 22, 1951.

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

MALONE DEPICTS HOW TRADE PACTS HURT BUSINESSES

(By William Strand)

The effects of New Deal tariff policies on American industry were pointedly illustrated yesterday on the Senate floor by Senator MALONE, Republican, of Nevada.

The Senator barged into the Senate bearing a pair of household sewing machines. He plunked them on his desk beside copies of the CONGRESSIONAL RECORD and a stack of notes and other documents.

Then he began speaking against legislation before the Chamber, calling for a 2-year extension of the administration's reciprocal trade-agreements program.

LABOR COST DIFFERENCE

Both the sewing machines were table models. Both were electrical. Both were of a size and shape familiar in American homes for more than a generation. One was made in America, said MALONE.

It cost a dealer $86.25. Its retail selling price was $109.95. The other was made in Japan, MALONE continued. It cost an importer slightly more than $20. After it reached this country, a motor, a light, and a carrying case were added, bringing the total cost to a wholesaler or jobber to approximately $27.

This machine, the Senator said, sold at retail last Friday for $77.50. The difference was in the cost of labor which went into the manufacture of each of the machines, MALONE asserted.

The workingman who built the Jap machine, he said, was paid 12 cents an hour. The American who produced the similar machine in this country got an average of $1.75 per hour.

When the two machines reached the retail market, he emphasized, they competed on an equal footing for an American purchaser.

"Congress must decide whether it wants to maintain our American standard of living or continue the present administration's foreign trade," the Senator declared.

STANDARDS THREATENED

"Our present standard of living is seriously threatened by foreign sweatshop labor competition, permitted and encouraged by this legislation. It is idiocy to say that we can compete with foreign, low-wage markets on a free trade basis without lowering our own standards.

The competition from abroad being offered the United States sewing machine industry, MALONE charged, is merely one example of how the reciprocal trade agreements have laid a heavy hand on 8,000 American enterprises.

He said the program, dating from 1934, represents an attempt to promote world trade at the expense of American labor.

"Any one-economic-world plan will bring about a leveling of conditions of employment everywhere," MALONE told his colleagues.

"Leveling in this form means the lowering of American standards which are traditionally the highest in the world."

TARIFFS BELOW PERIL POINT NOW

Mr. MALONE. Mr. President, our tariffs and import fees, as explained by the junior Senator from Nevada, are already generally substantially below the so-called peril point after 18 years of tampering by an incompetent State Department having no sense of the delicate balance between the markets and wages and investments.

The tariff or import fee levied upon cheap foreign labor goods, to provide a fair and reasonable competitive price level, goes into the United States Treasury and can be utilized to reduce the national debt, for the current operating expenses of the Government, or to lower taxes.

So there we have a twofold purpose. The real purpose is to provide fair and reasonable competitive bases, and to provide markets for all the goods of the world in the United States of America on that principle. The secondary effect would be that a considerable amount of money would be collected for the United States Treasury.

Mr. WHERRY. Mr. President, will the Senator yield to me so I may ask unanimous consent to be excused from the session of the Senate for an hour?

Mr. MALONE. I yield to the Senator from Nebraska for that purpose.

Mr. WHERRY. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Mr. President, it is the fairest imaginable levy since the source of such imports is largely the foreign countries where industrial plants have been financed by the American taxpayers through the Marshall plan, or the point 4 program.

The tariff or import fee will render the continued use of sweat-shop labor unprofitable, and thus foreign living standards may begin to rise.

Foreign nations must be encouraged to create their own markets through gradually raising their own low-wage standard of living—just as has been done in this country.

Families existing upon 50 cents to $2.50 or $3 per day are not in the market for radios, washing machines, refrigerators, electric appliances, and automobiles. One American worker who can be protected by that fair and reasonable principle is in the market for more goods than 50 such families in low-wage countries.

The State Department's free-trade program not only encourages the nations to hold their wages down to undersell like products in this country, but through opening our market wide to them without any equalizer of the wide differential between the living standard wages here and abroad the result can only be a substantial lowering of our own hard-earned standards.

No workingman in this Nation has ever objected, or no investor in this Nation has ever objected to competing on an even basis with any country where the prevailing wages are approximately the same.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD the material upon which are based the tables which have been utilized in the debate, numbered 1, on the left, and No. 2 and No. 3, in the back of the Chamber.

The PRESIDING OFFICER. The Chair has been informed that charts cannot be printed in the RECORD.

Mr. MALONE. There is no request, Mr. President, to have the charts included. I simply ask that the material upon which tables Nos. 1, 2, and 3, are based may be printed in the RECORD, without the charts.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

TABLE I.—*Comparative hourly earnings of employees in manufacturing for certain foreign countries and the United States—last quarter, 1949 (converted into dollars)*

Country	Hourly earnings	Percentage of United States
United States	$1.41	100
Canada	.92	65
Australia	.60	43
United Kingdom	.39	28
Germany	.29	21
France	.21	15
Japan	[1] .12	9

[1] Computed on basis of 8-hour day, from reported daily earnings of $0.97.

Source: Monthly Bulletin of Statistics, Statistical Office of United Nations (data based on International Labor Office information).

TABLE II.—*Hourly wage rates applicable to production in United States and foreign countries, selected from briefs submitted by industry members of the American Tariff League before CRI, 1950*

Country	Item or work involved	Foreign wage rate	United States wage rate	Percentage of foreign to United States rate
United Kingdom	Lithographic products	$0.52	$2.44	0.21
	Vitrified chinaware	.30	1.35	.22
	Hand-made glassware	[1] .39	[2] 1.75	.22
	Bicycles	.34	1.75	.20
	Sporting arms and firearms	.50	1.50	.33
	Clocks and watches	.36	1.46	.25
	Wool textiles	.35	1.32	.27
	Plastic dolls, plastics	[3] 12.00	[3] 55.00	.22
	Pottery	.40	1.40	.29
	Rayon industry	[3] 17.36	[3] 57.60	.30
	Stone and quarry	[3] 14.46	[3] 70.00-80.00	.21-.18
	Leather glove industry	[4] .33	[4] 1.60	.21
	do	[5] .20	[5] .92	.22
	Chemicals and allied industries	[6] .48	1.30	.37
	do	[7] .33	1.57	.21
Canada	do	[8] 1.01	1.30	.78
	Aluminum industry	[9] .90	1.59	.57
	Lead mining	[10] 1.20	1.56	.77
	Mechanical and electrical industries	[1] .91	1.37	.66
France	Chemical industry	.28-.80	1.57	.18-.51
	Mechanical and electrical industries	.29	1.44	.20
	Leav. lace industry, weaving and other	.19-.28	.81-1.60	.23-.17
	Sporting arms and firearms	[1] .36-.39	1.50	.24-.26
	Vitrified chinaware	.26	1.35	.19
	Scientific instruments	.34	1.40-2.50	.24-.14
French Morocco	Lead mining	.12	1.56	.08
Japan	Clocks and watches	.14	1.46	.09
	Wool textiles	[11] .10	1.32	.08
	Vitrified chinaware	.10	1.35	.07
	Pottery	.09	1.40	.06
	Scientific instruments	.12	1.50	.08
Australia	Lead mining	1.10-1.25	1.56	.71-.80
Germany	Chemical industry	.28-.83	1.57	.18-.53
	Mechanical and electrical industry	.35	1.37	.26
	Clocks and watches	.23	1.46	.16
	Pottery	.30	1.40	.21
	Scientific instruments	.29	1.50	.19
Italy	do	[5] .27	[5] 1.40-2.50	.19-.11
	Pottery	.20	1.40	.14
	Stone and quarry	[3] 11.21	[3] 70.00-80.00	.16-.14
	Vitrified chinaware	.23	1.35	.17
	Chemical industry	.26-.56	1.57	.17-.36
Belgium	Sporting arms and firearms	[12] .60	1.50	.40
	Vitrified chinaware	.28	1.35	.21
Sweden	Stone and quarry	[13] 17.76	70.00-80.00	.25-.22
Switzerland	Clocks and watches	.56	1.46	.38
Czechoslovakia	Vitrified chinaware	.20	1.35	.15
	Hand-made glassware	.36	1.75	.21
Peru	Lead mining	[10] .07-.09	1.56	.04-.06
Bolivia	do	[10] .07-.09	1.56	.04-.06
Mexico	do	[10] .30	1.56	.19
Turkey	Fig industry	[14] 2.00	[15] 20.00	.10
South Africa	Lead mining	.06-.10	1.56	.04-.06

[1] Before devaluation. Includes skilled and unskilled labor.
[2] Includes skilled labor only.
[3] Weekly wage.
[4] Male workers.
[5] Female.
[6] Based on weekly wage of $21.07 for 44-hour week.
[7] Wage data submitted by different source.
[8] Includes overtime and 44-hour week.
[9] After devaluation. Data submitted before the U. S. Tariff Commission, March 1950.
[10] Data submitted before U. S. Tariff Commission, May 1950.
[11] Highest rate paid.
[12] Estimated.
[13] Highest rate in Europe.
[14] Per diem.
[15] Per diem up to $20.

Mr. MALONE. Mr. President, this country was built upon the resources of freemen. The problem is an exchange of goods with other countries. The impact on our own people is not yet felt in all its destructive force, for two reasons:

One. We are still in the process of arming the mendicant labor of the world with our industrial machinery.

Two. We are bolstering our economy with subsidies paid to producers lacking adequate markets—and emergency contracts for war and other materials.

The industrial machinery for foreign countries, the subsidies bolstering sagging markets, and the emergency contracts are all being financed through so-called deficit financing and exorbitant taxes.

Mr. President, the tariff or import fee is simply a method of evening or compensating for any differential in the cost and productiveness of an hour's labor—as between this country and where the foreign competitor is located—so that an hour's labor here may be traded for an hour's labor in a foreign country without loss or gain to either nation, where the trade is a natural trade and assists both countries. That comes about naturally, Mr. President, when individuals of each nation buy and sell.

Mr. President, it makes no sense to raise the taxes of the people of America or indulge in deficit financing, through the selling of bonds to our people, to force trade, beyond the normal rate. Under present principles we are furnishing countries the money with which to buy our products on the theory that they will get so used to it that they will

continue to do it even after we quit furnishing the money. We are forcing trade beyond the normal trade that comes about anyway between two areas of complementary economies. The present method of forcing artificial trade, is like two barbers in the same block trying to make a living shaving each other.

Mr. President, of course there would be no tariff on imports of goods not produced here. No one proposes anything of that kind. The only ones who do that are the foreign nations themselves who raise tariffs for revenue only, just as the Central American countries and Mexico are doing at this time, and just the same as England and many of the nations of Europe are doing. If anyone wants to know how that operates, all that is necessary is to ask someone who is trying to import his automobile into England or into some other country when he wants to take up residence there.

Mr. President, the amendment which I have offered substitutes a fair and reasonable competitive principle in place of a sharpshooting method which has been employed for 18 long years, and which it is now proposed be continued for 2 years, in the hands of a thoroughly discredited State Department, and industrially inexperienced State Department.

TRADE AGREEMENTS EXTENSION ACT OF 1951

During the delivery of Mr. MALONE'S speech,

Mr. LODGE. Mr. President, I should like to say to the able Senator from Nevada that I am sorry I have not been able to be present to listen to a great part of his able address because of my attendance on the hearings held by the Armed Services Committee and the Foreign Relations Committee, sitting jointly but I have listened to enough of his speech to know the patriotic motives which inspire him. While not agreeing with all his statements, I certainly pay my tribute to his persistence, his industry, and the completeness with which he is championing the cause. I think it has had a very beneficial effect.

I should like to make a brief statement, and, in order not to interrupt the Senator's remarks, I should be glad to have my statement appear at some other point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LODGE. Mr. President, it seems to me that this bill embodies a workable method for promoting the advantage which comes to us from a sound international trade and at the same time for protecting our own essential industries from unfair and destructive competition.

While healthy international trade is a good thing which raises the standard of living, gives markets for Americans who produce goods for sale abroad, and enables foreign nations to pay their own way instead of being dependent on our own Treasury, there is also no doubt that it should not be conducted in such a way as to injure our national defense by crippling those industries on whose output the defense effort vitally depends, that it should not be conducted unjustly and that it is certainly not fair for a few American industries to carry the whole load of expense occasioned by foreign imports.

In international trade, the rules of justice and reason should apply. If it is good to reduce trade barriers in one part of the world, it is certainly a good thing to reduce them in other parts. If sweatshops are bad at home, as they certainly are, then they are bad abroad. If prevention of monopoly and encouragement of competition is a good thing at home, as we Americans know it to be, then it must be a good principle to encourage abroad.

The pending legislation seems to me designed to promote a sound foreign trade, making it possible for the United States to get the benefits of such a trade without its dangers. Of course, the administration of these laws, no matter how good the laws may be, is another matter. But I believe the pending bill to be workable and meritorious, and I intend to vote for it.

I thank the Senator from Nevada.

Mr. MALONE. Mr. President, I would regret it if the junior Senator from Massachusetts should leave the floor at this time without hearing my remarks.

Mr. LODGE. The hearing in which I am engaged is about to begin. There are two sessions a day. I shall remain for a few minutes.

Mr. MALONE. The Senator's statement is one of the greatest statements on both sides of a very important question that I have ever listened to.

Mr. LODGE. The Senator wants to be fair, I know. My statement is not on both sides at all; it is on the American side.

Mr. MALONE. If the Senator will listen, I will tell him why. It is impossible to protect an industry if we are going to lower the tariffs and import fees below a fair and reasonable basis and allow cheap foreign products to come in, because no human being can gage how much a tariff could be lowered without destroying the industry involved. If the distinguished Senator has not consulted firms in his own State, let me say that I know, from 15 years experience in the industrial engineering business, dealing with such firms, the businesses included in the top 10 percent are the ones which make a profit. The others merely carry the load. If we cut off that 10 percent, we destroy the industry. There is no such thing as the Secretary of State, with no experience, with no one under him having had any actual practical industrial experience, being able to determine how he can lower a tariff and not injure industry and throw men out of work.

Mr. LODGE. Permit me to say, in reply, that I agree that tariffs should never be reduced below the point which is essential to keep the industries going in a prosperous way. It is my understanding that the bill contains a peril-point amendment.

Let me say in connection with industries and with labor in my own State, that I am in close contact with many of them, and they are in support of the pending bill, because they think it will give them the protection which the Senator and I both want them to have.

Mr. MALONE. I am also in close touch with industries, and they are in favor of the amendments reported, because they are told that is all they can get.

I want to say for the benefit of the Senator that the peril point is a delusion, because tariffs are already below the peril point, at least those which have been acted upon through any one of the three conferences starting with Geneva and ending in Torquay. The peril point does not apply.

Mr. LODGE. Let me say to my able friend that I assume that the people who communicate with me know how to read the English language, and that they have reached the conclusion to support the bill on a basis of free will, and they sincerely want me to support the bill.

Mr. MALONE. I have no more comments on the correspondence of the distinguished Senator, but I say, categorically, that there is nothing in this bill that directs the President or the Secretary of State to do anything. The policy is already well founded; it is embedded in the heart of this administration, as the Senator well knows. It is to divide the markets, just as the Senator said in his very well-written statement. I did not misunderstand him when he said we would divide the markets, in effect, to such a point that nations could sell enough goods to support themselves and carry their own weight so we would not have to give them any more money. There is one paragraph which says just that.

PRINTING OF HEARINGS RELATING TO MILITARY SITUATION IN FAR EAST

During the delivery of Mr. MALONE'S speech,

Mr. HAYDEN. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield.

Mr. HAYDEN, from the Committee on Rules and Administration, reported favorably, without amendment Senate Resolution 138, submitted by Mr. RUSSELL on May 7, 1951, which was considered by unanimous consent, and agreed to, as follows:

Resolved, That 2,000 additional copies of part 1 and of each subsequent part of the joint hearings held before the Committee on Armed Services and the Committee on Foreign Relations, relative to the Military Situation in the Far East, be printed for the use of said committees.

HOUSE OF REPRESENTATIVES TELEPHONE AND TELEGRAPH SERVICE

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, House bill 3939, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 3939) to amend the act of June 23, 1949, with respect to telephone and telegraph service for Members of the House of Representatives.

Mr. HAYDEN. The bill relates solely to the procedure with respect to tele-

phone and telegraph service of the House of Representatives. It has nothing to do with the Senate.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3939).

Mr. WHERRY. Mr. President, I want to emphasize the observation made by the distinguished chairman of the committee that this bill is for the benefit of House Members and does not relate to Senate Members. I have no objection to the passage of the bill.

Mr. McCARRAN. What amount of money is involved?

Mr. HAYDEN. It increases the telephone allowance in the House from $500 to $700 a year, and contains some other provisions, but they are all House provisions, and have nothing to do with Senate business. It is merely a matter of courtesy to the House for the Senate to pass the bill.

Mr. WHERRY. The allowance deals with messages in the territory of a Representative in Congress which do not issue from the exchange here, and for which evidence in the way of bills must be offered in support of the fact that the messages are necessary in connection with official business done away from Washington. The bill provides for increase in the allowance authorization already made?

Mr. HAYDEN. That is correct.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 3939) was ordered to a third reading, read the third time, and passed.

APPROPRIATE CEREMONY IN THE ROTUNDA OF THE CAPITOL IN HONOR OF CONSTANTINO BRUMIDI

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I ask unanimous consent to report favorably, without amendment, House Concurrent Resolution 100, and I request its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (H. Con. Res. 100) to provide for an appropriate ceremony in the rotunda of the Capitol in honor of Constantino Brumidi.

Mr. HAYDEN. Mr. President, the resolution carries no expense.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the resolution (H. Con. Res. 100) was considered and agreed to, as follows:

Resolved, etc., That there is hereby created a joint congressional committee, composed of five Members of the Senate, to be appointed by the President of the Senate, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman from among its members. It shall be the duty of the committee to prepare plans for and to hold an appropriate ceremony in honor of Constantino Brumidi, the artist who spent many years decorating the Capitol Building of the United States and died as the result of a fall while working on the Rotunda frieze, his last assignment in the Capitol. Such ceremony shall be held in the Rotunda of the Capitol on July 26, 1951, the one hundred and forty-sixth anniversary of the birth of Constantino Brumidi, or on such other day as the committee herein provided for may designate. The committee shall extend invitations to attend the ceremony to the President of the United States, the Vice President of the United States, the Chief Justice of the United States, the Associate Justices of the Supreme Court of the United States, the Members of the Senate and House of Representatives, the Ambassador of Italy, and such other public officials and persons in private life as the committee may select.

PAYMENT OF WITNESSES SUMMONED BEFORE THE SENATE OR ITS COMMITTEES

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I ask unanimous consent to report favorably an original resolution, and I request its present consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 144) was read as follows:

Resolved, That the rule for paying witnesses summoned to appear before the Senate or any of its committees shall be as follows: For each day a witness shall attend, not to exceed $9, and not to exceed $9 for each day spent in traveling to or from the place of examination by the usual route. A witness shall also be entitled to be reimbursed his necessary expenses for traveling to and from the place of examination, in no case to exceed the sum of 7 cents a mile for the distance by him actually traveled for the purpose of appearing as a witness.

Mr. HAYDEN. Mr. President, the resolution provides for an increase in the sum paid witnesses summoned by Senate committees from $3 to $9 a day, which is the standard amount paid witnesses.

I might state before the resolution is considered that last year we paid out $613 to witnesses summoned to testify before Senate committees. That was on the basis of a per diem of $3 per day. But the usual per diem paid other Government witnesses is $9. If the amount were to be increased so the witnesses were to be paid the customary rates, it would result in an expense of probably $1,800 a year to the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. McCARRAN. Mr. President, I should like to observe in connection with the resolution that some 4 or 4½ years ago I recommended a similar change, because I felt it was absurd to bring witnesses here and pay them $3 a day and have them lose their time. They cannot live on $3 a day. Such a change should have gone into effect a long time ago.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 144) was considered and agreed to.

PROPOSED LEGISLATION BY SPECIAL SENATE COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE

Mr. O'CONOR. Mr. President, will the Senator from Nevada yield to me so I may introduce several bills?

Mr. MALONE. I am happy to yield, Mr. President, with the understanding that I do not lose the floor thereby, and that the matters presented by the Senator may appear at the end of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the Senator from Maryland may proceed.

Mr. O'CONOR. Mr. President, on behalf of myself and for all the other members of the Special Senate Committee To Investigate Organized Crime in Interstate Commerce, namely, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], I ask unanimous consent to introduce for appropriate reference four bills, the purpose of which is to carry out in part the recommendations made in the third interim report of the Special Senate Committee To Investigate Organized Crime in Interstate Commerce.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland?

There being no objection, the bills introduced by Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY) were received, read twice by their titles, and referred to the Committee on Finance, as follows:

S. 1529. A bill to require the keeping of more detailed records and the furnishing of additional information by certain persons for income-tax purposes;

S. 1530. A bill to establish a 2-year period of validity for basic permits issued under the Federal Alcohol Administration Act;

S. 1531. A bill to amend the Internal Revenue Code so as to provide for the preservation of records and for other purposes; and

S. 1532. A bill to amend the Internal Revenue Code so as to prohibit the deduction of expenses or losses incurred in illegal wagering.

Mr. O'CONOR. Mr. President, on the very day when the committee entered upon its extended term, May 1, we took steps to have drafted a number of legislative proposals in exact accordance with the recommendations of the committee. The legislative council of the Senate was formally requested to cooperate with our committee and its staff, and such cooperation was given immediately and effectively.

Drafts of the various proposals were submitted and received the study of members of the committee and our counsel. After this additional study was completed and revisions made, it was decided to submit them to the Attorney General of the United States with our request that comments and recommendations be given by the Department of Justice.

The Department of Justice has been most helpful and cooperative. Headed

by its able Deputy Attorney General Peyton Ford, a staff of attorneys in the Department made a most thorough analysis of the proposals, and has submitted detailed statements upon each of the proposed measures. The Senate committee reviewed these comments and recommendations, and unanimously decided upon the drafts that have been submitted at this time.

Before commenting on the specific details of the bills now being introduced, I wish to state that work is proceeding on the remaining legislative proposals which we expect to introduce in the near future. These matters are of a more involved nature and, while extensive study has already been given to them, the drafts are being given further careful consideration in order to bring them into exact conformity with the committee's recommendations and at the same time avoid unnecessary conflict with other statutes and administrative procedures.

EXPLANATION OF BILLS NOW BEING INTRODUCED

The committee has explored the provisions of the Internal Revenue Code with great care, and has found several points at which it feels the impact of the Federal tax laws on illegal gambling and similar illegal activities can be sharpened. Three of the bills submitted today concern these points.

First, the committee has been much impressed with loopholes in the present law relating to deductions from gross income, which make it possible for persons engaged in illegal gambling enterprises to deduct expenses, often on the same basis as those who are engaged in lawful trades and businesses. Accordingly section 23 (a) of the Internal Revenue Code would be clarified in a proposed amendment so as to make it perfectly clear that no expense attributable to any illegal wagering transaction shall be allowable as a deduction. Consistently with this change, the committee has also proposed to change section 23 (h) which now allows taxpayers to deduct the amount of their losses from any gambling winnings reported as income, so as to prohibit the deduction of any loss incurred in illegal wagering.

Second, the committee feels that a precise attack should be made on the special problem raised by the accounts and records of professional gambling establishments, which handle large amounts of cash and are, for this reason, peculiarly able to conceal income and distort their reports. Accordingly, another amendment to section 54 of the Code has been prepared to require the operators of such establishments to report—on an annual basis—daily summaries of their gains and losses. In the case of operators who are violating local laws and are, therefore, even more apt to conceal or falsify, the amendment requires records of every separate wagering transaction. The committee feels that this amendment should be supported by a severe penalty provision, and a fine of $10,000 with imprisonment up to 2 years has therefore been specified.

The third proposal relates to records required to be kept by taxpayers. At the present time law-enforcement officers are seriously handicapped by the failure of gamblers and other illegal operators to keep adequate records and accounts. An amendment to section 54 of the Internal Revenue Code has therefore been prepared which will impose a definite statutory obligation upon all taxpayers to keep records for a period of 7 years. It should be noted that with respect to the ordinary taxpayer this statutory requirement is closely in accord with the present regulations which impose a duty to keep records so long as they may be relevant in any tax matter—that is, a period of more than 6 years. The new requirement would be enforced by the penalty provisions of section 145 which make any breach thereof a misdemeanor and any breach arising out of willful attempt to evade taxation a felony.

The fourth bill submitted touches the problem of racketeering elements in the liquor industry. Under the present Federal Alcohol Administration Act the basic permit for importing, distilling, or acting as wholesaler of intoxicants is granted to individuals by the Alcohol Tax Unit for an indefinite period. The committee feels that the periodic granting and renewal of such permits would be a more effective means of licensing the liquor industry and eliminating illegal operators while still imposing a minimum burden on legitimate enterprises in this field. The amendment is therefore submitted which will cause permits to expire and come up for renewal at the end of each 2-year period.

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

Mr. O'CONOR. I yield.

Mr. KEM. It is very encouraging to know that the work of the Crime Investigating Committee is going on under the able leadership of the Senator from Maryland. I wrote the Senator from Maryland a few days ago inquiring whether it would be possible for his committee to come into Missouri to conduct some other investigations which some people in my State consider to be highly desirable. I should like to call the attention of the Senator from Maryland to the fact that since I wrote him that letter the Senator from Delaware [Mr. WILLIAMS] has called attention on the floor of the Senate to some irregularities—to use a euphemistic term—which appear to have existed in the office of the collector of internal revenue in St. Louis. Altogether the situation in Missouri—and I say this with great regret and chagrin—is one which seems to me to call for an early visit from the Crime Investigating Committee. I should like to ask the Senator from Maryland whether he thinks that will be possible.

Mr. O'CONOR. Mr. President, I am very happy to reply to the Senator from Missouri and to give him assurance that his communication, which was received and which has been placed before the entire committee consisting of the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], who is present in the Chamber, is under consideration. Of course, as the able Senator from Missouri will understand, it would not be prudent and the best of judgment for the committee to announce in advance exactly what it is going to do and when and how; but suffice it to say, the committee has been working earnestly with a very capable staff since the first of the month, when the extended life of the committee began, and all the Senators whom I have mentioned have been cooperating very actively, although at great sacrifice to themselves, because of their other occupations on the Committees on Armed Services and Foreign Relations. Each and every one of these matters is to be very thoroughly considered. The committee is already advised of certain facts to which the Senator has referred, and of which they are well aware.

I can merely say at this time that the committee is giving and in the time it has remaining, will continue to give consideration to the suggestion of the Senator from Missouri, as also to that of the Senator from Pennsylvania [Mr. DUFF], who I see in the Chamber, and of other Senators. We intend to go into everything that can possibly be gone into in the limited time at our disposal, although in as thoroughgoing a manner as we can in order that we may report back to the Senate on all facts and circumstances.

Mr. KEM. I am very gratified to hear the statement of the able Senator from Maryland. I may say that it came as a distinct shock to many citizens of Missouri, when they read the interim report which had been made by the committee and learned that after the visit of the committee to Missouri no mention whatever was made of what many people in my State consider a mother crime of a long series of other crimes. I refer to the theft of the ballots constituting evidence in the vote-fraud cases in Kansas City. That theft occurred on May 27, 1947. I express the hope that when the committee returns to Missouri, if it sees fit to do so, it will investigate that crime and make a report so that the people of the State will know that it has been investigated.

Mr. O'CONOR. I again assure the Senator that all that he has said will be given very thoughtful and careful consideration.

Mr. KEM. It seems difficult to conceive of anything more relevant to an investigation of the connection between politics and crime than a crime which consisted of the suppression of evidence after 72 people had been indicted for failing to count the ballots as they had been cast. If we cannot maintain free elections in this country, if we cannot have ballots counted as they are cast, I should like to ask the Senator from Maryland how we can maintain our free institutions.

Mr. GEORGE. Mr. President, I do not like to interpose objection, but there is a bill before the Senate. The Senator from Nevada [Mr. MALONE] has the floor. He yielded for a specific purpose. This is developing into a long debate. I shall be obliged to insist upon the regular order from now on, unless there is a specific statement that a particular matter for which consideration is sought will not consume any great length of time.

Mr. KEM. Mr. President, it seems to me that the importance of this subject certainly justifies the brief questions placed in the RECORD by the Senator from Missouri.

Mr. GEORGE. I do not question that at all.

Mr. KEM. I have no apology for raising my voice at this time to ask that the subject to which I referred be investigated.

Mr. McCARRAN and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada [Mr. MALONE] has the floor.

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

Mr. MALONE. I yield first to the distinguished senior Senator from Nevada.

AUF DER HEIDE-ARAGONA, INC.

Mr. McCARRAN. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to House bill 2782.

Mr. WHERRY. Mr. President——

Mr. GEORGE. Mr. President, I must ask if this is going to occupy the Senate for any considerable length of time.

Mr. McCARRAN. I hope that it will be disposed of very quickly.

Mr. GEORGE. If that be true, I have no objection, if the Senator from Nevada wishes to yield.

Mr. MALONE. I yield under the same conditions, that these transactions appear at the end of the remarks of the junior Senator from Nevada, and also under the condition that I do not lose the floor.

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

Mr. MALONE. I yield.

Mr. WHERRY. Or rather for a question. I am in sympathy with the attempt of the senior Senator from Georgia to complete consideration of the pending bill.

With respect to the various unanimous-consent requests, I wish to say to the distinguished Senator that when unanimous consent is given, as it was given in the case of the Senator from Maryland, and a question so vital as is the one relative to the investigation of elections in Missouri is raised, it seems to me that the time to have objected was when unanimous consent was requested. There was no call for the regular order then. Time and time again the distinguished Senator from Missouri has asked for an investigation of the situation in Missouri which is close to his heart. If we are going to take up that subject at all, it seems to me that there should be full discussion of it.

Mr. GEORGE. Mr. President, the request was made by the Senator from Maryland that he be allowed to introduce some bills or resolutions. I did not object. Then the Senator from Maryland made a speech.

Mr. WHERRY. That is correct.

Mr. GEORGE. Of course, the Senator from Missouri was seeking to reply to it.

Mr. WHERRY. That is correct.

Mr. GEORGE. All of which means that we are losing a great deal of time on the bill before the Senate.

Mr. WHERRY. I am in accord with what the distinguished Senator from Georgia wishes to do; but when the question is opened up by the distinguished Senator from Maryland, it is my contention that the Senator from Missouri should have ample time to make reply.

Mr. GEORGE. That is passed. I simply raise the question, not with any desire to cut off the Senator from Missouri, but to expedite consideration of the pending bill. I am obliged to invoke the regular order if we are to make any progress at all.

Mr. McCARRAN. All I ask is that the message from the House be laid before the Senate.

Mr. KEM. Mr. President, will the Senator yield to me for a brief statement?

Mr. MALONE. I am happy to yield under the same conditions under which I have previously yielded.

Mr. McCARRAN. Mr. President, the junior Senator from Nevada has yielded to the senior Senator from Nevada.

Mr. MALONE. Mr. President, I dislike to be embroiled in this cross-fire. I wish to yield to the distinguished senior Senator from Nevada. Also I wish to yield to the Senator from Missouri to complete his statement. All this discussion will appear at the end of my address, anyway. I think the senior Senator from Nevada should be permitted to have laid before the Senate the message from the House.

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2782) granting jurisdiction upon the Court of Claims to hear and determine the claim of Auf der Heide-Aragona, Inc., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCARRAN. Mr. President, this is a private relief bill, which the Senate passed with an amendment. The bill does not provide for payment of a claim, but only for giving the claimant his day in court.

The House has disagreed to the Senate amendment, and has requested a conference.

Mr. President, I move that the Senate insist on its amendment, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. KILGORE, and Mr. LANGER conferees on the part of the Senate.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, there are several messages from the House which I should like to dispose of, if the Senator from Nevada will yield to me.

Mr. MALONE. I am happy to yield to the distinguished senior Senator from Nevada under the same conditions.

Mr. McCARRAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives relative to Senate Concurrent Resolution 9.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 9) entitled "Concurrent resolution favoring the suspension of deportation of certain aliens," which were on page 3, to strike out line 13; on page 9, to strike out line 6; on page 11, to strike out lines 8 and 9; and on page 23, to strike out line 6.

Mr. McCARRAN. Mr. President, I ask the attention of the leaders on both sides. This is a concurrent resolution recording congressional approval of the action of the Attorney General in suspending deportation in certain cases.

The House has amended Senate Concurrent Resolution 9 by striking out the names of four aliens. The cases of three of these aliens were withdrawn by the Attorney General, and the case of one of the aliens was approved on a prior concurrent resolution.

Therefore, I move that the Senate concur in the House amendments to Senate Concurrent Resolution 9.

The motion was agreed to.

Mr. McCARRAN. Mr. President, I ask that the Chair lay before the Senate the message from the House as to Senate Concurrent Resolution 10.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 10) favoring the suspension of deportation of certain aliens, which were, on page 15, strike out lines 13 and 14; on page 16, strike out line 9; on page 18, strike out line 19; on page 20, strike out lines 19 and 20; and on page 26, after line 18, insert:

A-5824860, Foti, Joseph Arthur or Giuseppi Arturo Foti or Giuseppi Correale or Arthur La Piere.
A-6643689, Karpman, Dahlia.
A-6191546, Haydari, Ebrahim.

Mr. McCARRAN. Mr. President, this is a concurrent resolution recording congressional approval of the action of the Attorney General in suspending deportation in certain cases.

The House has amended Senate Concurrent Resolution 10 by striking out the names of four aliens whose cases were withdrawn by the Attorney General and adding the names of three aliens.

Therefore, I move that the Senate concur in the House amendments to Senate Concurrent Resolution 10.

Let me say that before I made this motion we carefully checked the three aliens whose names were added by the House.

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

Mr. McCARRAN. I yield.

Mr. LONG. May I inquire of the Senator what aliens he has in mind, and in the cases of how many aliens is deportation authorized to be suspended?

Mr. McCARRAN. This is a concurrent resolution dealing with a number of aliens en bloc. Under the law the Attorney General may suspend deportation. When he suspends deportation he must submit the matter to the Congress for approval. The names come before us in groups. Sometimes there are as many as 100 in a group. They must be very carefully screened by the staff of the Judiciary Committee.

Concurrent resolutions covering the matter are adopted by the Senate on the call of the Consent Calendar. They then go over to the House. In some instances the House amends them, as in this instance. I do not have before me the names.

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

Mr. McCARRAN. I yield.

Mr. WHERRY. I have complete confidence in the work of the Committee on the Judiciary in screening the persons mentioned in such measures. In the present case, as I understand, the aliens were mentioned in the concurrent resolution which was passed on a call of the calendar. I understand four aliens are involved. I further understand that their names were stricken by the House.

Mr. McCARRAN. Three names were stricken by the House.

Mr. WHERRY. I further understand that three substitutions were made by the House for the three names that were stricken; is that correct?

Mr. McCARRAN. It is.

Mr. WHERRY. What I should like to inquire about is the method employed by the Committee on the Judiciary in handling the substitution of names. As I understand, such striking and substitution was done by the House, and was not considered by the Senate committee.

Mr. McCARRAN. The concurrent resolution was adopted by the Senate. It was sent to the House. The House Judiciary Committee considered the concurrent resolution and amended it. It was then adopted by the House, as amended. It was then returned to the Senate. The submitted names have again been screened by the committee.

Mr. WHERRY. That is what I was inquiring about.

Mr. McCARRAN. That has been done.

Mr. WHERRY. The three names have been screened?

Mr. McCARRAN. Yes.

Mr. WHERRY. If they had been included originally, no doubt the same result would have been brought about when the concurrent resolution was adopted on the call of the Consent Calendar.

Mr. McCARRAN. Yes. Mr. President, let me say again, as I have repeatedly said heretofore, I am not satisfied with the method which is now being pursued. I do not like it at all. I am sorry that I must deal with the matter in this way, but we are forced to deal with it the best way we can.

Mr. WHERRY. I merely inquired about the procedure which was followed with respect to the specific names which were substituted, particularly as to how they were screened. The Senator has satisfactorily explained the procedure.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. McCARRAN].

The motion was agreed to.

Mr. McCARRAN. I am grateful to the junior Senator from Nevada for yielding.

ORDER OF BUSINESS

Mr. KEM and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nevada yield; and if so, to whom?

Mr. MALONE. Mr. President, with the understanding that I do not lose the floor I shall be very happy to yield, provided further that the ensuing remarks appear at the end of the debate on the pending bill. I yield first to the Senator from Missouri, because he first addressed the Chair, as I understand.

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

Mr. KEM. Mr. President, I have always had the highest regard for the Senator from Georgia, and I still have, but I am at a loss to understand why he should have undertaken to cut off the relevant and material questions which I addressed to the Senator from Maryland [Mr. O'CONOR]. They had to do with a statement made by the Senator from Maryland. I believe the bill in which the Senator from Georgia is interested is a very important measure. I have listened to the debate, and I do not minimize the importance of the bill. However, I do not hesitate to say that I do not believe it is more important than a question involving the very maintenance of free institutions in the United States. There can be no subject more important for consideration by the Senate than the question of how we can insure free elections and make certain that the ballots of our fellow citizens are counted as they are cast.

Mr. GEORGE. Mr. President, necessarily, if we are to make any progress, I would have to invoke the strict rule of procedure. I have been very indulgent. We have been considering one amendment for three full days. The Senator who is presenting the amendment has yielded again and again.

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

Mr. GEORGE. No.

Mr. KEM. Mr. President, is the Senator speaking in his own time?

Mr. GEORGE. I am answering the Senator from Missouri.

Mr. KEM. Mr. President, I addressed some remarks to the Chair.

Mr. GEORGE. Then I invoke the regular order, Mr. President.

Mr. KEM. Mr. President, I have the floor.

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

Mr. MALONE. Mr. President, I am disposed to yield to any Senator for the transaction of important business on condition that I do not lose the floor and that the debate, or whatever may ensue, with respect to extraneous subjects, appear at the end of my remarks.

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

Mr. MALONE. Mr. President, I regret that the question has come up, and that the debate has ensued in the spirit that it has. I would be happy to yield to the Senator from Louisiana under the same conditions.

Mr. LONG. Mr. President, I should like to ask unanimous consent that the unfinished business be laid aside temporarily and that the Senate proceed to the consideration of a bill, with the understanding that if debate ensues——

The PRESIDING OFFICER. The Senator from Georgia has invoked the regular order.

Mr. GEORGE. I have yielded repeatedly to Members of the Senate for the presentation of matters which do not consume time or do not lead to debate. I shall be glad to do it again, with the understanding that it will not lead to debate.

Mr. LONG. No; I do not believe it will lead to debate. If it does, I shall be glad to withdraw my request.

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

Mr. MALONE. I shall be happy to yield, under the same conditions.

Mr. WHERRY. I understand that the Senator from Georgia has stated that if the request of the junior Senator from Louisiana leads to debate, he will ask for the regular order. I wish to point out that such request should have been made when the Senator from Maryland [Mr. O'CONOR] was on his feet. Inasmuch as he made his speech, I believe the Senator from Missouri [Mr. KEM] has the right to answer it.

Mr. KEM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEM. Mr. President, do the rules of the Senate permit the Senator from Georgia to act as arbiter of the proceedings of the Senate, in permitting some Senators to speak out of the regular order, but invoking the regular order when other Senators address the Chair?

The PRESIDING OFFICER. The Senator from Georgia can make a point of order, and the Chair will rule on it. However, the Senator from Nevada has the floor. If the regular order is invoked, the Senator from Nevada can yield only for the purpose of a question.

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

The PRESIDING OFFICER. The Senator will state it.

Mr. KEM. Under what circumstances is the Senator from Louisiana now addressing the Chair?

Mr. LONG. I was attempting to ask unanimous consent, but I have not had a chance to ask it because of the many interruptions.

Mr. KEM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEM. Is it proper for the Senator from Louisiana to ask for unanimous consent?

The PRESIDING OFFICER. The Chair has no way of knowing for what purpose the Senator from Louisiana rises until he states the purpose.

Mr. KEM. I understood the Chair to shut off the Senator from Missouri at the request of the Senator from Georgia.

The PRESIDING OFFICER. The Chair merely ruled, when the regular order was invoked, that the regular order would have to be followed.

Mr. KEM. How long does the regular order continue?

The PRESIDING OFFICER. It continues until the objection to proceeding out of the regular order is withdrawn.

ATTENDANCE OF UNITED STATES NAVY BAND AT FINAL REUNION OF THE UNITED CONFEDERATE VETERANS

Mr. LONG. Mr. President, I ask unanimous consent that the unfinished business, the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act, 1930, as amended, and for other purposes, be temporarily laid aside, and that the Senate proceed to the consideration of the bill (H. R. 2952) 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.

The PRESIDING OFFICER. Does the Senator from Nevada yield for that purpose?

Mr. MALONE. I am happy to yield to the Senator from Louisiana for that purpose, with the understanding that I do not lose the floor and that the proceedings in connection with the Senator's request appear at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I move that the unfinished business be temporarily laid aside for the purpose I have indicated.

The PRESIDING OFFICER. The Senator from Louisiana asked for unanimous consent, did he not?

Mr. LONG. Yes.

Mr. WHERRY. Why does he now move that the unfinished business be temporarily laid aside?

Mr. LONG. I ask unanimous consent that that be done.

Mr. WHERRY. I have no objection.

Mr. LONG. I may explain that it is a bill to permit the Navy Band to play at the final reunion of the United Confederate Veterans. It has been the policy of Congress to permit one of the principal service bands to play each year at the meeting of the Confederate Veterans and at the meeting of the Grand Army of the Republic. This will be the final meeting of the Confederate Veterans. It will be held at Norfolk, Va. There will be no opportunity to reach the bill on the call of the calendar.

Mr. KEM. Mr. President, reserving the right to object, it is difficult for the Senator from Missouri to understand why an objection should be made to his addressing himself to a question involving the preservation of the fundamental institutions of our country.

The PRESIDING OFFICER. The Chair——

Mr. KEM. I am addressing the Chair under my reservation of the right to object.

I wish to say that I am in entire accord with having the Navy Band play at the meeting of the Confederate Veterans; I have no objection at all to having that done. I have no objection to having the matter brought before the Senate at this time. However, under what conditions and circumstances and by what chain of reasoning is the conclusion reached that that matter is proper and relevant, but that when I address myself to the question of the counting of ballots and the destruction of evidence and the preservation of our free institutions, that question is suddenly one for which the other proceedings in the Senate should not be interrupted?

The PRESIDING OFFICER. Objection was not heard when the Senator from Maryland made his unanimous-consent request. Subsequently, objection was made. The Chair does not undertake to explain why objection was made in one case and was not made in the other. However, objection was made.

Mr. KEM. Mr. President, I understand the Chair's statement, and I think it is entirely correct and proper. I merely express the opinion that it is passing strange that objection is made when I address myself to the subject I have mentioned, whereas no objection was made to the request involving the sending of the Navy Band to the Confederate reunion at Norfolk.

Mr. GEORGE. Mr. President, I shall have to call for the regular order again.

The PRESIDING OFFICER. The regular order is called for.

The Senator from Nevada has the floor.

Mr. KEM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEM. Can the regular order be invoked to prevent a Senator from expressing an opinion after he has reserved the right to object?

The PRESIDING OFFICER. A brief statement can be made in connection with a reservation of the right to object, but thereafter the regular order can be called for at any time.

Mr. KEM. Under what circumstances, and for how long——

Mr. GEORGE. Mr. President, again I call for the regular order.

The PRESIDING OFFICER. The regular order has been called for. The Senator from Nevada has the floor, and he will proceed.

Mr. GEORGE. Mr. President, I regret to call for the regular order, and thus prevent having the other matter acted on. However, I cannot agree to have interminable debate on other matters occur in the midst of our proceedings on the measure which is the unfinished business.

After the conclusion of Mr. MALONE's speech,

DISMISSAL OF GENERAL MACARTHUR

Mr. JENNER. Mr. President, I invite the attention of Senators to President Truman's statement of Thursday, May 17, in which he admitted that he decided to dismiss General MacArthur March 24, nearly 2 weeks before he learned of the General's letter to Representative MARTIN.

Now the cat is out of the bag. From the beginning there has been something mysterious about the charge that General MacArthur wrecked the President's plans for peace by offering the Chinese Communists a cease-fire.

It was sound psychological warfare for General MacArthur to remind the Chinese Communists, when he asked for a cease-fire, that we were ready to step up the attack. That is what any experienced negotiator would have done. How could it have wrecked a genuine peace settlement?

General MacArthur's reply to the President gives us the clue.

General MacArthur states that he had twice before made the same offer for a cease-fire but "without the slightest exception being taken thereto."

Such a cease-fire statement, he continued, "could only be regarded as supplementary to and in full support of any political move toward peace unless an agreement was in contemplation on the enemy's own terms."

Congress cannot ignore the charge that the administration is planning a peace settlement which gives the Communists everything they desire.

Let us look at the record. The State Department tells us that admitting Red China to the UN is a purely procedural matter, so we cannot veto it. General Ridgway says that our stopping at the thirty-eighth parallel, giving half of Korea to Russia, will be a tremendous victory. The British propose that we postpone the question of Formosa.

Mr. Dulles, in the proposed Japanese peace treaty, gives Russia permanent title to half of Sakhalin and the Kuriles, which our Government blithely gave away at Yalta.

What, I ask, do these proposals add up to except a peace on the enemy's own terms? Is there anything the Soviet Union might desire that we have not already promised them in these statements?

Of course, the American Government, even our present Government, would not dare openly to accept an arrangement for giving Formosa to Red China, or giving the Chinese Communists a seat in the U. N. But there is more than one way to skin a cat.

It is possible to emphasize all the unimportant issues and postpone the important ones, until the attention of the American public can be diverted, after a while, by another Berlin airlift in a new setting, Vienna, let us say.

The Soviet Union has told us exactly what she wants in settlement of the Korean adventure. In a resolution introduced in the U. N. Assembly, December 9, 1950, the U. S. S. R. "seeking a peaceful settlement of the Korean question and the restoration of peace and security in the Far East," proposed—

1. That all foreign troops be withdrawn immediately from Korea.

2. That the decision on the Korean question be entrusted to the Korean people themselves.

All the Soviet Union wants is to get the American Armed Forces out of Asia. Then time and the fifth column will do the rest. Every peace proposal by the administration or its supporters fits that design precisely.

For months the administration's artists in propaganda have been softening us up in preparation for a Yalta peace in the Far East, for a settlement which at first would look like a victory, but, like Yalta, would in reality be a sell-out. Of course the administration will put in a few harsh words against "aggression." But the Soviet leaders understand double-talk quite as well as do our experts in the State Department.

The latest stage in this softening-up in preparation for a Yalta peace is Mr. Rusk's statement before the China Institute on May 18.

Mr. Rusk says:

We do not recognize the authorities in Peiping for what they pretend to be.

Does that mean anything? No. It is nothing but double-talk.

Mr. Rusk says:

The Peiping regime may be a colonial Russian Government * * * it is not Chinese.

Does that mean anything? Does it make any firm commitments upon which the free Chinese can rely? No. It is simply double-talk.

Mr. Rusk says:

We recognize the National Government of the Republic of China.

Does that mean anything? No. It is the same double-talk we used at Cairo, at Potsdam, at the Foreign Ministers Conference in Moscow, and in General Marshall's instructions when he went to China to sell out the Nationalist Government to the Communists.

This administration must have peace in Korea. It cannot go into the next campaign without an end to the Korean fighting. Acheson promised that we would wait for the dust to settle in Korea, but General MacArthur reminds us that it is not dust which is settling in Korea, but the blood of American fighting men.

The administration wants peace for the next campaign. The Russian rulers want peace so that they can maintain east-west trade, and get more good American and British machine tools and airplane engines in preparation for the final showdown.

The air in Washington is full of rumors that a peace settlement is near. Such a peace settlement would be worse than Munich. It would tell the Soviet Union in plain English that she could have another year or two to rearm.

In the meantime, her agents and stooges in our Government would keep our foreign policy and our military policy in a turmoil, so that we would spend ourselves into bankruptcy, but get nothing for it but huge garrisons in places where they are not needed.

When will the American people see that we cannot entrust the future peace to the men who have betrayed the past?

This administration double-crossed Poland and Bulgaria. It double-crossed free China. It double-crossed the Syngman Rhee government in Korea. It's only policy is the double-cross. We cannot have another Yalta. We cannot have peace in Asia if the negotiations are carried on by the men of Yalta.

Congress has the power to end this betrayal. But do we want to stop it? Our trouble stems from the fact the State Department has wound its octopus arms about our whole Military Establishment.

Neither the President nor Congress nor the people can get honest military advice if it differs from the plans of the power-hungry State Department leaders.

When the State Department plans to sell us out, no voice can be lifted in protest.

General MacArthur risked his professional life to warn us, but we in Congress have not yet listened to what he said.

If we are to have any military security whatever, Congress must free the Military Establishment from its subordinate position in the administration colossus. To do that we must trim the State Department down to size. It must return to the historic role of the State Department, to advise the President on foreign policy.

I am not ignoring the work of Secretary Acheson. He deserves full credit for the foreign policy for which he has worked so faithfully; for the shame of Yalta and Potsdam; for the fall of Poland and the fall of China; for the frightful loss of prestige of the State Department, the reduction of our top military men to the role of ventriloquist's dummy while the Soviet military power grows.

But Acheson is not important in himself. He is a vastly over-rated figure. He is important because of the power which is now gathered in the Department and managed by our hidden government, while he serves as the well-groomed front.

I do not want to see Secretary Acheson dismissed and another Acheson take his place while we lose six precious months waiting for the doubters to see the obvious. Even if the President, by chance, put a good, patriotic man in Acheson's place, the inner circle would know exactly how to close his eyes, fill his ears with sweet sounds, and carry on unhindered. I want instead to tear down the power of which Acheson is the figure-head. I want to dismantle the huge executive establishment, with its hidden rooms and hidden corridors into which Congress cannot peer.

The State Department is swollen out of all relationship to its historic role. It is staffed by people trained in the Hopkins-Wallace-Hiss school of foreign affairs. It is engaged in ruthless empire-building so it can have more money and more power than any other agency, and dictate the whole policy the administration must follow.

It has reduced our top generals and admirals to errand boys, public relations experts, whose task it is to sell the State Department's secret policy to a doubting people.

It aims to become, as Fulton Lewis, Jr., called it, the American politburo.

But let us be honest. Congress is responsible for the size, shape, and functions of the executive departments. If the State Department has grown wild, like a cancer, it is our fault. We appropriate the money and assign the powers under which the Department operates.

It is our task to take back the excess powers we, ourselves, voted to the State Department. In the power of the purse we have all the means we need. The time is now. The State Department appropriation for next year will soon be before this body.

I propose, Mr. President, that Congress set to work this month to trim off all the functions now exercised by the State Department which interfere with its single essential function.

We need a foreign service to be our eyes and ears in every country.

We need a Secretary of State who will conform to the great American tradition in foreign policy—the Monroe Doctrine and the open door. We do not want anything else. We want no economists working on Torquay conferences to destroy our free economy.

We want no Voice of America hiring our newspapermen and seducing our editors into becoming part of the propaganda ministry of the administration. We want no American pro-consuls telling foreign governments how they must vote in U. N. to get ECA aid.

It is not the duty of Congress to control the President's nominations for his Cabinet officers. It is our duty, our inescapable duty, to control the size and shape in the executive establishment.

We must begin with the State Department, cut it back and free the Defense Department from its tutelage by State. That is the only way we can begin to make an honest American foreign policy, and an honest American military policy.

With a true American policy, we may have peace or we may have war. But whatever comes, the American people will meet it, provided only it is peace with honor or war with honor.

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 PRESIDING OFFICER [Mr. PASTORE in the chair]. The question is on agreeing to the amendment, in the nature of a substitute, offered by the Senator from Nevada [Mr. MALONE].

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JENNER. Mr. President, I ask unanimous consent that I may withdraw my suggestion of the absence of a quorum, and that the order for the calling of the roll may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment submitted by the Senator from Nevada [Mr. MALONE] in the nature of a substitute.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there are no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. What is the question at this time?

The PRESIDING OFFICER. The question is on the passage of the bill.

Mr. MILLIKIN. Am I correct in my understanding that no amendment is now before the Senate?

The PRESIDING OFFICER. That is correct.

The question is, Shall the bill pass?

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. KERR] are absent 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.

The Senator from Iowa [Mr. GILLETTE] and the Senator from North Carolina [Mr. SMITH] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. BUTLER] and the Senator from Montana [Mr. ECTON] 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 Senator from Wisconsin [Mr. WILEY] is detained on official business.

The PRESIDING OFFICER. A quorum is present. The question is, Shall the bill pass?

Mr. GEORGE. Mr. President, I understand that the Senator from Nevada [Mr. MALONE] wishes to have a roll call in connection with his amendment in the nature of a substitute. We are ready for the vote. I ask unanimous consent that the order for the third reading of the bill be reconsidered and that the vote by which the amendment offered by the Senator from Nevada was rejected be also reconsidered, so that there may be a yea-and-nay vote upon the Senator's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Mr. President, I very much appreciate the request made by the senior Senator from Georgia, because when the action was taken I had left the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE] in the nature of a substitute.

Mr. JENNER and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. KERR] are absent 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.

The Senator from Iowa [Mr. GILLETTE] and the Senator from North Carolina [Mr. SMITH] are necessarily absent.

I announce further that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND, the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], and the Senator from North Carolina [Mr. SMITH] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business. If present, he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] who is absent on official business is paired with the Senator from Montana [Mr. ECTON] who is also absent on official business. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Montana would vote "yea."

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 and is paired with the Senator from Maryland [Mr. BUTLER] who is absent on official business. If present and voting, the Senator from North Dakota would vote "yea," and the Senator from Maryland would vote "nay."

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

The result was announced—yeas 15, nays 65, as follows:

YEAS—15

Bennett	Case	Long
Bricker	Dirksen	Malone
Butler, Nebr.	Dworshak	Mundt
Capehart	Jenner	Schoeppel
Carlson	Langer	Welker

NAYS—65

Aiken	Holland	Moody
Anderson	Humphrey	Morse
Benton	Hunt	Murray
Byrd	Ives	Neely
Cain	Johnson, Colo.	Nixon
Chavez	Johnson, Tex.	O'Conor
Connally	Johnston, S. C.	O'Mahoney
Cordon	Kem	Pastore
Douglas	Kilgore	Robertson
Duff	Knowland	Russell
Ellender	Lodge	Saltonstall
Ferguson	Magnuson	Smathers
Flanders	Martin	Smith, Maine
Fulbright	Maybank	Smith, N. J.
George	McCarran	Sparkman
Green	McCarthy	Stennis
Hayden	McClellan	Taft
Hendrickson	McFarland	Thye
Hennings	McKellar	Tobey
Hickenlooper	McMahon	Underwood
Hill	Millikin	Williams
Hoey	Monroney	

NOT VOTING—16

Brewster	Frear	Watkins
Bridges	Gillette	Wherry
Butler, Md.	Kefauver	Wiley
Clements	Kerr	Young
Eastland	Lehman	
Ecton	Smith, N. C.	

So Mr. MALONE's amendment in the nature of a substitute was rejected.

Mr. WHERRY subsequently said: Mr. President, at about 3 o'clock I asked unanimous consent that I might leave the Senate Chamber for approximately an hour. That consent was given. I was unavoidably detained and was absent when the yea and nay vote was taken on the Malone substitute amendment to the bill. I ask unanimous consent that, following the vote, I may have inserted in the RECORD the statement that if I had been present in the Senate Chamber, and had been permitted to vote on the Malone substitute amendment, I would have voted for the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, my reason for making this statement is that although, with the inclusion in the bill of subparagraph (f) on page 13, I think the committee has gone a long way toward helping to tighten up the bill and to eliminate the abuse of the reciprocal trade agreements provision, to a point where it would be helpful in affording some protection, yet I have a feeling,

based on past experience, that it is still within the hands of the administration to do as they choose.

There is not a mandatory provision in the bill which would finally give the relief asked for, and so long as Mr. Acheson is Secretary of State, and running the economy both on the foreign front and on the domestic front, it is my opinion that we cannot obtain the kind of administration which will protect American industry, American agriculture, and American labor. Although I want to compliment the distinguished Senator from Georgia, and also the distinguished ranking minority member, the Senator from Colorado, upon the work they have done to help tighten the present act, my opinion is, nevertheless, that if we are to get protection, we must get it through legislation, not through dependence upon the Secretary of State to administer the laws which Congress writes for him to administer.

Mr. MALONE. Mr. President, I wish to thank the distinguished Senator from Nebraska, the minority leader, for his remarks, in which he stated he would have voted for the substitute had he been present. Further, I wish to join with the Senator in his remarks in which he complimented the committee upon the hard work done by it. I know through personal observation that the members of the committee have been very diligent. I may also say categorically in the bill they reported no actual limitations were placed on the President or on the Secretary of State which did not exist previously, and they gave to neither of them any new authority. The law remains as it has always been, in the last analysis, with the power of absolute decision in the discretion of the President, and of the Secretary of State through the President of the United States.

Mr. McCARTHY. Mr. President, on behalf of my colleague [Mr. WILEY], the Senator from Utah [Mr. WATKINS], and myself I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to insert the following new section:

SEC. 11. Paragraph 1519 of the Tariff Act of 1930, as amended, is hereby amended by adding at the end thereof a new subparagraph to read as follows:

"(g) (1) Effective July 1, 1951, the quantity of mink, silver fox, and muskrat furs or skins, dressed or undressed, imported during any import year shall not exceed 25 percent of the domestic production during the preceding import year of mink, silver fox, and muskrat furs and skins, respectively.

"(2) For the purposes of this subparagraph, in determining the quantity of mink, silver fox, and muskrat furs and skins imported during any import year, such furs and skins or parts thereof contained in wholly or partly manufactured articles shall be taken into account.

"(3) As used in this subparagraph, the term, 'import year' means the 12-month period beginning on July 1 of any calendar year."

Mr. McCARTHY. Mr. President, I intend to take but a few minutes of the Senate's time on the bill. Before doing so, I request the yeas and nays on my amendment.

The PRESIDING OFFICER. The Senator from Wisconsin has asked for the yeas and nays on his amendment. Is the demand sufficiently seconded?

Mr. MILLIKIN. Will the Senator yield to me?

Mr. McCARTHY. I yield.

Mr. MILLIKIN. Mr. President, what is the parliamentary situation? Am I out of order to ask the Senator to yield to me?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that it shall first be decided whether the demand for the yeas and nays is sufficiently seconded.

Mr. McCARTHY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MILLIKIN. Will the Senator from Wisconsin now yield?

Mr. McCARTHY. I am glad to yield to the Senator from Colorado.

Mr. MILLIKIN. I wonder if I could make the suggestion to the distinguished chairman of the committee that we take the amendment to conference.

Mr. GEORGE. I am willing to take it to conference, but I can not guarantee to hold it in conference. I am quite sure the House would not consent to accept the amendment. I am willing, however, to take it to conference and have it presented to the House. I cannot give any assurance that it would be accepted. However, the only possible result of an affirmative vote would be to have the amendment taken to conference.

Mr. MILLIKIN. I suggest that the distinguished Senator from Wisconsin could get no more assurance, even if, after long debate, the amendment were adopted by the Senate, and the proceedings could be short-circuited by acceptance of the amendment now.

Mr. GEORGE. The amendment is somewhat different from any we have had. It deals with a percentage of a particular product. I think I should say in all frankness that I do not believe the House will accept the amendment. However, I am willing to take it to conference.

Mr. MILLIKIN. Mr. President, will the Senator from Wisconsin again yield?

Mr. McCARTHY. I yield.

Mr. MILLIKIN. I believe the subject matter, in some particulars, goes outside the reciprocal trade system.

Mr. GEORGE. That is true.

Mr. MILLIKIN. And that, therefore, direct action of this kind may be necessary.

Mr. GEORGE. Yes. I am willing to take the amendment to conference if that is agreeable to the Senator from Wisconsin.

Mr. McCARTHY. I have already accomplished what I would accomplish by a vote. I ask that the amendment be agreed to.

Mr. GEORGE. The committee will accept the amendment and take it to conference for full consideration by the conferees.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY] on behalf of himself, his colleague the senior Senator from Wisconsin [Mr. WILEY], and the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I was about to make on this amendment.

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

STATEMENT BY SENATOR McCARTHY IN SUPPORT OF AMENDMENT TO H. R. 1612

It is unnecessary to go into detail in explaining the plight of our domestic fur-producing industry, as most Senators are aware of the liquidation that is taking place. This matter has been fully aired and recognized by members of the Finance Committee. Many of us were hopeful last year that the acute condition could have been somewhat relieved by a substantial reduction in the fur excise tax so that the fur market could have been expanded so as to absorb the tremendous increase in our fur imports. As our present state of emergency makes this approach impossible, it is imperative that immediate action be taken to place a limited curb on imports as set forth in the proposed amendment.

As pointed out during the hearings on the Trade Agreements Act, our fur producers have been caught in a squeeze. While fur sales have declined 50 percent, as shown by the decrease in our excise-tax receipts from ninety-seven million in 1946 to forty-eight million in 1950, imports have increased over 300 percent since the war as compared to prewar years. It is also a well known fact that 30 percent of our fur imports are coming from communistic-controlled countries.

Now, just a word or two about the amendment. It is not an attempt to solve the entire problem of the fur-producing industry, but is directed as giving effective, reasonable protection to those in greatest need. Imports of mink, silver fox, and muskrat account for only approximately 20 percent of the total dollar value of our present fur imports. But they make up an important part of our domestic fur-producing industry. I am sure the Senators from Louisiana and Texas where a considerable portion of our muskrat are raised, can give you a very vivid picture of the serious condition the fur producers in their States are in. It is interesting to note that from the figures of the Fish and Wildlife Service, muskrat catch in Louisiana has dropped from 6,000,000 pelts in 1943 to 3,000,000 in 1949. The reason for the sharp decline is that present prices do not pay the cost of harvesting the crop. The Tariff Commission figures reveal that our total muskrat imports have increased from 1,000,000 pelts in 1943 to 3,500,000 in 1950. Imports of muskrat from Russia show the greatest increase from one-half million pelts in 1943 to 2,000,000 pelts in 1950.

Figures reveal our domestic production of mink has remained relatively static since 1947 at about two and one-third million pelts. On the other hand, imports of mink pelts have increased from 320,000 in 1946 to over 1,000,000 in 1950, or 400-percent increase.

The seriousness of the situation is reflected in the financial statement of the fur-farming industry wherein the cost of production has increased to $18 per pelt. The average price of mink pelts in 1949 and 1950 dropped to prewar levels of $15. This small industry shows an operating loss of millions of dollars, and over a thousand farmers have been forced out of business during the past year. Another large number has been forced

to secure Government emergency loans from the Farmers Home Administration in order to stay in business. A large percentage of these are GI's, many of whom are disabled veterans.

We have just gone through the sad experience of having the domestic silver fox industry practically wiped out since the war because of the tremendous influx of foreign furs. The Department of Agriculture, through the Farmers Home Administration, is making a desperate attempt, through emergency loans, to try and revive this industry, or at least keep alive a small foundation breeding herd so we won't have to go to Russia and buy breeding stock when this industry recovers. The amendment is designed to keep foreign countries from smothering out its life as soon as it starts to revive.

A repetition of the same condition that has practically wiped out our silver fox industry will wipe out our mink and muskrat industries if something is not done immediately to prevent it.

The amendment is very reasonable. There are 33 different kinds of fur imported into the United States. The amendment applies to only three kinds of fur: silver fox, mink, and muskrat, wherein considerable investment has gone into domestically producing these furs. If the amendment had been in effect during the past 4 years, it would have only reduced our annual total fur imports approximately 6 percent. This small reduction would largely be absorbed by communistic-controlled countries whose imports have increased most.

It is questionable whether Congress should continue to keep a heavy tax on the product of an industry that is going broke in order to finance foreign aid programs to stop the spread of communism abroad. But it is simply asinine to call sons of fur farmers to go to war to stop the spread of communism and while they are fighting, and dying, have their business wiped out by importation of furs from communistic countries.

Due to the modifications that have been made in the Trade Agreements Act as reported it is very likely that some Senators may feel that the bill if passed as reported would provide a means of solving the problem of the fur producers thereby making the proposed amendment unnecessary. The fur farmers claim the bill as now constituted does not and will not provide a means of solving their problem. This involves considerations beyond those of tariff or duties or other economic aspects of general nature involved in foreign trade. Therefore, the amendment is not offered to give special treatment to an industry whose problem is common with other industries, but is offered to protect an American industry that is being destroyed as a result of unusual circumstances that have developed since the last war.

SCHEDULE A

TABLE 1.—*Imports of raw furs*

Year	Millions of dollars	Year	Millions of dollars
1930 to 1939	50	1945	146
1940	75	1946	242
1941	106	1947	124
1942	70	1948	163
1943	93	1949	105
1944	127	1950	104

TABLE 2.—*Collections from excise tax on furs*

Calendar years	1946	1947	1948	1949	1950
Millions of dollars	97.4	85.3	73.1	53.7	48.8

TABLE 3.—*Russian imports compared to total fur imports*

[Millions of dollars]

Year	Total	Russia
1930 to 1939	50	5
1940	75	13
1941	106	22
1942	70	15
1943	93	18
1944	127	32
1945	146	26
1946	242	69
1947	124	41
1948	163	38
1949	105	24
1950	105	[1] 20

[1] Reduction 1950 was a result of longshoremen's refusal to unload Russian furs.

In relation to the amendment, I want to call to your attention that in 1949 when this same bill was up for extension, I proposed a similar amendment to the one now being offered. I want to read one paragraph from the statement I made at that time, which appears in the CONGRESSIONAL RECORD, volume 95, part 10, page 12878:

"Besides the economic problem involved, it is evident from information released that Russia's primary interest in disposing of all her furs in the United States is to implement carrying out her communistic program in our country, first by providing a source of dollars necessary to finance her program, and, second, by being able to maintain a large fur business in the United States, which she is using as a base of operation to legally funnel into and out of our country key communistic supporters. In this connection, I call attention to the evidence and the record in the Coplon trial.

"Russia's fur business is handled by the Amtorg Corp., of New York, which is owned and operated by the Russian Government, and is known by the FBI to be carrying on espionage activities.

"It is evident that regardless of price or effect on the domestic producer, Russia will continue to dump all her furs on our market unless some protective action is taken by Congress."

As vindication of the accuracy of this statement, I am now going to read a short excerpt from the testimony of Benjamin Gitlow, one-time secretary general of the American Communist Party, as presented before the Subversive Activities Control Board on April 24, 1951:

"Amtorg was the trading corporation in the United States of the Soviety Government.

"Amtorg cleared with the Communist Party of the United States, the American personnel it hired to determine whether or not they could be trusted to work in Amtorg.

"A large number of members of the Communist Party worked in Amtorg, and those members who worked in Amtorg were formed into a special group.

"Amtorg supported the Communist Party press by putting advertisements, particularly in the foreign language, in newspapers of the Communist Party for which they paid in excess of the advertising rates for such advertisements.

"Furthermore, the Amtorg made it possible for the Communist Party School of Business Relations in what it was doing to realize moneys financially from insurance and other activities.

"In addition to that, the Amtorg sought the assistance of the Communist Party, whenever technical delegations came to this country, to attach Communist Party members to these delegations as translators, and so forth, who would be tied in with the OGPU representative that traveled with these delegations for information purposes."

Figures from the Tariff Commission reveal that during the past 5 years we have imported over a quarter billion dollars worth of furs from Communist-dominated countries, over one hundred ninety million of which have come directly from Russia. In face of the longshoremen's embargo against unloading Russian furs during the past year (1950), we imported over $20,000,000 of furs from Russia and $6,000,000 worth of furs from China. Why in the name of common sense do we continue to finance the spread of communism on one hand and fight it on the other?

There can be no doubt but that a portion of the $6,000,000 we paid to China for furs last year went toward paying for the shipments of rubber from England. Neither can there be any doubt as to what use Russia is making of the $20,000,000 she received from her fur shipments to us.

In addition to the issue of involving the security of our country, the amendment presents a clear-cut economic case. Is Congress going to place heavy taxes on our industries, draft their sons into service, and subject them to the many other wartime measures necessary to fight communism abroad and then turn our backs on them under the cloak of appeasement and allow their businesses to be wiped out by the importation of products from communistic countries?

The amendment may only affect a small industry, but the principal in back of it is not small.

Mr. McCARTHY. Mr. President, would it be in order at this time to move that the Senate instruct the conferees to insist upon the amendments of the Senate?

Mr. GEORGE. Mr. President, I hope the Senator will not do that. I should be compelled to resist such a motion, because the Senate conferees will do the best they can. When the bill comes back to the Senate there will be an opportunity to be heard on the amendment. I thought I should be frank in stating to the Senator that the House probably will not accept it, although the House will be free to work out any amendment. It may be that a provision of some kind can be agreed upon. I hope the Senator will not ask for any instructions at this time which would bind the conferees to the point where they could only insist on this particular amendment. We would be lost in that sort of conference.

Mr. McCARTHY. I believe the Senator makes a point.

Mr. CAIN subsequently said: Mr. President, it is my understanding that earlier in the afternoon the junior Senator from Wisconsin [Mr. McCARTHY] offered a fur amendment which was accepted and which is to be taken to conference. It had been my intention to speak briefly but pointedly in support of that amendment, but because of duties which kept me in the joint committee hearing this afternoon, I ask unanimous consent that the statement I had prepared concerning the amendment be printed in the body of the RECORD to follow any references to the amendment itself.

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

STATEMENT BY SENATOR CAIN

Appearing in the Washington Times-Herald of May 16, 1951, is this short article:

"NEW YORK, May 15. The New York Journal-American said today that six New York

importers have just concluded a deal with the Soviet fur trust which will drop over a million dollars into Communist hands.

"The newspaper said the Soviet embassy in London confirmed the deal but refused to disclose the names of the members of the New York syndicate which arranged the million-dollar purchase.

"The story also stated that the Soviet trust, taking note of the refusal of American longshoremen to unload Russian-made goods, will guarantee delivery of the skins only to Helsinki, Finland.

"The Journal-American said the New York syndicate was compelled to pay for the Russian skins in American dollars, which the Communists need badly for the purchase of military material."

It is absurd to spend billions of dollars to stop the spread of communism when we are, in fact, supplying Russia with the necessary dollars to finance her organized communistic programs at home and abroad. It is embarrassing for Congress to tax and tax, spend and spend to aid foreign countries who may be struggling under the handicap of having a deficit dollar trade balance so as to throw off the yoke of communism, and go on permitting the Soviet Union to build up a substantial surplus dollar trade balance.

Figures from the Tariff Commission reveal that our imports from Russia during the past 3 years (1948, 1949, 1950) totaled $160,000,000, while our exports to Russia amounted to only $34,000,000, leaving a surplus dollar trade balance for the Kremlin of $126,000,000.

This is a very sizable sum of dollars to use in financing the Communist Party in the United States, or to purchase war material from countries lacking dollar exchange.

The Trade Agreements Act is proving to be a boon to communism. Contrary to the general belief built up in the minds of many Senators, that the major portion of our imports from Russia consist of strategic materials, the figures show that 50 percent of the total imports from Russia consist of fur, and only a very small percentage of materials are even vital or necessary for our security and defense programs.

Every agency of government that has anything to do with the administration of the Trade Agreements Act, is familiar with these facts and their direct bearing on our security and the hardship it is causing the American fur producers.

Yet, year in and year out, nothing is done, and nothing will be done to prevent this small industry from being entirely wiped out by communism unless Congress comes to their rescue and gives them this small means of protection.

I urge the Senate to adopt the fur amendment, send it to conference, and insist on its passage.

TABLE A

[In millions of dollars]

	1948	1949	1950
Imports from Russia	78	42	40
Exports to Russia	27	6	1
Trade balance	51	36	39

TABLE B

[In millions of dollars]

	1948	1949	1950
Total imports from Russia	78	42	40
Fur imports from Russia	38	24	[1] 20

[1] Reduction 1950 result of longshoremen's refusal to unload Russian furs.

TABLE C.—*Principal imports from Russia, 1950*

Furs and manufactures	$21,060,989
Sausage casings of sheep, lamb, and goat	1,005,162
Crab meat, crab sauce, and crab paste, prepared or preserved in containers	2,304,398
Cigarette leaf tobacco, unstemmed, other than latakia	2,465,662
Cotton linters	1,578,090
Manganese ore (including ferruginous) or concentrates, and manganiferous iron ore, containing 35 percent and over of manganese, other than battery grade	2,085,225
Chrome ore or chromite, metallurgial grade	2,172,578
Platinum metals and native combinations thereof: Palladium	857,391
Crude glycerine	911,141
All others	5,827,402

Mr. MAGNUSON. Mr. President, I wonder if the junior Senator from Washington would permit me to associate myself with him in connection with the remarks made by him.

Mr. CAIN. I shall be very pleased to be in my colleague's company.

Mr. WILEY. Mr. President, I am very grateful that my associate, the junior Senator from Wisconsin, was able to be on the floor to offer his amendment. I had expected to offer it, but when I saw how things were going in the committees, I was glad to find out that the amendment had been accepted and would be taken to conference.

The fur industry has been very badly injured by competition from abroad, and I believe the conferees, whoever they may be, should insist on protecting this great industry which means so much in connection with the livelihood of so many persons in this Nation.

Mr. MAGNUSON. Mr. President, I have two amendments on the desk which I do not wish to press at this time. I believe that a question will clear up one of them.

The other matter, which involved a definition of the word "perishables" in the bill was cleared up day before yesterday by the answer of the distinguished chairman of the committee.

I should like to ask one further question.

Mr. GEORGE. I shall be glad to try to answer it.

Mr. MAGNUSON. On page 5492 of the CONGRESSIONAL RECORD of May 21, the Senator from Georgia, in discussing the bill, made this statement:

> Another amendment of great importance was the amendment suggested by the Senator from Washington [Mr. MAGNUSON] which, as the Senate knows, had already twice been adopted by the Senate in connection with other legislation. This amendment is designed to protect the full operation of section 22 of the Agricultural Adjustment Act which now, in subsection (f), contains certain limitations upon the full scope of its use by reason of the provisions of our trade agreements.

After examining the amendment, the committee added this language:

> No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section.

What concerned some of the sponsors of the amendment and myself was the use of the additional words "the requirements of." I talked with the Senator from Colorado [Mr. MILLIKIN] informally and he explained that he thought those words might strengthen the amendment. I was wondering whether the Senator from Georgia had the same opinion.

Mr. GEORGE. Mr. President, I have the same general view. I should like to add that the purpose of inserting this language is that if the President, when certain facts appear, can give an effective remedy without violating an agreement, but within the terms of an agreement, so to speak, he may have that opportunity; but if he cannot, this section will prevail. This section carries out the philosophy of the distinguished Senator from Washington in the two bills which have previously passed the Senate.

Mr. MAGNUSON. In other words, it is the opinion of the Senator from Georgia and the Senator from Colorado that this language adds an additional situation to the requirements of section 22. It might be that the remedy could be carried out within the terms of the agreement.

Mr. GEORGE. It might be. But if there were an irreconcilable conflict, the President would be obliged to carry out the section 22 provision so as to grant relief.

Mr. MAGNUSON. Mr. President, I shall not press my two amendments.

Mr. GEORGE. I thank the Senator very much.

Mr. CASE. Mr. President, I should like to ask if there would be any objection to inserting the word "promptly" on page 9, in line 9, after the word "shall." Section 7 of the committee amendment proposes that upon the request of the President, or upon resolution of either House of Congress or of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives——

Mr. GEORGE. Will the Senator from South Dakota give me the page again?

Mr. CASE. It is on page 9, line 9. This is the section which has to do with the investigation by the United States Tariff Commission.

Mr. GEORGE. There would be no objection to such an amendment. If the Senator wishes to offer such an amendment, there will be no objection.

Mr. CASE. Mr. President, I offer an amendment, on page 9, line 9, after the word "shall", to insert the word "promptly." This is in accord with the time element which has been included at several points in the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from South Dakota will be stated.

The CHIEF CLERK. On page 9, line 9, after the word "shall", it is proposed to

insert the word "promptly," so as to read:

The United States Tariff Commission shall promptly make an investigation—

And so forth.

Mr. GEORGE. Mr. President, there is no objection to the amendment. That was the intention of the committee.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. MILLIKIN. Mr. President, the Senator from Nevada [Mr. MALONE] has about a dozen amendments. I do not know whether or not he intends to abandon them. I wish we knew, so that we would not have to do this all over again if he should decide not to abandon them. Cannot the Senator from Nevada be called into the Chamber so that we may know whether or not he intends to press his amendments?

Mr. DWORSHAK rose.

Mr. MILLIKIN. May I ask if the Senator from Idaho has an amendment to offer?

Mr. DWORSHAK. No. I wish to speak for 20 or 25 minutes on the bill.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. DWORSHAK. Mr. President, I have listened with a great deal of interest to the debate during the past 3 days. I think the Committee on Finance should be commended for the desirable changes and revisions which have been recommended in the law as it has been in force for the past 2 years. However, in checking through the hearings on House bill 1612 before the Senate committee, I am somewhat amazed to read the comments made by Secretary Acheson. I quote from page 3 the following statement by Mr. Acheson:

Mr. Chairman, I am appearing in support of the trade-agreements program to urge extension of the Trade Agreements Act. I cannot, however, support H. R. 1612 as amended in the House of Representatives. I do not think that the bill as amended is in the national interest.

On page 6 of the hearings Secretary Acheson said:

H. R. 1612, as reported to the House of Representatives by the Ways and Means Committee, extended the authority of the President to negotiate trade agreements under the Trade Agreements Act in the same form in which it has existed for most of the life of the program. I believe that the record of accomplishment under the act and the way the authority conferred by the act has been administered fully justify that action.

It is apparent that, although the Senate committee, in the bill currently before this body, has recommended the insertion of amendments providing for the peril point and for an escape clause, so long as the State Department is charged with the administration of this program we can expect nothing but sabotage of the program. As I have said, I think the committee is deserving of commendation, but the record shows that so far as Secretary Acheson is concerned, in the administration of the act this body can anticipate that there will be no beneficial results, even though amendments are adopted providing for the peril point and the escape-clause approach to safeguard the interests of any industries in the United States which are adversely affected by the operations of the act.

In 1934 we entered upon a new course of action in regard to foreign trade. For more than 300 years we had been carrying on a trade of necessity to build up the industry and economy of a virile, alert Nation. We were affording protection through tariff from foreign competition to our weak industries with the result that thrift and ingenuity made of us an almost self-supporting Nation.

Through the protection afforded our industry we were protecting not only production but also protecting the standards of labor, wages, and employment which have brought to America the highest standard of living of any country in the world.

While we still maintain our high standard of living, we are doing it on borrowed money. And we are trying to make concessions to reduce our standard of living to those countries by which we are surrounded with unilateral trade agreements, reciprocity agreements, exchange agreements designed to be reciprocal in nature with escape clauses administered not by constitutional authority vested in the subdivisions of this Government, but through delegated powers extended to the administrative department with responsibility to no one and power so absolute and so protected that whole segments of our economy could practically become destroyed before the Congress could recapture the power it has no right to delegate away.

In 1934 we embarked on this new method of tariff procedure of enacting legislation to give the authority vested in the Congress to the President. It was said at that time—and the position is defended by some Members of Congress—that this is the program under which it was planned to make reciprocal trade agreements to encourage trade with other nations. This is a noble objective. We want trade with other nations; we need trade with other nations; we have to have trade with other nations, for we are no longer an independent, self-supporting Nation. We are now a Nation dependent upon other nations with a $60,000,000 unfavorable balance of trade last year, dependent upon other nations for wool, meat, and fiber. And so under this dependency with the typical reciprocal agreements we have built up a condition of trade which has literally destroyed some very important industries in this country. We are now invited by approval of H. R. 1612 not only to continue the destruction but to bring in a few more industries to be destroyed.

Mr. President, our reciprocal trade agreements are a one-way street, with the United States making most of the concessions. This has resulted in lowering tariffs on many agricultural commodities and other products, causing real hardships to many of our domestic industries.

Since 1939, whenever this Trade Agreement Act has been before Congress for extension, I have voted against it. In the first place, I do not believe that Congress should delegate its authority over international trade to the President.

To illustrate this, I refer to the conference which has been held at Torquay, England, for several months. As a result of this conference with 17 other nations, the United States has granted tariff reductions of as much as 50 percent. Attempts to conclude trade agreements with the British Commonwealth have failed apparently because of sterling preference among those nations. The tariff concessions which the United States granted at Torquay will apply to 1,325 items, many of which reductions will adversely affect labor and production here in America.

Once this agreement is effective, the authority of acceptance or rejection of trade agreements no longer rests with the Congress, and to retrieve this power is almost impossible.

It may be well to point out the illogical situation, created under the Torquay agreement, in which Great Britain and the Commonwealth nations refuse to cooperate in any way. Yet, under the most-favored-nation clause, Britain and the Commonwealth nations will be the beneficiaries of all the concessions made by the United States. At the same time they are not making any concessions of any kind on trade with the United States.

SHEEP INDUSTRY UNDERMINED

Let us take a look at the sheep and wool industry under reciprocal trade agreements. I want to point out to you what has happened under the reciprocal wool agreements. Ten years ago we were producing 61 percent of the wool needed for consumption in the United States and it was not many years ago we were a wool-exporting Nation. But in the past 10 years the sheep population has declined from 47,441,000 head to 28,065,000 head, a decrease of 41 percent. Today we are furnishing only 26 percent of the needs of this country. The price rise is 102 percent in the last 10 years on wool in the grease, from 28 cents in 1940 to 57 cents in 1950.

Mr. President, while it is easy to lay the blame on decreased ranges, lack of herders, Government restrictions, I cannot agree to this, for it is not only the range sheep that declined in the past few years that has caused the loss in wool poundage or sheep numbers. It is the passing out of the farm flocks—the sheep held in small flocks on farm pastures. The decline is due to the importations of foreign wool from Australia brought into this country for storage and then never again leaving this country. It is due to the lack of tariff protection and to the decline of the dollar value and the planting of land into field crops instead of pastures to pay high property taxes now required of cheap dollars.

Instead of protecting this industry by tariffs, we have let it decline until today we are dependent upon other nations for over half the wool now consumed here. I presume we can go on subsidizing the land crops that should be going into pastures to produce wool and mutton. We wonder at the shortage of meat; well, you cannot increase a population by 20,000,000 people and decrease 19,376,000 head of sheep in 10 years without affecting the market supply of meat.

During the past year we have been at the mercy of foreign wool producers and prices have doubled and tripled. This is the penalty we are paying for failing to give adequate protection to our domestic sheep industry.

Yes, our sheep and wool industry has been undermined by reciprocal trade agreements which have no semblance of being reciprocal. Reciprocal is a delusion, a hypocritical expression used to deceive, to fool, to hoodwink, and to destroy.

LEAD AND ZINC AFFECTED

Mr. President, Idaho has a special interest in the Trade Agreements Extension Act, for Idaho ranks first among the States in the production of mined zinc, and second in lead. The mining industry of my State has just learned of the cuts made in the existing tariffs on lead and zinc under the Torquay Conference proceedings.

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

Mr. DWORSHAK. I yield briefly for a question.

Mr. LANGER. Is it not a fact that Idaho also leads in the production of antimony, producing 94 percent of the antimony produced in the United States?

Mr. DWORSHAK. Idaho produces a large percentage of many other minerals which are now considered strategic in building up our national preparedness.

Mr. LANGER. Which includes antimony.

Mr. DWORSHAK. I thank the Senator. While these reductions are of secondary importance at the moment, because of the Government price controls under which these mining industries are operating, artificially depressing the price to the Idaho miner, they do have long-term implications which disturb me. Not only does the Government drastically cut the metal tariff, but it simultaneously prevents the lead and zinc miner from selling his output at the higher price today at which Mexican, Canadian, Peruvian, and Australian lead and zinc are being sold. It does not make sense.

The tariffs on lead and zinc have now reached a point where they are so slight as to be almost negligible. The protection granted lead under the Torquay decision is only about 6 percent. The protection remaining to zinc is only about 3 percent, at today's prices. If the lead- and zinc-mining industries could have foreseen in 1930 the great inflation of 1950, they would have requested ad valorem rather than specific rates of duty.

Mr. President, in the case of lead the State Department deviated from a principle that I understood they ordinarily use in concluding negotiations—namely, not entertaining any reductions unless they were requested by the country accounting for the greatest exports to this country. In lead, Mexico, with its comparatively low-labor cost, is the most important foreign shipper of lead to the United States. But the cut in lead was made at the instance of Canada and Peru. Under our most-favored-nation policy, however, Mexico will receive the benefit of this important reduction. Inasmuch as the Mexican Trade Agreement was abrogated as of the beginning of 1951, Mexico will reap a benefit from the Torquay negotiations for which the United States is receiving nothing in return from Mexico.

DEVALUATION OF CURRENCIES

The lead miners in the United States have been very much concerned with the effect of the devaluation of foreign currencies on the tariff protection which Congress had accorded them. Apparently no consideration was given in the Torquay decisions as to the effect of devaluation on the tariff rates established for lead and zinc. In fact, a representative of the State Department took the attitude before the Senate Finance Committee on H. R. 1612 that they were perfectly correct in not considering devaluation because, if anyone was injured as the result of currency devaluation, he should try to secure relief through the escape clause. Inasmuch as the Senate Finance Committee's report follows these recommendations, it is especially important that the escape clause be so worded by this body that it will give industry every opportunity to include devaluation as one of the factors to be considered in an escape-clause proceeding.

By means of the bill which it has reported, the Senate Finance Committee has wisely attempted to define and broaden the scope of topics which the Tariff Commission must consider in coming to an escape-clause determination. My own State legislature last January was so concerned over the impact of currency devaluation not only on mineral products but on agriculture that it adopted a resolution memorializing Congress on the subject and requesting relief through proper adjustment of tariff rates.

Mr. President, if devaluation had been given consideration by the negotiators at Torquay, they would have found that Canada first devalued its currency about 10 percent, although at present the Canadian dollar is only 6 percent devaluated. In Peru the currency devaluation amounts to over 50 percent. The slash of about 6 percent in the tariff on lead therefore, virtually establishes free trade in lead between Canada and the United States, inasmuch as the amount of protection remaining to the Idaho lead miner is just about offset by the devaluation of the Canadian dollar.

IMPACT TO BE FELT LATER

For Peru the situation is vastly to Peru's benefit; and were it not for the fact that today Peru can get more for its lead in Europe, where lead now is selling for about 20 cents a pound, than it can by selling it in the United States for 18½ cents a pound, we would expect the entire Peruvian lead production to come into this country, as it has done recently. The full impact of the tariff cut that has been made will not be felt until the present defense emergency is over. Then the present price controls and the artificial stimulus of rearmament to industry will have disappeared, and labor may have cause for complaint as it sees its jobs affected by large imports of lead into the United States from low-cost foreign mines.

Mr. President, I wonder what animated the Torquay negotiators to cut the lead rate, when last year, for the first time in history, more lead—550,000 tons—was imported into the United States than was mined in our country; namely, 430,000 tons. How much more lead should be imported to satisfy the international planners? Our domestic mine production is far below what it used to be. Tariff cuts are no way to invite the necessary exploration and development of our still great native resources.

About a year ago the domestic mining industry was facing ruinously low prices because of heavy imports of lead, zinc, copper, and other minerals. As a result, many mines had closed because of inability to operate on a profitable basis in competition with the low-cost production of foreign mines. During such periods it is vitally important to have some tariff protection to enable our own mines, with their high-operating costs, to compete with production in countries where the miners receive only a fraction of the wages paid in the United States.

Apparently our international policies are compounded not only of a desire to strip the mining industry and our other industries of their tariff protection, but actually to subsidize foreign producers. Recently it was announced by the State Department that it was proposing to buy Chilean copper at 27½ cents and sell it in the United States at 24 cents, with the taxpayers to absorb the loss. Moreover, at a hearing before the House Committee on Interior and Insular Affairs it was developed that the Office of Price Stabilization is planning to buy foreign lead at 20 cents a pound and resell it in the United States at the ceiling price of 17 cents a pound. Under those circumstances, tariffs do not mean much; but it is illogical to see our people being taxed to permit the purchase of foreign nonferrous metals from countries in which labor is paid only a few cents an hour, and the resale of the metal here at a loss, and then to have our people taxed to make up the difference. If controls are imposed on the mining industry, coupled with the crippling of permanent tariff protection and an evident desire to subsidize foreign-mining operations, we shall not only seriously affect the future orderly development of our mineral resources, but we shall also be encouraging the very thing we are supposed to be fighting—statism and ultimately communism.

This period of limited emergency is hardly the time to make an intelligent long-range tariff determination and to cut the tariff rates on lead, zinc, and other commodities. I think action on

those two metals might well have awaited the end of the emergency-defense period. The injury that has been done is momentarily obscured by the international political situation. It remains to be seen whether or not Torquay's slashes were in the public interest.

PLEA FOR EXEMPTIONS

Mr. President, a brief survey of the hearings before the Senate Finance Committee on House bill 1612 will disclose the appearance at those hearings of representatives of many industries in the United States. Those representatives appealed for some protection for their specific industries. As I pointed out earlier this afternoon in a colloquy with the junior Senator from Nevada, it is rather strange to witness the representatives of various industries from many regions of the United States appear before congressional committees and before executive agencies and departments requesting specific exemptions to protect their own industries.

Mr. President, in the West we have the lumber and the mineral industries; in the Mississippi Valley there are the livestock and agricultural industries; in the Central Atlantic States there are the pottery, glassware, woodworking, and other industries; in New England there are the textile, shoe-manufacturing, watch-manufacturing, and fishery industries; and in many of the Southwestern States we find the production of the oil which is so essential to us, particularly in time of emergency. Those who come from the Southeastern States plead for protection of the fresh-vegetable and fresh-fruit industries in those States. In fact, during the 16 years since the commencement of the reciprocal-trade-agreement program, we have heard many appeals made every year before congressional groups; and those who have made those appeals have pointed out that although there may be some justification for the broad principles which are involved in the reciprocal trade agreements, those agreements can be supported by certain States and certain regions only when protection and safeguards and even exemptions are provided for those specific industries.

In closing, Mr. President, I should like to point out that it is very difficult to comprehend how a broad reciprocal-trade program can be highly desirable for the United States. I concur in the contention that we should have international trade relations on an equitable basis with other nations; but how can it be contended that this reciprocal-trade-agreement program is sound, desirable, and equitable so far as the United States is concerned, when we observe that most of the States of the Union send to Washington their representatives who plead with Congress for support for their own industries?

It seems to me that a logical procedure would be to take a composite viewpoint of all the industries in the United States and consider the interests not only of business and industry but also of agriculture and labor, and then recognize that if we are to maintain our high standards of living, which have characterized the United States of America for well over a century, we should be realistic in facing this program.

So far as I am concerned, I will not stand in this body—nor have I done so at any time during my membership in either the House of Representatives or the Senate—and plead for preferential treatment for any particular industry in my own State. If the industries of my State are entitled to protection and safeguards, I think we should extend comparable treatment to other regions and States throughout the entire Nation.

Mr. President, on that basis I cannot justify support of this reciprocal-trade program, even though the Finance Committee has improved the bill materially.

I wish to pay my compliments to the distinguished chairman of that committee, the senior Senator from Georgia [Mr. GEORGE], to the distinguished ranking minority member of the committee, the Senator from Colorado [Mr. MILLIKIN], and to other members of the committee who have done such an effective job in trying to establish proper safeguards.

However, at the same time we must recognize that the administration of this program is in the hands of the State Department; and we have the testimony of Secretary Acheson that so far as he is concerned, he will not countenance the peril-point amendment or the escape-clause amendment because he wants to have almost absolute and arbitrary authority over the international trade of our country.

Mr. President, under such circumstances, I cannot vote to delegate the constitutional authority of the legislative branch to Secretary Acheson and the executive branch of the Government.

Mr. MALONE. Mr. President, the junior Senator from Nevada has a few amendments to offer to the bill, but, in deference to the Senator from Georgia, who is not feeling well, a very brief discription of each amendment will be presented, and no yea-and-nay vote will be requested, so that the time required for the presentation of the amendments will not be great. I now ask that amendment No. 2, offered by the junior Senator from Nevada, be considered.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 8, it is proposed to strike out "2 years" and insert "1 year."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. MALONE. Mr. President, amendment No. 2 provides for the extension of the authority to enter into trade agreements for 1 year instead of 2 years. The House version of H. R. 1612 provided for a 3-year extension of the Trade Agreements Act which was changed to 2 years by the Senate Finance Committee.

This amendment serves two purposes:

First. The war in Korea has produced a rearmament effort which has brought economic dislocations which greatly obscure the effects that tariff cuts have had on many domestic industries. With peak demand in most fields of production and with the Government being a large purchaser of consumer goods and defense materials, no one can forecast economic conditions even as far as 1 year ahead. Under these circumstances a 1-year extension of the Trade Agreements Act is all that should be provided for, should the Congress decide to extend it at all.

Second. The other purpose which would be served by a 1-year extension would be continued supervision of the administration of the Trade Agreements Act by the State Department as well as the effects of the tariff reductions. Each extension of the Trade Agreements Act has caused long hearings to be held in which both the administration's side as well as the domestic producers' viewpoints were thoroughly aired, and many people feel that these hearings have provided the domestic manufacturers with the only fair tribunal for the airing of their frequent and just complaints.

Mr. MILLIKIN. Mr. President, as to the pending amendment, I may say that many of us thought a 1-year extension would be better than a 2-year extension, but upon further thought we concluded that 2 years was more practicable for the reason, frankly, that a 1-year extension would throw this entire subject into the middle of an election year, and that was not thought to be desirable, so we compromised. We reduced the provision of the House bill from 3 years to 2, and were unanimous in that decision in committee.

Mr. MALONE. Mr. President, if I may say so, I think the greatest thing which could happen would be to throw this entire matter into the middle of the election year.

Mr. MILLIKIN. Yes; I understand that that is the Senator's viewpoint. He will not disallow my own viewpoint, which is that it would be a very bad thing to do, and that the subject would not receive the careful consideration in the middle of an election year that it would in calmer times and, I hope, under more favorable circumstances.

Mr. MALONE. Consideration of the subject in calmer times has always resulted for the past 18 years in continuing the authority of the Secretary of State unimpaired.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. MALONE. Mr. President, I now call up my amendment No. 3.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 18, after the word "Defense", it is proposed to insert "from the Committee on Ways and Means of the House of Representatives, from the Committee on Finance of the Senate."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. MALONE. Mr. President, section 3 (c) of the present version of H. R. 1612 provides that the President, before concluding a trade agreement, shall seek information and advice from certain departments of the Government.

This amendment provides that in addition to the departments mentioned, the President shall also seek information and advice from the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

Heretofore the Congress has not been consulted in regard to the making of trade agreements and has only been presented with the final results at the end of trade-agreement negotiations. This amendment would remove some of the secrecy under which the executive branch prepares for the trade-agreement negotiations and would add the valuable advice of the pertinent committees of Congress to the planning of tariff-reduction conferences.

This amendment does not remove the secrecy which is regarded as necessary for bargaining power in the negotiations proper. It merely provides that the President shall consult the above-mentioned committees of Congress for information and advice. This amendment is quite parallel with the Senate version of H. R. 1612, which provides that the President shall report to the Congress if he has exceeded the recommendations made by the Tariff Commission under the peril-point provision, or has not followed the Tariff Commission's advice on changes under the escape clause. This amendment would, to a small degree, give Congress a hand in determining the course of trade-agreement policy. The advice and counsel of the Members of Congress represented on the two committees would bring into the trade-agreements program the experience and the legislative viewpoints of men who have had at their command the extensive information brought out in the hearings on the Trade Agreements Act.

Mr. MILLIKIN. Mr. President, I respectfully suggest that neither the House Ways and Means Committee nor the Senate Finance Committee is equipped to do a good job in connection with this particular matter. It would involve vast staff work and a great number of hearings in order to participate constructively. We do not have the necessary staff. I hope, therefore, that the amendment will not prevail.

Mr. MALONE. Mr. President, I respect the opinion of the distinguished Senator from Colorado, but I respectfully suggest that most persons in the State Department dealing with the subject show a profound ignorance of it. Therefore, if it is thought that persons regularly appointed by the Congress of the United States can contribute any more misinformation than is contributed already, I would feel like withdrawing the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. MALONE. Mr. President, I call up my amendment No. 4.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Nevada.

The LEGISLATIVE CLERK. On page 4, beginning in line 7 with the word "Within", it is proposed to strike out through the word "been" in line 9 and insert the following: "No trade agreement under section 350 of the Tariff Act of 1930, as amended, shall be."

On page 4, beginning with the comma in line 21, strike out through the word "with" on page 5, line 12.

Mr. MALONE. Mr. President, the present version of House bill 1612 provides that the Tariff Commission shall make recommendations to the President in regard to the levels to which tariffs could be reduced, but the President is not forced to adhere to these recommendations. All that the peril-point feature calls for is merely a report by the President to Congress on the reasons for which he has seen fit to disregard the advice given him.

This amendment makes adherence to Tariff Commission recommendations mandatory. Thus the usually unbiased viewpoint of the Tariff Commission will have to be accepted. This amendment would stop the present policy of using the Trade Agreements Act for purposes of foreign policy and foreign aid as has been done so frequently before.

The present version of the peril-point feature must be regarded as an insufficient safeguard to domestic industries endangered by unfair foreign competition.

In other words, Mr. President, it would change the announced policy of the State Department as to making cash advances to foreign countries until such time as the markets of this Nation can be divided with the nations of the world, so that the advances of cash can make up their trade balances.

Mr. MILLIKIN. Mr. President, the proposed amendment goes to the heart of the so-called peril-point provision. The distinguished junior Senator from Nevada says it requires no more than a letter from the President to the Congress, but that letter is a very significant and potent factor in the whole business. When the President sends a letter to the Congress stating that he has disregarded a peril point, he has to give a good reason, or the Congress has instant jurisdiction to override what the President would do, and it would undoubtedly proceed to do so. If the President should give a foolish reason for disregarding a peril point, he would do so at his own peril. It is a great mistake to think that the provision is without potency. The very fact that it has met with such serious resistance, and the very fact that it was repealed by the Eighty-first Congress, indicate that it is regarded as a provision of important substance.

Mr. TAFT. Mr. President, while I quite agree with the distinguished Senator from Colorado that the present provision in the bill is effective, I see no reason why, if Congress is going to establish a peril point, it should not be a binding one. If the peril-point principle is right, I think it should be a part of the law, and I do not think the President should have the right to overrule the general principle laid down by Congress in the bill. So far as I am concerned, I merely want to go on record as in favor of this particular amendment. I think it is essential, if the Congress is to assert its right to legislate on the subject of tariffs.

Mr. MALONE. Mr. President, I heartily agree with the distinguished senior Senator from Ohio, but I want to comment briefly on the statement of the junior Senator from Colorado that I said the President must write Congress and give a report and a reason for disregarding the peril point. If we have come to the point on the Senate floor where a reason given by the State Department and the President of the United States sounds like a good reason to us, if we have that confidence, it is something that must have been newly generated.

Mr. President, under the provisions of my amendment in the nature of a substitute for the bill, which amendment was rejected, the situation could have been effectively governed so that there would not be manipulation of currency and numerous other subterfuges to escape the logical conclusions of the trade agreement. The flexible tariffs would become operative, and the Foreign Trade Authority could take up the matter and adjust it to the existing conditions. A frozen tariff, whether the State Department freezes it or the Tariff Commission freezes it, is still frozen.

So, Mr. President, I wish to join with the distinguished Senator from Ohio in asking, why allow the President of the United States to give a reason which he thinks is good? He has given us reasons for 4 years, and the State Department has piled reason upon reason, its object being the alleged desirability of dividing the wealth of the United States of America.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 4, offered by the Senator from Nevada.

Mr. GEORGE. Mr. President, when there is a recommendation for an increase or a decrease of a tariff duty, it is always left finally to the President, and it necessarily should be. Undoubtedly, under the peril-point amendment in this bill, the President, 99 times out of 100, would follow the recommendations made by the Tariff Commission and would not go below the peril point fixed by the Commission, because he would have to give publicly his reasons for his action. But there might and there do arise cases where actually a technical justification could be found for fixing a low peril point. It would, however, result in injury, severe injury, to some major American interest.

Therefore, in all our tariff making, when the Tariff Commission itself has been given authority to recommend an increase up and down of 50 percent, I think it has been left finally with the President whether he would approve it. I think it would be a very great mistake to bind the President to put into effect anything the Tariff Commission might recommend with respect to the peril point beyond what the bill provides. It is hedged about by every possible restriction and limitation, as I see it, to the point where there never need be, except in very exceptional situations, any fear

that the President will not follow the recommendation of the Tariff Commission.

Mr. MALONE. Mr. President, I should like to ask the distinguished Senator from Georgia a question. Has it come to his attention in recent years that the President or the Secretary of State have paid any attention to a common-sense attitude on tariff rates? On the other hand, has it not come to the attention of the distinguished Senator from Georgia that the tariffs which have been tampered with and tinkered with for 18 years are already below any such a peril point as is being suggested now?

Mr. GEORGE. I am aware of the fact, Mr. President, that our tariff duties have been lowered. But I earnestly invite the attention of the Senator from Nevada to the fact that the amendment in the bill as it now stands, with some slight improvements, but not weakening improvements, was an amendment that was really formulated by the Eightieth Congress. It does not make the State Department too happy, I can assure the Senator, if that will cause him not to insist too strongly upon his motion, to have this in the bill. But the committee thought it ought to be in the bill, and the committee decided to put it in the bill because the committee believed the time had come when, based upon our experience, we should begin to do a practical job of stepping up the mechanics of the system of tariff adjustments and trade agreements.

Hence we believed that the peril point provision ought to be included in the bill. It is, in my judgment, a very meritorious provision. I think it will be effective in nearly all instances. Certainly if the President should override it there would have to be the strongest reason given by him why some major American industry would be hurt if he did not do so. So I think the President ought to have the discretion the Executive has had under every one of our flexible tariff provisions so far as I now recall.

Mr. MALONE. That would not be the manner in which we would establish a flexible import fee under the Foreign Trade Authority which was suggested as a substitute. I do not agree with this discretionary power, of course. I wish I could join the Senator from Georgia in his childlike faith in the President and in the Secretary of State in trying to protect the workingmen and investors of this country. I should like to say, in closing, that no instance can be cited, except in an insignificant one where any attention whatever was paid to a petition presented to the Reciprocal Committee. There was what was called the Committee for Reciprocity of the State Department, and other agencies, which heard grievances. There was one instance, I believe, in connection with an insignificant matter, when a great deal of political pressure was brought to bear, when attention was paid. But there was no other similar instance in 18 long years.

Therefore I think it would be difficult to make anyone believe that the Secretary of State and the President of the United States would change their long-established and announced policy of dividing the markets with the foreign nations of the world to help them balance their trade. I know of no reason anyone should possibly have for coming to such a conclusion.

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE] numbered 4.

The amendment was rejected.

Mr. MALONE. Mr. President, I now call up my amendment numbered 5 and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 5, line 25, after "practicable", it is proposed to insert the following: "(which shall not be later than 6 months after (1) the enactment of this act, or (2) the occasion for such action arises, whichever is later)."

Mr. MALONE. Amendment No. 5 makes it mandatory upon the President to suspend, withdraw, or prevent the application of any reduction in duty or binding of any existing customs-excise treatment or other concession to the U. S. S. R. and other Communist-controlled governments within a period of 6 months. In addition, it forces the President to withdraw the concessions to those nations which fall under Communist control in the future.

It simply is not reasonable, in the present period of world tension, to have trade agreements with Communist nations such as we have with Czechoslovakia, or to give concessions to such nations under the operation of the most-favored-nation clause. It must be realized that Communist nations, as well as all others, benefit from any concessions made by the United States without giving any advantage to the United States in return.

The Senate bill says the President shall take such action as soon as practicable. This feature should be tightened up and a time limit put on such withdrawal.

This amendment strengthens and improves the present Senate version of the bill.

For at least the 4½ years the junior Senator from Nevada has served in the Senate, whenever the tension really has tightened, when we were complaining about trading with Russia, all at once an isolated news press dispatch would appear some place stating that of course we had to obtain manganese from Russia as well as other strategic materials, so we must not disturb the status quo. I deny that it is necessary to obtain any material from Russia. As a matter of fact, it is very likely, if investigations were carried on, that it would be found we could obtain manganese cheaper from other countries. That is simply a subterfuge and a blind used by the State Department to continue something that they think they should continue, trade with the Red countries, something which the Senate now has condemned, although in very weak language, I must say.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE] numbered 5.

The amendment was rejected.

Mr. MALONE. Mr. President, I call up my amendment numbered 6, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, line 19, after the word "practicable", it is proposed to insert the following: "(which shall not be later than 12 months after the enactment of this act)."

On page 8, line 23, after the period, it is proposed to insert the following:

> Any trade agreement which cannot be brought into conformity with such policy as provided in this subsection shall be terminated by the President at the earliest date provided for by its terms or by law.

On page 9, beginning with line 1, it is proposed to strike out through the comma in line 2 and insert in lieu thereof the following: "Within 30 days after the expiration of 12 months after the enactment of this act."

Mr. MALONE. Mr. President, section 6 (b) of the Senate version of H. R. 1612 provides that the President include the new escape clause in existing trade agreements "as soon as practicable." Amendment No. 6 puts a time limit of 12 months on the inclusion of the escape clause, and provides that trade agreements which cannot be brought into conformity with that policy shall be terminated. This provision gives the President bargaining power in his negotiations with the signatory nations to include the new and strengthened escape clause. In addition, the President shall report to Congress the status of the negotiations, or termination of trade agreements under this section within 30 days after the expiration of the 12-month time limit.

Under the present wording of "as soon as practicable" the President is given too much latitude to conform to the desires of Congress, and I believe it to be only fair to the domestic producers injured by tariff reductions made heretofore to speed up the application and availability of the new escape clause. It must not be forgotten that the peril-point procedure, and the inclusion of the new escape clause in new trade agreements is severely limited by the fact that the administration plans no further tariff reduction agreements for the next 3 years, if we can take the Secretary of State at his word. The junior Senator from Nevada believes that that was a way of "wetting down" the Senate Finance Committee, and that almost immediately following the next election another conference will be called, and under this extension there will be plenty of time to reduce tariffs further. There will be 2 years more of the ruinous tariff reductions under which we are now suffering, and under which we shall suffer further as soon as the Torquay agreements have become effective, or at least as soon as the emergency is over—if we ever see another day in the United States without an emergency. The junior Senator from Nevada is beginning to doubt that, so long as the present administration is in power.

I invite attention again to what Secretary Acheson said on Monday, January 22, 1951, during the hearings before the

Committee on Ways and Means of the House of Representatives:

It is * * * not expected that there will be another Torquay within the life of the extension provided for in H. R. 1612.

The House version of H. R. 1612 provided for a 3-year extension.

The Secretary also said that the Department would not again bring before Congress the International Trade Organization, and the committee made much of that statement. However, the junior Senator from Nevada has adequately proved, I hope, that they will adopt the essentials of the International Trade Organization in another manner, by other approaches, which will be just as effective. The junior Senator from Nevada has no way of digging out the facts and learning the real intentions of the State Department. However, if this statement is as true as the other, then it is a subterfuge to cover up a move to bring about a further reduction.

In the light of these facts, the inclusion of the new escape clause in existing trade agreements is of greater importance than either the peril-point procedure, or the escape clause in future agreements.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 6 offered by the Senator from Nevada.

The amendment was rejected.

Mr. MALONE. Mr. President, I offer my amendment No. 7 which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The CHIEF CLERK. On page 11, line 6, it is proposed to strike out "may" and insert "shall"; and on page 11, beginning in line 10 with the word "If", it is proposed to strike out through line 15.

Mr. MALONE. Mr. President, section 7 (c) provides that the President shall make a report to Congress if he decides not to make the changes in the rates of duty recommended by the Tariff Commission under the escape clause. This provision is parallel to the permissive feature of the peril-point procedure, and I believe it to be unsound.

Amendment No. 7 provides that the President shall make the changes recommended under the escape clause. Of course, this removes the necessity of the President writing a letter to Congress explaining why he did not make the recommended changes. Thus the two amendments, Nos. 7 and 4, are complementary and strengthen the recommendations of the Tariff Commission, whether it be under the escape clause or under the peril-point procedure.

By removing the permissive features of each of these provisions, we relieve the President of much of the temptation to use the Trade Agreements Act and thus the tariffs of this country for purposes of foreign policy advantage or as a feature of foreign aid.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada on page 11.

The amendment was rejected.

Mr. MALONE. Mr. President, I offer my amendment numbered 8, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The CHIEF CLERK. On page 11, line 20, after the word "conclusions," it is proposed to insert "and the reasons therefor."

Mr. MALONE. Mr. President, section 7 (d) requires the Tariff Commission to make and publish a report stating its findings and conclusions if adjustments of tariff rates under the escape clause are found unnecessary. Amendment 8 adds the words "and the reasons therefor" after the words "stating its findings and conclusions."

Under the present wording it is not made clear that the Tariff Commission should state the reasons why, on the basis of the available information, adjustments of tariff rates under the escape clause would be unnecessary.

It does not make sense to require the Tariff Commission to make a report containing statistics and conclusions to be drawn from them without giving adequate explanation why these conclusions were arrived at. This amendment therefore strengthens the report feature of the escape-clause provisions.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 8 offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. MALONE. Mr. President, I offer my amendment numbered 9, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The CHIEF CLERK. On page 13, between lines 6 and 7, it is proposed to insert the following:

(c) No reduction in any rate of duty, or binding of any existing customs or excise treatment, or other concession proclaimed under section 350 of the Tariff Act of 1930, as amended, shall be permitted to continue in effect with respect to any agricultural commodity during any period in which a subsidy is being paid with respect to such commodity, or the price of such commodity is being supported, by any department or agency of the United States.

Mr. MALONE. By withdrawing any reduction of duties on agricultural commodities under a subsidy or price-support program, the amendment No. 9 will result in keeping down imports of those agricultural commodities produced abroad. Thus, the cost to the taxpayer of the programs will be reduced, and we will aid the more orderly marketing of our agricultural surplus commodities. It makes no sense to have a price-support program or a subsidy in operation when imports are entering this country at reduced tariff rates. Such a policy results in a price-support program being run for the benefit of foreign producers. This amendment would result in great savings in our agricultural price-support programs and in many cases would remove the need for such a program entirely. If amendment No. 1 to H. R. 1612—which is, of course, the substitute for H. R. 1612—had been accepted, it is believed that about 85 percent of all price-support and subsidy programs could have been eliminated by having a flexible import fee on the imports of competitive agricultural commodities. However, in the absence of the flexible import fee, we can at least return to the tariff rates of the Tariff Act of 1930 for those commodities which are in surplus in the United States.

It was brought out very clearly in the debate this afternoon that subsidies had been paid to our own producers on commodities with respect to which the market was being flooded from outside sources. This amendment would tend to prevent repetition of any such action.

Mr. WHERRY. Mr. President, this amendment is similar to the House provision designated section 8, at the bottom of page 11, and continuing over onto page 12. It has an added feature, namely, the subsidy instead of merely the support price, but it is, in reality, the same amendment in principle.

This is one way to reach a vote on the House language. I shall support this amendment. No doubt it will be defeated. I cannot conceive of the continuation of an effort so illogical. We continue to import into this country agricultural products at such a concession or reduction in tariff that those products are permitted to come in even when there is a domestic surplus; yet we expect the American taxpayers to support the prices of such products.

I cannot conceive of such a situation continuing. After considerable questioning I have been told on the Senate floor by the distinguished chairman of the committee and also by other Senators that the way to meet the situation is to amend section 22 of the Agricultural Adjustment Act. I wish to say now that if the amendment is rejected, I certainly shall try to do it in that way. I shall prepare the necessary legislation to stop the importation of agricultural products into the United States at a concession which is so low that it permits foreign farmers to sell their produce in our open market, while our products are supported by the price-support program, thus enabling many of the foreign farmers to receive what amounts to a subsidy at the expense of the taxpayers of the United States. If the pending amendment is defeated, I shall certainly do it. When the time comes, I hope the answer will not be "You should have done it when we extended the Reciprocal Trade Agreements Act." I hope I shall get support to correct the illogical situation.

Mr. GEORGE. Mr. President, let me say that the provision is contained in the House bill, and it will be in conference. There will be an opportunity to consider it carefully in conference.

I invite the Senator's attention to testimony given before the committee by the farmers themselves. I express the hope that the Senate will not approve the amendment, but leave the subject open for conference. It is already in the House bill, as I have said, and we shall have full opportunity to

take it up in conference. I wish to read two or three lines from the testimony given before the committee. I read first from the statement of the president of the National Cotton Council:

We are particularly concerned about section 8. While we believe very strongly that the United States agricultural as well as industrial interests should in all cases be adequately safeguarded, we think the protective action should be carefully considered so it will not produce reaction and repercussion abroad that will result in a net loss to the United States. Section 8 of the bill, if adopted, we fear would seriously react on American agriculture and result in the cancellation of existing concessions and possibly the establishment of higher barriers against our export so that the United States might lose more than it gains. This seems very likely in view of the fact that our exports of price-supported agricultural commodities are roughly 4½ times our imports of those commodities. We feel that the protection to United States agriculture can be more adequately provided under section 22 of the Agricultural Adjustment Act of 1938 as amended than under the automatic provisions of section 8.

Consequently they recommended the treatment which is provided for by the pending bill.

A spokesman for the Federal Farm Bureau Federation called attention to table No. 2, with respect to the ratio of exports to imports of price-supported products, to which I have already referred. I quote from the testimony of Mr. Lynn:

Mr. LYNN. We think they would be far more tempted to do it under section 8, if adopted, than they will if it is eliminated, because section 8—no concession would be binding and, in other words, it would be flexible; if the product reached the price support or lower, therefore, you could give no real binding figures on concessions, and I believe that the foreign countries, particularly in Western Europe, are in better position to put in "gadgets," if you please, in regard to trade agreements than we are, because they have demonstrated time and time again that they have a lot of gadgets that they can use in keeping out our imports.

He recommended that section 22 of the Agricultural Adjustment Act be amended. The same recommendation was made by the spokesman for the Farmers Union. He emphasized the danger of the proposed amendment and asked that the amendment be made in Agricultural Adjustment Act.

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

Mr. GEORGE. I yield.

Mr. LANGER. May I inquire who was the spokesman from North Dakota to whom the Senator referred as the first spokesman? I did not get his name.

Mr. GEORGE. The first one was Mr. Young, of the National Cotton Council.

Mr. LANGER. I thank the Senator.

Mr. GEORGE. He is from Memphis, Tenn. I know him very well. Mr. President, I hope the amendment will be rejected, because in conference we shall have full opportunity to consider the subject.

Mr. MALONE. Mr. President, I should like to state for the benefit of the distinguished senior Senator from Georgia, of whom I am very fond, that it would be very much easier for the conference committee to deal with the matter if such an amendment as I have proposed were included also in the Senate bill. Then it would be a matter of coordinating the language.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE]. [Putting the question.] The "noes" have it, and the amendment is rejected.

Mr. MALONE. Mr. President, I ask for a division.

The PRESIDING OFFICER. The vote has been announced.

Mr. MALONE. I call up my amendment numbered 11.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. —. No foreign trade agreement shall hereafter be negotiated or entered into under section 350 of the Tariff Act of 1930, as amended, with respect to any article unless the principal supplier of such article is a party to such negotiations and to such agreement. The principal supplier of any article shall be the country growing, producing, or manufacturing the largest quantity of such article imported into the United States for consumption during the three calendar years ending last prior to the beginning of such negotiations.

Mr. MALONE. Mr. President, this provision requires the President in any negotiations for the conclusion of a trade agreement to adhere to the principal-supplier rule.

Although the State Department claims that tariff concessions are generally given only to the nation which is the principal supplier of the article in question, in actual practice this rule has frequently been violated. For instance, certain reductions of duties have been made in the past in negotiations with Sweden, although Great Britain was primarily interested in those concessions.

The most flagrant example has been the reduction of duties on lead ore, bullion, and so forth, at Torquay, in negotiations with Canada and Peru. Mexico has historically been the principal supplier for the American market and, following the termination of the trade agreement with Mexico, the tariff on lead was increased to the 1930 rate on January 1, 1951. At Torquay, however, in negotiations with countries that were not the principal supplier, duties on lead were again reduced to the Mexican rate. Therefore, without giving anything in return, Mexico can again export to the United States under the same rates of duty as were in effect until January 1, 1951.

The termination of the trade agreement with Mexico has thus been completely subverted. That is the most flagrant example, but there have been many others.

The amendment also would establish the standards which would be applicable in connection with proclaiming a country as the principal supplier of the commodity; that would be done by selecting the nation which in the preceding three calendar years had imported the largest amount of that article into the United States.

Mr. President, I consider this amendment to be of very great importance for the simple reason that in connection with this matter the State Department has used just another subterfuge in establishing a bad and dangerous program to which little attention ordinarily is paid because the ordinary producer does not think the program makes very much difference, insamuch as the foreign country which is said to be directly affected supplies so small an amount of that particular product. However, those who take that attitude forget that once the agreement is made, at once all other nations are entitled—under the most-favored-nation clause—to the duty reduction made by the agreement, without giving anything to us in return.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. CONNALLY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 16, it is proposed to strike out the words "or directly competitive" and insert the words "or similar."

It is proposed that the same amendment be made on page 2, line 19; page 4, line 17; page 8, line 17; page 9, line 17; and page 10, line 11.

Mr. CONNALLY. Mr. President, if this amendment is adopted, it will restore the language carried in the 1948 extension of the General Trade Agreements Act, as that extension was negotiated at Geneva. The phrase "like or similar article" was used in the peril-point extension of the 1948 agreement. It seems unwise to tie to some other commodity the arrangements with regard to one particular commodity. Certainly each commodity should stand on its own feet.

Therefore, I advocate the restoration of that language, so that the phrase will be "like or similar articles," as used in the peril-point provision of the 1948 extension of the Trade Agreements Act. That act was passed by the Eightieth Congress.

So, Mr. President, I request the adoption of the amendment.

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

Mr. CONNALLY. I yield.

Mr. CHAVEZ. Will the Senator state briefly the effect of the amendment if it is adopted?

Mr. CONNALLY. Yes. The effect will simply be to restore the language I have stated.

Mr. CHAVEZ. I know that but what would that mean?

Mr. CONNALLY. The drive for the incorporation of the new words "directly competitive articles" is made by the coal

interests, as against the fuel-oil interests; but I think it is a mistake to tie one commodity to another, rather than to have each commodity stand on its own feet and to have the tariff on that commodity based upon a consideration of that kind.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to ask whether I correctly understand his amendment to mean that he is in favor of free trade on every commodity except oil.

Mr. CONNALLY. No; I do not favor free trade on all commodities other than oil, as the Senator from Nevada should know.

Mr. MALONE. I am very happy to be informed of that fact.

Mr. CONNALLY. I hope the Senator stays happy.

Mr. MALONE. I think all of us could do so if we could have for each of approximately 8,000 products an amendment similar to the amendment now pending, which would exempt oil.

Mr. CONNALLY. This amendment does not exempt anything.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. CONNALLY].

The amendment was rejected.

Mr. MALONE. Mr. President, I now call up my amendment No. 12, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, beginning with line 5, it is proposed to strike out through line 24, on page 5, and insert in lieu thereof the following:

SEC. 2. No reduction in any rate of duty, or binding of any existing customs or excise treatment, or other concession required or made appropriate by any foreign trade agreement entered into under section 350 of the Tariff Act of 1930, as amended, after enactment of this act, shall be proclaimed or permitted to continue in effect after the enactment of this act.

On page 8, in line 9, it is proposed to strike out "hereafter."

Mr. MALONE. Mr. President, let me say that I am highly gratified that the distinguished senior Senator from Texas [Mr. CONNALLY] at least has made a record in the case of oil. In that connection, I wish to point out what I have tried to explain in former addresses I have made in the Senate, namely, that practically everyone wants a tariff on what is produced in his own State, but wants free trade or lower tariffs on what the people of his State purchase.

Let me say that my amendment No. 12 forbids the further reduction of duties under the 1934 Trade Agreements Act, but otherwise leaves the pertinent parts of House bill 1612 intact. Of course, the amendment also removes the entire peril-point procedure, because it would be applicable only in the case of new trade agreements. Thus the amendment No. 12 makes all the changes in the bill which are called for in the present version of House bill 1612 and, which are applicable to trade agreements already in effect: namely, the new escape clause, the withdrawal of concessions to Russia and her satellites, the section dealing with section 22 of the Agricultural Adjustment Act, and the section on judicial review of tariff classifications.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. LANGER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, in line 10, after the word "investigation", it is proposed to insert: "and make a report thereon not later than 1 year after the application is made."

Mr. GEORGE. Mr. President, the committee will have no objection to accepting and taking to conference that amendment. It simply requires the making of a report by the Tariff Commission.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from North Dakota [Mr. LANGER].

The amendment was agreed to.

Mr. LANGER. Mr. President, let me say that I have submitted the amendment for the reason that, time without number, applications which have been made to the Federal Trade Commission for action in connection with these matters have remained pending for long periods. A short time ago, as chairman of the Committee on Post Office and Civil Service, which was investigating the appointment of new employees, I found that during the operations of the Federal Trade Commission under its former membership, before new members were appointed by the President, more than 200 cases had been pending before the Commission for periods of time ranging from 3 to 13 years, without having any reports made on them by the Commission.

We should not permit such delays in connection with the Tariff Commisison. So I certainly thank the distinguished Senator from Georgia for agreeing to take the amendment to conference.

The PRESIDING OFFICER. The amendment of the Senator from North Dakota has been agreed to.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. MILLIKIN. Mr. President, preliminary to requesting the yeas and nays, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

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

The PRESIDING OFFICER (Mr. PASTORE in the chair). A quorum is present.

The question is, Shall the bill pass?

Mr. MILLIKIN and other Senators asked for the yeas and nays, and they were ordered.

Mr. MORSE. Mr. President, I have a couple of questions which I desire to ask the Senator from Colorado [Mr. MILLIKIN] with whom I discussed the subject matter of the questions.

In my State, and also in the State of Washington, there is a situation in which the two Senators from Washington as well as the two Senators from Oregon have been much interested. The tree-nut industry has been greatly concerned about the reciprocal-trade problems which have developed over the years, resulting in many detrimental effects to that industry. We are seeking, in connection with the pending measure, the elimination from section 8, subsection (f), line 5, page 13, of the bill, the following three words: "with the requirements."

It is desired to have the section read:

No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with this section.

I should like to ask my good friend from Colorado if I am correct in my understanding that the committee is not disposed to strike the words "with the requirements", and if he would be so kind as to make a statement now, for the purpose of legislative history, as to why the committee is not disposed to strike those three words.

Mr. MILLIKIN. In my opinion, the language was put into the bill deliberately to strengthen rather than to weaken that section. It is intended to make it clear that our domestic programs under section 22 shall prevail and shall override anything inconsistent found in international agreements. That is the purpose of the language, to make it very clear that the requirements or the provisions of section 22, shall prevail and shall override all other inconsistent things to be found in international agreements.

Mr. MORSE. Am I correct in my understanding that it is the view of the Senator from Colorado, and, I believe, the view of the committee as a whole, that the striking of these particular three words would weaken the best possible protection of the interest of the nut industry rather than strengthen it?

Mr. MILLIKIN. That is my opinion, and I believe it is the opinion of the other members of the committee. I should like to ask the distinguished

chairman of the committee whether he concurs in my view of the matter?

Mr. GEORGE. I concur in the Senator's statement.

Mr. MORSE. I should like to ask the Senator from Colorado another question? Am I correct in my understanding that at least a part of the so-called Magnuson-Morse amendment, which has been adopted during the past 2 or 3 years in connection with the reciprocal-trade program in connection with agricultural products, is incorporated in the pending bill, namely, the language referred to in the last sentence on page 8 of the committee's report?—

> No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section.

The principle of that language has been incorporated in the final draft of the bill, has it not? The language I am referring to is the last sentence on page 8 of the committee report, the bottom of the page.

Mr. MILLIKIN. Will the Senator give me a moment to examine that. I wonder if we are looking at the same reports.

Mr. MORSE. It appears at the bottom of page 8.

Mr. MILLIKIN. That language to which the Senator refers on page 8 is the language which is in the bill and reflects the interpretation which I have given to the distinguished Senator, which has been concurred in by the distinguished chairman of the Senate Finance Committee.

Mr. MORSE. Mr. President, I wish to take a half minute to make a statement for the RECORD, and I am sure that I speak also for the two Senators from Washington as well as my colleague from Oregon. The senior Senator from Washington [Mr. MAGNUSON] and I have discussed the other sections of the Magnuson-Morse amendment with the members of the committee, and we became satisfied that with the change I have just referred to we have obtained the best protection for the nut industry of the Pacific Northwest that could possibly be obtained, and that it would have been a useless gesture on our part of trying to make a fight for all the provisions of the Magnuson-Morse amendment. We feel that we really owe an expression of thanks to the Senator from Georgia [Mr. GEORGE] representing the majority side of the committee and the Senator from Colorado [Mr. MILLIKIN] representing the minority side of the committee for the cooperation they have extended to us in strengthening the bill so that, in our opinion, it will to a much better extent protect the nut industry than it has been protected in times past.

It is a matter of regret to me, as I am sure it is to the senior Senator from Washington, that what we have been able to accomplish does not completely satisfy the representatives of the nut industry of the Pacific Northwest, but I am satisfied that in due course of time they are going to find that the four Senators from Oregon and Washington have performed the best service that could be performed in protecting their interest in the bill at this time.

With the permission of the Senator from Washington [Mr. MAGNUSON] and for the purpose of the RECORD, I should like to ask the Senator if he does not associate himself with my remarks in regard to this matter; that we have worked out, in our opinion, the best possible adjustment of the problems of the nut industry in connection with this bill that can be worked out legislative-wise in this session of Congress?

Mr. MAGNUSON. The Senator from Washington thoroughly agrees with the Senator from Oregon that the bill will surely protect the nut industry in any future trade agreements. Of course we did strive to simplify the procedure by which tariffs may be raised or lowered under present trade agreements, but the committee did not see fit to accept that. We think, however, a great stride forward has been made, and the committee was practically unanimous in agreeing that the language placed in the bill by the committee would do what we propose.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Iowa [Mr. GILLETTE], and the Senator from North Carolina [Mr. SMITH] are necessarily absent.

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.

The Senator from West Virginia [Mr. NEELY] is absent on official business at the Pentagon Building on behalf of the State of West Virginia.

I announce further that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Maryland [Mr. O'CONOR], and the Senator from North Carolina [Mr. SMITH] would, if present, vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. BUTLER], and the Senator from Montana [Mr. ECTON] are absent on official business. If present and voting, the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maine [Mr. BREWSTER] would each vote "yea."

The Senator from Utah [Mr. WATKINS] is absent because of illness. If present, he would vote "yea."

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

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from North Dakota [Mr. YOUNG] If present and voting, the Senator from Maryland would vote "yea," and the Senator from North Dakota would vote "nay."

The Senators from Pennsylvania [Mr. DUFF and Mr. MARTIN], the Senator from Missouri [Mr. KEM], and the Senator from Idaho [Mr. WELKER] are detained on official business. If present and voting, the Senators from Pennsylvania [Mr. DUFF and Mr. MARTIN] would each vote "yea."

The result was announced—yeas 72, nays 2, as follows:

YEAS—72

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

NAYS—2

Dworshak Malone

NOT VOTING—22

Brewster	Green	Neely
Bridges	Hunt	O'Conor
Butler, Md.	Kefauver	Smith, N. C.
Clements	Kem	Watkins
Duff	Kerr	Welker
Ecton	Lehman	Young
Frear	Martin	
Gillette	Murray	

So the bill (H. R. 1612) was passed.

Mr. GEORGE. Mr. President, I move that the bill be printed with the Senate amendments numbered, and that the clerks be authorized to make clerical and other typographical corrections in the bill.

The motion was agreed to.

Mr. GEORGE. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GEORGE, Mr. CONNALLY, Mr. BYRD, Mr. MILLIKIN, and Mr. TAFT conferees on the part of the Senate.

AMENDMENT OF ENABLING ACT OF ARIZONA RELATING TO TERMS OF LEASES OF STATE-OWNED LANDS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 108) to amend section 28 of the Enabling Act for

the State of Arizona relating to the terms of leases of State-owned lands, which were, on page 3, line 5, to strike out "or", where it appears the second time in said line; and on page 3, line 16, after "production", to insert a semicolon and "or (4) the Legislature of the State of Arizona from providing by proper laws for the protection of lessees of said lands, whereby such lessees shall be protected in their rights to their improvements (including water rights) in such manner that in case of lease or sale of said lands to other parties the former lessee shall be paid by the succeeding lessee or purchaser the value of such improvements and rights placed thereon by such lessee."

Mr. O'MAHONEY. Mr. President, in view of the fact that the House has passed this bill with two amendments, I consulted the ranking minority member of the Committee on Interior and Insular Affairs, the Senator from Nebraska [Mr. BUTLER], as well as both Senators from Arizona [Mr. HAYDEN and Mr. MCFARLAND], who were the introducers of the bill. There is no objection to the House amendments, and I shall move that the Senate concur in the amendments of the House.

This is a bill amending the enabling act by which the State of Arizona was admitted into the Union. It amends section 28 of that act by authorizing the State legislature to enact appropriate laws to allow lands which were conveyed to the State to be leased.

Mr. WHERRY. The House has amended the bill. Is it now proposed that the Senate concur in the House amendments?

Mr. O'MAHONEY. That is correct. The amendments are very simple.

Mr. WHERRY. Are they satisfactory to the minority members of the Committee on Interior and Insular Affairs?

Mr. O'MAHONEY. They are.

Mr. WHERRY. I have no objection.

Mr. O'MAHONEY. I move that the Senate concur in the House amendments.

The motion was agreed to.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 435) to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, which were, on page 1, line 8, to strike out "includes" and insert "means"; on page 2, lines 22 and 23, to strike out "the continental United States (excluding Alaska)" and insert "the several States of the United States and the District of Columbia"; on page 3, line 7, to strike out "owned by citizens of the United States or"; on page 3, line 22, to strike out all after "sessions;" down to and including "possessions" in line 24, and insert "air cargoes transported between any point in the United States and any point in a Territory or possession of the United States, between any point in any such Territory or possession and any point in any other such Territory or possession, or between any point in any such Territory or possession and any other point in the same Territory or possession"; on page 4, line 2, to strike out "and crews" and insert "members of the crews"; on page 4, line 3, after "sons" to insert "employed or"; on page 4, line 6, to strike out "and" and insert "or"; on page 4, lines 6 and 7, to strike out "by an enemy of the United States"; on page 4, lines 13 and 14, to strike out "as provided for in this title, except as provided in" and insert "provided under this title, except with respect to valuables covered by"; on page 7, line 15, to strike out "and may" and insert "and, subject to the following provisions of this subsection, may"; on page 7, line 20, to strike out all after "this" down to and including line 3, on page 8, and insert "title. In the case of any aircraft which is insured under the provisions of this title, (1) the policy shall specify a stated amount to be paid in the event of total loss, and such stated amount shall not exceed an amount determined by the Secretary, after consultation with the Civil Aeronautics Board, to represent the fair and reasonable value of the aircraft, and (2) the amount of any claim which is adjusted, compromised, settled, adjudged, or paid shall in no event exceed such stated amount.", and on page 13, after line 3, to insert:

SEC. 2. Section 1 of the Civil Aeronautics Act of 1938, as amended, is hereby amended as follows:

(1) Paragraph (20) (a) of such section is amended by striking out "(except the Philippine Islands)."

(2) Paragraph (21) (a) of such section is amended by striking out "(except the Philippine Islands)."

(3) Paragraph (29) of such section is amended by striking out "(c) the Philippine Islands, except that the operation of civil aircraft within the jurisdiction of the Philippine Islands shall be governed by laws enacted by the legislature of the islands and by executive regulations designating airspace reservations or other prohibited areas; and (d)" and inserting in lieu thereof "and (c)."

Mr. JOHNSON of Colorado. Mr. President, the House, in passing this bill, adopted, primarily, clarifying amendments which should be agreed to by the Senate.

There are three minor changes in substance which constitute improvements to the bill. One appears in paragraph (a) of section 1303 which is amended to authorize the Secretary to provide war-risk insurance with respect to foreign-flag aircraft only if and when they are engaged in aircraft operations deemed by the Secretary to be in the interest of national defense or national economy of the United States. As passsed by the Senate, the bill also would have permitted provision of such insurance for foreign-flag aircraft owned by citizens of the United States without regard to whether such aircraft were engaged in operations of this character.

A second amendment of substance was the deletion in paragraph (d) of section 1303 of the words "by an enemy of the United States." This language was stricken because of the difficulty of determining who are enemies in such situations as now exist in Korea. By striking out these words, the Secretary can determine which detentions should be insurable without becoming involved in the complex question of determining the enemies of the United States.

A third amendment adds an entirely new section 2 to the bill to bring up to date certain definitions contained in the Civil Aeronautics Act of 1938 with respect to the status of the Philippine Islands.

The action by the House has improved the bill from a drafting point of view and the amendments should be agreed to by the Senate.

I move that the Senate concur in the House amendments.

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

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. As I understand, the House made two or three clarifying amendments to the bill as passed by the Senate, and the Senator is now asking the Senate to concur in the House amendments.

Mr. JOHNSON of Colorado. That is correct.

Mr. WHERRY. Has the Senator consulted members of the Committee on Interstate and Foreign Commerce?

Mr. JOHNSON of Colorado. Yes. I have not been able to consult all of them.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. JOHNSON].

The motion was agreed to.

FOURTH SUPPLEMENTAL APPROPRIATIONS, 1951

Mr. MCFARLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 3842, which is the fourth supplemental appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3842) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

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

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

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. PASTORE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Mrs. Grace C. Beasley, to be postmaster at Pelahatchie, Miss., which nominating messages were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

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

Roswell L. Gilpatric, of New York, to be Assistant Secretary of the Air Force, vice Harold C. Stuart, resigned.

By Mr. McCARRAN, from the Committee on the Judiciary:

Joe Barnes Harrison, of Georgia, to be United States marshal for the northern district of Georgia, vice Henry O. Camp, deceased.

By Mr. O'CONOR, from the Committee on the Judiciary:

Arthur W. Crocker, of Maryland, to the position of examiner in chief on the Board of Appeals of the United States Patent Office.

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Robert W. Knox, to be Assistant Director of the Coast and Geodetic Survey, with rank of rear admiral; and

Maurice A. Hecht, and sundry other officers for promotion in the Coast and Geodetic Survey.

POSTMASTER—NOMINATION PASSED OVER

Mr. McFARLAND. I ask that the nomination of Arthur L. Jennings to be postmaster at Texarkana, Arkansas-Texas, be passed over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

POSTMASTERS—NEW REPORTS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McFARLAND. I ask that the remaining nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the remaining postmaster nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

That completes the Executive Calendar.

RECESS

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 24, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 23 (legislative day of May 17), 1951:

UNITED STATES DISTRICT JUDGE

George W. Folta, of Alaska, to be United States district judge for division No. 1, district of Alaska. He is now serving in this post under an appointment which expired April 30, 1951.

CALIFORNIA DEBRIS COMMISSION

Col. Donald S. Burns, Corps of Engineers, to serve as president and member of the California Debris Commission provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Col. John S. Seybold, to be relieved.

IN THE ARMY

Brig. Gen. Egbert Frank Bullene, O9708, United States Army, for appointment as Chief Chemical Officer, United States Army, and as major general in the Regular Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and section 513 of the Officer Personnel Act of 1947.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23 (legislative day of May 17), 1951:

POSTMASTERS

CONNECTICUT

Merwyn H. Squires, Chestnut Hill.

NEW YORK

Lee S. Murphy, Unadilla.
Thomas A. Brown, Wyandanch.

NORTH DAKOTA

Vivian M. Hilden, Reeder.

PENNSYLVANIA

Joseph K. Brown, Blue Ridge Summit.
Charles J. F. Ellis, Connellsville.
Stewart S. Young, Duncannon.
Keat P. Heefner, Mercersburg.
James L. O'Toole, Sharon.
Charles L. Johnston, Waynesboro.

TEXAS

Joyce W. Kemp, Fort Davis.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 23 (legislative day of May 17), 1951:

POSTMASTER

Mrs. Grace C. Beasley, Pelahatchie, Miss.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 23, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. C., offered the following prayer:

O Thou who art the bountiful benefactor, ministering to the needs of our beloved country in every generation, make us more truly grateful for our glorious heritage of freedom and democracy.

Grant that we may be eager to prove worthy of these blessings which today are demanding so much of struggle and sacrifice on the part of many of our fellow citizens.

We pray that the Members of our Congress may know how to legislate wisely as they seek to find ways and means of defending and developing this heritage for the welfare and happiness of all mankind.

We give Thee all the praise and the glory through Jesus Christ our Lord and Saviour. 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 had passed without amendment a bill and concurrent resolutions of the House of the following titles:

H. R. 3939. An act to amend the act of June 23, 1949, with respect to telephone and telegraph service for Members of the House of Representatives;

H. Con. Res. 100. Concurrent resolution to provide for an appropriate ceremony in the rotunda of the Capitol in honor of Constantino Brumidi; and

H. Con. Res. 105. Concurrent resolution expressing the sympathy of the Congress and of the people of the United States to the President and the people of El Salvador.

The message also announced that the Senate agrees to the amendments of the House to concurrent resolutions of the Senate of the following titles:

S. Con. Res. 9. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 10. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 2782) entitled "An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of Auf der Heide-Aragona, Inc., and certain of its subcontractors against the United States"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McCARRAN, Mr. KILGORE, and Mr. LANGER to be the conferees on the part of the Senate.

SPECIAL ORDERS GRANTED

Mr. BURNSIDE asked and was given permission to address the House for 30 minutes today, following the legislative program and any special orders heretofore entered.

Mr. PERKINS asked and was given permission to address the House for 10 minutes today, following any special orders heretofore entered.

Mr. FLOOD asked and was given permission to address the House for 30 minutes on Thursday, May 24, following the legislative program and any special orders heretofore entered.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. 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. 60]

Albert	Dondero	Hoffman, Ill.
Angell	Donovan	Irving
Barden	Dorn	Judd
Barrett	Doughton	Kelley, Pa.
Bow	Engle	Kennedy
Budge	Gillette	Kersten, Wis.
Burton	Golden	Kirwan
Camp	Gossett	Lyle
Cole, Kans.	Hall, Edwin Arthur	Miller, Calif.
Davis, Tenn.	Harvey	Murdock
Dawson	Hébert	Murray, Wis.
D'Ewart	Hedrick	O'Brien, Mich.
Dingell		Potter

Powell	Springer	Williams, Miss.
Regan	Stigler	Willis
Rivers	Sutton	Winstead
Secrest	Tackett	
Shelley	Taylor	

The SPEAKER. On this roll call 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

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 further 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 further consideration of the bill H. R. 3791, with Mr. THOMAS in the chair.

The Clerk read the title of the bill.

Mr. VORYS. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. HARDY] provided my colleague on the majority side will also agree to yield him 1 minute, and I ask unanimous consent that he may be permitted to speak out of order for the 2 minutes on a matter which he feels to be of vital importance.

Mr. CARNAHAN. Mr. Chairman, I yield the gentleman 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARDY. Mr. Chairman, first of all, I want to extend my gratitude to the gentlemen on both sides of the aisle for giving me this 2 minutes of time and permitting me to speak out of order.

Mr. Chairman, several weeks ago in a 1-minute speech I extended to the membership of the House and their wives a most cordial invitation on the part of the city of Norfolk to be the guests of that city at the forthcoming final Confederate reunion. That Confederate reunion will be held in Norfolk, Va., beginning on May 30 and extending through June 2.

The congressional part of this trip will begin on June 1 and will end on June 3. I hope the Members will listen because following my first invitation you received an official invitation and I want it distinctly understood that this invitation is extended to the Yankees with that detestable prefix just the same as it was to us Rebels and it not only extends to the Yankees but it includes their wives as well. They will receive a most cordial welcome down in my district.

May I call attention to some of the details that are involved?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman said something about the Yankees. Did he have a prefix to that?

Mr. HARDY. I said you could put that prefix on if you cared to.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. I heard the gentleman say that the Yankees could bring their wives. Can the Yankees bring their husbands, too?

Mr. HARDY. Yes, by all means.

Transportation will be provided by air. Housing will be provided in Norfolk. We will leave Washington on June 1, returning on June 3. There will be some very interesting entertainment provided, including a trip to Fort Monroe for dedication of the Jefferson Davis casemate where he was imprisoned at Fort Monroe. Other features included the reenactment of the battle between the first two ironclad vessels, the *Monitor* and the *Merrimac*.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. VORYS. Mr. Chairman, I yield the gentleman one additional minute.

Mr. HARDY. Mr. Chairman, that just proves the generosity of my Yankee friends.

Mr. Chairman, I merely wish to point out that it is going to be a full period of activity, with reenactment of the battle between the first two ironclads. There is a most cordial welcome awaiting. But we do need to know who is going to make the trip and we need to know promptly in order that transportation arrangements may be made. I have arranged with the Sergeant at Arms office to receive acknowledgments and telephone calls from Members to indicate who will be there. But we must have this information by tomorrow. I think you received a card in the mail today, and if you have not returned it, please do so at once and let us know whether you can or cannot come.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, this matter which we are presently considering is a most important one. It has to do with our economy, our security, and our position in the world. Through all of my years in Congress it seems that we have been having such matters coming before us almost constantly. They present problems that disturb all of us. I think, however, that by and large we have sought to resolve those problems in the way that our conscience and our judgment dictated.

I voted for the rule yesterday for the consideration of this very important matter thereby providing for debate on and probable amendment of the measure. I sincerely hope that in the consideration of the measure before us we may work out such an approach as is beneficial not only to the people of India and their government but to the people of this country—an approach which contributes to our own security and strength. It is on such a basis that the great people who claim allegiance to my party, such as Mr. Herbert Hoover, and, I understand, most of the members of the committee on our side of the aisle, are supporting this measure—assuming, of course, that the measure can be worked out in a mutually satisfactory and advantageous way. In that connection I know there are a good many who have high hopes that as this measure may finally evolve it can, to assist us in providing for our security both at home and abroad, make available materials that we vitally need.

Yesterday our distinguished Speaker reminded this body—and I quote from the CONGRESSIONAL RECORD of May 22, 1951, page 5624:

> 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.

To me the distinguished Speaker's observation is a source of gratification, since the interim aid program for France and Italy, of which he speaks, was in fact made possible through the action of the Republican Eightieth Congress, in which I was privileged to serve as majority leader.

I think it is also worthy of note that the aid program for Greece and Turkey was brought to passage in that Congress, as was the program for economic assistance to Europe.

It was during the first session of the Eightieth Congress that Republicans passed a foreign-aid program involving funds in excess of $2,000,000,000. During the second session we appropriated more than $7,000,000,000 for these purposes in a broad program designed to help foreign nations preserve their independence against the threat of communism.

Moreover, and what is more germane to the current discussion, this money was appropriated by a Republican Congress to implement an effective program of recovery for Europe at a time when the administration had embarked upon a program which history has demonstrated was coddling, aiding, and abetting the enemies of freedom in Asia. I refer to the insistence of the State Department that the Communist Chinese were merely agrarian reformers who were entitled to a full voice in the government of Nationalist China.

I am certain a great many Members here today will vividly recall that the Eightieth Republican Congress also called for effective aid to Nationalist China at a time when such assistance had a reasonable chance of bearing the same fruits which have attended our efforts in Europe.

In that Congress we authorized $570,000,000 of economic and military aid to China, in the same act with an ECA. I well recall the administration opponents of such action at that time said we were trying to sabotage the European-aid program. They said we could not put the program through on time if we included Greek-Turkey aid and aid to Nationalist China. But what are the facts? What does history record? It is that we put the combined one-package program through within the deadline set.

What, then, you may well ask, happened to this attempt on our part to correlate these programs of foreign aid for both the east and the west, reference to which two areas was made by the Speaker? After we provided such money on April 2, 1948, none of that military

aid that we authorized for China was extended until 8 months later. In that interim many battles against the Communist Chinese had been fought and lost.

The failure to properly administer the support to Asia and to China at a time when it would have been effective lies at the doorstep of an administration which was unwilling to effectively carry out the designs for the enterprise of restraining communism as it pertained to the Far East.

More than a year ago, almost 2 years ago, I was pointing out to the people of this country that the leaders of the Republican Party were consulted on the formation of an anti-Communist policy in Europe, and most of us supported that program, but we were never consulted on the policy in Asia, and we vigorously opposed that policy as it began to unfold.

This is what I said almost 2 years ago:

> Today Manchuria is gone, China is gone, and the threat of communism is pointed straight at Burma, Indochina, Tibet, and Malaya, with India and the Philippines and all the rest of Asia as the final targets. Our abandonment of our China ally to the Soviet conspiracy is one of the great tragedies of all time.

Our distinguished Speaker pointed out yesterday that we need friends in the East—and he wondered if some gentlemen have forgotten that we need friends the world around, in the East as well as the West.

He could not have been directing his remarks to this side of the aisle, because the record is abundantly clear that the Republican Party has long since recognized the need for friends in all parts of the globe. It was in the light of this realization that Republicans in the Eightieth Congress predicated their program.

We recognized the value of the friendship of Nationalist China.

The administration insisted that we open the door to the "agrarian reformers" of Mao Tse-tung, the Communist.

What is the relative position of these people today?

Chiang Kai-shek and the forces of Nationalist China under him are bottled up on the island of Formosa by edict of our Government. Only at this late date is the administration recognizing the wisdom of lending aid in this direction. How far it will go I have no way of knowing.

On the other hand, where is the friendship the administration courted with Mao Tse-tung and his Communist legions? It is broken on the battlefields of Korea. Those "argarian reformers" wooed by the State Department are killing our boys in Korea today.

My party needs no reminder that America needs friends around the world. Our Republican declaration of foreign policy at the time of the Eightieth Congress was this:

> We support the United Nations Organization for international peace. * * * We support the indispensable inter-American system as a regional part of the international organization. * * * We will engage in essential international relief as a humanitarian obligation and to prevent chaos through misery.

In foreign affairs the Republican Eightieth Congress did, indeed, comply with all its constitutional responsibilities. It did, indeed, strive for an enduring world peace.

In the light of this record of the Republican Eightieth Congress I thank our distinguished Speaker for calling the attention of this membership to the effectiveness of the program we made possible in the interests of the peoples of free Europe and of Greece and Turkey.

And in the light of the great tragedy which has befallen us in Asia I regret that the administration did not see fit at the proper time to conscientiously execute the will of the Republican Eightieth Congress in respect to our program for the strengthening of a free and independent Asia.

Mr. CARNAHAN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, it is regrettable that in the discussions on measures of this nature we must seemingly stand naked before the world. We voice our opinions about our neighbors who live with us in this close, compact community of nations, and sometimes our remarks are not complimentary. I do not know of a remedial answer. It is our way of doing things, but obviously we over-indulge at times in this respect. Never before, for instance, in the history of any nation have we held a council of war in front of our enemies as is now in process in other parts of this Capitol. I am applying my statements to a condition rather than as a criticism toward individuals.

The system under which we operate, with all the activity which the meaning of freedom embraces, together with our rather candid nature and disposition, in the heat of discussions we often exercise little restraint. In the early years of our Government, and, in fact, until comparatively recent times, the freedom of discussions on the floor of this Congress usually applied to domestic issues. We were not globally involved, but since becoming thus involved, our responsibility in this respect has become much greater.

Therefore, Mr. Chairman, I want to be moderate and considerate in my remarks, although it does become necessary to discuss the attitude of India and particularly a short reference to the philosophy of Mr. Nehru.

However, I want to make a general reference to the remarks of the distinguished gentleman from Indiana [Mr. HALLECK], who has just preceded me. I want to parentheticaly add that to me it is also regrettable to deal in hindsight alone, unless it is a positive factor to avoid mistakes in the future. In other words, much of what the gentleman has just said suggests a political approach rather than a constructive answer to the many questions involved in the legislation before us.

Now, Mr. Chairman, I shall try as best I can to pick up the continuity of the discussion we had on this bill yesterday.

First, I want to take occasion to correct the RECORD of yesterday when the distinguished gentleman from Illinois [Mr. SABATH], chairman of the Rules Committee, stated that this bill came out of the Foreign Affairs Committee by unanimous vote. I voted against this bill in the committee and also opposed the first bill which was presented to the Rules Committee, but which was rejected.

Incidentally, it was probably not known to the Rules Committee when it rejected the original bill, known as the Morgan bill, that the majority of the Foreign Affairs Committee would pass out any sort of measure and the form—that is, grant or loan—was not determining. The gentleman from Georgia [Mr. COX] will probably want to bear this action in mind for future reference.

As a matter of fact, I agree in some respects with the majority on the Committee that if a bill must be produced, it makes little difference whether it is on a loan or on a grant basis. That will indicate how much I think of the worthiness of the loan. If I were for the bill, the loan feature, under the circumstances, would be a subterfuge.

As a compliment to the staff of our Committee on Foreign Affairs, and I say this in all sincerity and with no facetiousness whatever—they were able to produce for the committee an able argument in the first instance that a loan to India was not a good loan. When it was decided the aid provided in this legislation would be on the basis of a loan, they were then able to produce a strong argument substantiating that viewpoint. Here is the language of the first proposition—that is, when it called for a grant:

> The committee gave special consideration to the question of whether the aid requested by India should be made available as a loan "on special and easy terms," as requested by the Indian Government, or as an outright grant. 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 can not be repaid engenders ill will instead of creating goodwill.

After the Rules Committee refused to grant a rule providing aid on a grant basis, the committee then rewrote loan provisions or provisions for repayment. Then, our staff, at the request of the committee, of course, had to say this in the report:

> There is no question of India's ability to service a loan of the size authorized by this bill. The most conservative estimates indicate that at the present time, India's excess reserves over requirement is equivalent to about $500,000,000.

Mr. CHATHAM. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from North Carolina.

Mr. CHATHAM. The gentleman said it was his opinion that this was put on a loan basis as a subterfuge.

Mr. BURLESON. If the gentleman will pardon me, I said that if I had supported both propositions which have been involved in this effort, I would feel my action to be a subterfuge. Please understand me. I do not mean that the gentleman is a party to a subterfuge.

His views are his own and I respect them. I am sure he will be as liberal with me.

Mr. CHATHAM. I do not believe any member of the Foreign Affairs Committee was a party to a subterfuge.

Mr. BURLESON. And I did not intend to indicate such. If I were supporting this bill and that was the route I had to take, if that was the thing which had to convince me of the worthiness of the loan, I would consider it a sop. If I were trying to justify the fact to my people back home that this is a worthy loan, I would want more than I have yet seen produced on which to base my support.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from New York.

Mr. JAVITS. Just on the basis of facts and nothing else, it is a fact that when we were discussing this idea of a grant we all knew that if we made a grant to India that would help them in their development plan. In other words, as the gentleman from Massachusetts [Mr. HERTER] so eloquently explained, food would be eaten up within a year, and it would not represent a tangible, permanent asset. Hence, if you drew down the money in terms of a loan, you would reduce the capability of India to pursue her own development plans. If you give it to them as a grant, you would not impair their financial position to pursue their own development. I think that is a fair explanation.

Mr. BURLESON. I trust the gentleman will not take too much of my time.

Mr. JAVITS. I would just like to point out one other significant fact to the folks back home. I got this from the International Bank this morning. India has never defaulted on any external debt. Is it not fair to say that that is a mighty good debt record and a mighty good precursor for a loan?

Mr. BURLESON. The gentleman knows that India has not had an opportunity very long to incur debts on her own, nor has any debt come due which she must meet and repay.

Mr. JAVITS. She has been under the British constantly as a dominion, and she has never defaulted on a debt.

Mr. BURLESON. I have no quarrel with the matter of India's good intention and her past performance, but say the least, she has not assumed very much responsibility in this respect and therefore has scant record which can point to future possibilities.

Now, Mr. Chairman, may I call attention to a few things which I think will be of interest to the House in considering these matters before us. First, there is the military operation of India in Kashmir. It is my information that it is costing the Indian Government a sum approximating the cost of the grain which we propose to send them under this legislation. As you know, the dispute between India and Pakistan involving the territory of Kashmir is of long standing. Pakistan has shown great improvement since her independence and is a friend of the United States. India claims Kashmir is opposed to Pakistan, and maintains forces to hold that State and denies the request of the United Nations to pull her troops out in order that a free and unhindered election can be held. My argument is not for Pakistan as opposed to India, but if India can afford to maintain her present military operation in this respect, she might afford to spend money for food for her starving people.

Considerable discussion was had yesterday on the philosophies and attitude of Mr. Nehru toward the western countries on the one hand, and those countries embracing communism on the other. I doubt if the American mind can understand Mr. Nehru, but it is my conception that has one foot firmly planted in Gandhiism and the other in the materialism manifested by India's action in Kashmir and also in Mr. Nehru's attitude, and others of his Government, toward western civilization. In other words, he wants his cake and eat it too.

Is there real suffering and real famine in India? Doubtless there is. There always has been. Since 1803, as far back as the record is clear, there has been a famine in India on the average of about every 7 years. Now if we are wrong in meeting such a condition on a humanitarian basis today, our forefathers were negligent men also, and did not heed the need of the suffering. Poverty and disease are a common thing in India, as everyone knows, but on May 1 in a speech, Mr. Nehru had this to say:

> We have large areas in India today which are deficient in food and some which hover on the verge of famine, and yet there are also other parts of India which have produced surplus food grains. Taking India as a whole, the deficit is not so great as imagined. We can only meet this crisis by pooling all our resources and using them to the best advantage all over India. It would be shameful to all of us if some people die of lack of food while others have abundance of it; if some of the states have to face widespread undernourishment and starvation while others have a surplus.

So, in Mr. Nehru's own words on May 1, he does not despair of the situation in India to the extent which has been expressed here on the floor of this House during this debate. He was appealing to those areas of India which had a surplus of food grains to share it with those who had none. As I understand it, he had recently made a rather extended trip over India and found that in the States of Bihar and Madras the deficit in food was rather severe; whereas in other parts, for instance in Uttar Pradesh, a great grain and rice producing area, supplies of food grains were on hand and in surplus. Now, Mr. Chairman, if India is unable to make distribution of food among her peoples with some supplies on hand, how can we expect them to do so with grains shipped to the Indian ports? As you know, India is a country of tremendous area. Transportation and communication facilities are very poor. That is one of their problems. It is not the problem we have under consideration here. Therefore, I doubt if the intents in this legislation can physically be brought about.

Some of you on the floor of this House, like myself, have been in the Far East. Some of you, like myself, served in the Armed Forces in that part of the world and saw how things were done. You may, for instance, have seen the operation of UNRRA, which resulted in those who had, having more, and those who had not, still having not. I fear the result in India would be the same under this system. Under this bill, as has been pointed up here in the debate, we have nothing to do with the distribution, and in this respect I would have preferred the measure which provided the assistance as an outright grant. If it were a grant, we could at least supervise the distribution and see that it was used for the purpose intended. We have no strings on the $190,000,000 which we would spend under this measure.

In connection with food supply, let me say a word to those of you who evidently have the impression that surplus grain in this country is running out of our ears. When representatives of the Agricultural Department, the Farm Bureau, and other farm organizations appeared before our committee testifying in behalf of this bill, they referred to the good grain prospects at that time. Mind you, this was in February. I questioned these officials of the farm organizations and the United States Department of Agriculture on the matter of good grain prospects in the Southwest and the great wheat producing areas in the Midwest. I reminded them of the severe drought which existed, which has not yet in many places been broken. They contended the winter wheat prospect was good. Subsequent reports have proved just how wrong they were, and now they simply say that spring wheat prospects are good, and maybe they are, but much can happen. Now, if the world was unfortunate enough to be plunged into an all-out war, tremendous demands would be made upon us for food grains. This country would have to supply many troops. If we can't protect this country from every conceivable eventuality, how can we expect to protect some other nation which could not and would not contribute anything in such a war?

This is not a humanitarian proposition. No one could hold greater compassion for suffering people than I, and I know that every Member of this Congress likewise feels compassion for unfortunate people, but I repeat, this is not a humanitarian measure. It is political as surely as we sit here, and it is not the policy of this country to abolish poverty wherever it is. If it were the policy, it would be an impossibility. The United States of America cannot continue indefinitely to feed half the world and fight the other half. This action, if it passes, is an invitation to every nation in the world to appeal for help in the form of loans, and they likely will do so. In other aid programs there has been a tangibility. For instance, the $50,000,000 aid to Yugoslavia which we passed near the close of the last session of Congress was a gamble that Yugoslavia's 32 divisions, fairly well armed and equipped, would be on our side in case trouble developed with Russia. That is a tangible asset. Other aid programs have likewise had some such tangibility, the degree of which was estimated in some form or other. I repeat, there is no tangibility

in this respect in India. India has no intent of assisting this Government, even by its moral support, and she has no physical support. In a few days from now, the State of Israel will be requesting a loan of something over $125,000,000. What can you say to Israel if you approve this loan to India? What can you say to the Arab states, Africa, the southeast Asian states—as to that matter, any country in the world with whom we have a semblance of friendship? If it is the policy of this country to take care of all unfortunate people of the world, we should have given aid to little El Salvador, which a few days ago suffered a devastating earthquake in which more than 1,200 people were killed and an inestimable amount of property destroyed. We passed a resolution a few days ago, and I understand it has now passed the other body, in connection with El Salvador's disaster. You know what we gave them, do you not? We gave them sympathy. I voted for it. I would also vote to extend that much to India or any other part of the world. In 1949 a severe earthquake laid waste to a great area in Ecuador. They needed $5,000,000. I saw that area and walked over a considerable part of it. The American Red Cross was doing and did a wonderful job. The American Government gave nothing. They are not going Communist and we have their friendship.

By this action, I cannot believe we will guarantee the friendship of the Government of India or the Indian people. Neither do I believe we can buy our way around this world. We cannot continue to place the heavy burden of taxation upon our people and to flagrantly throw our resources to the far corners of this world and expect to remain strong. We can maintain a stability in this world by our strength, which certainly cannot be maintained if we ever become weak. We are the only people who can maintain it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CARNAHAN. Mr. Chairman, I yield 10 minutes to the distinguished majority leader the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, my friend from Texas has raised through his remarks some question about the need for assistance in India. I have studied the evidence taken before the committee. It seems to me that the evidence conclusively justifies and establishes a case. But I have here a statement by the Catholic Association for International Peace dated February 16, which states in part:

> The Indian Government requests 2,000,000 tons of food grains from the United States as the minimum to continue the ration in 1951 at the level prevailing in 1950 to build back India's depleted grain reserves to a minimum safe level. The Indian Government bases this request for aid on the contention that summer floods, earthquakes, and fall droughts have critically reduced domestic grain supplies.
>
> So far as can presently be ascertained, summer floods in some areas did wipe out grain reserves held by Indian farmers and destroyed seed stocks as well. Earthquakes did destroy some villages and otherwise hampered production.
>
> But most importantly, in some of the principal rice-growing provinces, autumn rainfall was far below normal, with very serious effects upon rice production.
>
> The evidence on these points appears to be conclusive. So, too, is the evidence that the people of India are faced with a dangerous grain shortage unless additional imports are provided—though there is lack of full agreement as to how bad the situation actually is.

I think it is on that that there is some honest misunderstanding. Continuing:

> It would appear to be significant, however, that the per capita daily grain ration has been reduced by 25 percent in Bombay and other ration areas.

Representatives of all religions favor the passage of this bill.

Mr. Chairman, I listened with great interest to the remarks of my distinguished friend from Indiana [Mr. HALLECK] and I want to compliment him on the speech he made. There were some parts of it, of course, with regard to which an honest difference of opinion could exist. But I am not going to make any reference to them because I feel it would be unjustifiable on my part on this occasion. We in the House have always had a fairly good bipartisan relationship, never seriously impaired, and the substance of the speech of the gentleman from Indiana, in my opinion, is to strengthen the bipartisan relationship that should exist in both branches of the Congress in connection with foreign affairs. My comment is one, if I will not be put in a false position of trying to say something pleasant because I admire my friend even when we disagree, of commendation because as I listened to the speech the gentleman made it was of a strengthening nature and the few comments he made upon which there might be some honest disagreement were pertinent from his angle but from my angle it would be unjustifiable for me to undertake to differentiate on this occasion.

In the consideration of the bill before us, I think, Mr. Chairman, that we should realize the people of India are emerging from a long period of struggle and frustration. We are a nation of one-hundred-and-sixty-odd years of existence. We know the trying days of our own Nation as we study the history of our early constitutional days. Here is a people and a Nation that have just emerged from colonial control, exploitation as they believe, and we must expect that that long period of struggle and frustration is going to leave its imprint for some little time to come. We must realize that the feelings of generations cannot be forgotten in a few years.

We should also appreciate that the Chinese Communist invasion of Tibet presents new problems to India and undoubtedly has and will continue to produce a profound change in the state of mind of responsible leaders of India. As I view the situation, there is no question but what the threat of Communist aggression has produced unrest in India, particularly due to the Red Communists going into Tibet. The Communist invasion of Tibet at least must cause India to recognize its significance and its potential threat to India.

Let us not overlook in the consideration of this bill the fact that in an official statement the Chinese Communist News Agency not so long ago called Nehru the running dog of American and British imperialism.

We must recognize with an understanding that to the people of India the white soldiery for generations are to them the symbol of oppression and exploitation. Whether it be a fact or not, that was their feeling and is still their feeling. Whether or not this opinion was right or justified is immaterial. It exists so far as the people of India are concerned. They feel they are justified in entertaining such feelings and opinions.

As I read the newspapers of India, particularly in recent months, I cannot fail to note a marked swing to a more favorable comment on Indian-American relations; also to note the increasing critical comment on Communist expansion in Asia. We must also realize that there are other officials and persons in India than Mr. Nehru. And I do not want any remarks I make today to be used abroad for propaganda purposes by the Communists or anyone else, so I shall express myself in a restrained manner. But I think that Mr. Nehru is not the issue. Assuming the strongest case is made against him, as evidence by some of the statements made by colleagues of mine, I do not consider Mr. Nehru to be the issue.

The issue is whether or not there is starvation facing those people. That to me is the primary call. Charity means something to me. I am not going to give a sermon because in my little humble way I try to live up as a human being to what I believe in. But those of us who believe in God know that He and His Holy Son, the Redeemer, has told us the greatest possession we can have is charity. I recognize we cannot bring about a utopia in the world, and the remarks of my friend from Texas are pertinent in that respect. Nevertheless, where we can we should not close our eyes to suffering humanity. The only crime they committed is that they were born in India. None of us was consulted when we were brought onto this earth as to our racial origin, to our parents, to our color, as to where we should be born, and we are very fortunate that we were born in the United States; at least, I consider that I was very fortunate that I was born in the United States, and I will make a public confession that God has particularly blessed me in giving me at birth the dear mother that he did. What would be our feeling if we were born abroad, in India or behind the iron curtain, and we wanted freedom? We do not believe in communism; we are against it. But we must stand for something. We stand for the dignity of the individual. Our civilization and our way of life represents something to stand for. I am not against communism alone; I am for something, and when I am for the things I believe in, I am against communism. We will never meet the problems of the

day being against something all the time and being on the defensive. I try to live up to my own little way as a human being in the things I believe in. I believe in God, for example. I believe in a government of laws that can only exist where there are people who believe in God. We may differ about this or that proposition, but we all believe in the dignity of the individual. That is a spiritual gift. You could not have that under communism, where there is hatred, and where the origin is hate. So, we stand for something, and in order to stand for something we have got to do those things that will convey to other people the fact that we do stand for something. As I view this bill, we are conveying to the people of India and the people of the world that America stands for great ideas, not only spiritually, but governmentally, and our governmental ideas are the result of the spiritual ideals we believe in. I lay my support of this bill on the ground of charity, God-given charity. Out of it will flow many other things. I recognize the intemperate statements made by some of the officials of India, but let us not forget, as I said, that for generations they have been under the control of the white soldiery. I hope Mr. Nehru will not think all persons of the white race are like those that he thinks persecuted him. If he is going to have a feeling against every member of the white race because of what he has undergone, he is wrong. That is not the right way to think. That is not the right way for anyone to think. But, in the passage of this bill we are making a great contribution, one that is related to deep values, and in my opinion will bring not only immediate, but long-range understanding and a better understanding between the people of India and America, and that it will have far-reaching effects among all other peoples of the world.

Mr. Chairman, I hope this bill will pass without any crippling amendments.

Mr. SMITH of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as I have listened to most of the debate yesterday and today I have the feeling that we are basing the need for the program in the present bill on the ground that there is acute starvation and great distress in India. I believe it is incumbent upon the proponents of the legislation to show that such is the fact. I think there is serious doubt about that. For the sake of the record, I want to bring to bear in support of my doubts the very statement of Mr. Nehru, the leader of India. I do that by referring to certain excerpts from a radio talk he gave to the Indian people on the 1st of May 1951—this year. He starts out by saying:

I am going to speak to you about the food situation in our country. What do those words convey to you? They might mean just some slight maladjustment which we should try to remedy, or they might mean starvation and famine for larger numbers of our countrymen. Let us try to understand objectively what exactly the situation is. On one hand we have exaggerated reports of famine conditions prevailing over wide areas and deaths from starvation. On the other hand, an attempt is made to minimize the gravity of the situation. The truth lies somewhere between the two and is bad enough. There are in India today wide areas, more especially in the states of Bihar and Madras, where food is lacking and is supplied in insufficient quantities and hence there is continuous undernourishment. Some are unable to bear this strain for long and weaken and collapse. Famine, as we have grown to understand this awful word does not exist to any wide extent at this stage. But the specter of famine certainly hovers over the land.

I quote again:

While we welcome all the help we can get from foreign countries, we have made it clear that such help must not have any political strings attached to it, any conditions which are unbecoming for a self-respecting nation to accept, any pressure to change our domestic or international policy. We would be unworthy of the high responsibilities with which we have been charged if we bartered away in the slightest degree our country's self-respect or freedom of action, even for something which we need so badly.

I shall not deal here with the wider and more basic problem of food in India, although that must be understood by us all in its implications; nor will I say much at this stage about the intimate connection of the food problem with that of the growth of population, both human beings and animals. It is clear to me that we cannot ultimately tackle the food problem by itself, ignoring these other factors.

We have large areas in India today which are deficient in food and some which hover on the verge of famine, and yet there are also other parts of India which produce surplus foodgrains. Taking India as a whole, the deficit is not so great as imagined. We can only meet this crisis by pooling all our resources and using them to the best advantage all over India. It would be shameful to all of us if some people die of lack of food while others have abundance of it; if some of the states have to face widespread undernourishment and starvation while others have a surplus. There is heavy responsibility at this moment on those states or areas which are described surplus, for it is to them that we must look to supply the need of those who lack food. We cannot think any more in narrow terms of our own particular state and ignore the agonizing call from a sister state. We have to realize that whatever help may or may not come from abroad, the burden and responsibility rests upon all of us and if any part of India goes down, we go down with it. In this, as in other matters, India is one and we must function therefore as a united whole.

I quote again:

I have learned with surprise and distress that some people are coming in the way of procurement and are actually preaching against it—

I might say, parenthetically, that this word "procurement" means coming into the production of grain.

If they think that the manner or method of procurement is not right, they have every justification for trying to rectify it or to improve it, but to say or do anything which hinders procurement is to invite famine and death for our people.

Procurement therefore must have first place.

Mind you, he also says this:

The new wheat is coming in and it is our good fortune that the crop has been on the whole a good one. Let us make the best of it and pour out this life-giving substance to those from whom life might be ebbing away. Let us all function with efficiency and integrity and not allow either our self-interest or our greed for profit or the red tape of official machinery to come in the way of speedy and adequate relief.

Quoting again:

I am sure that our people, as soon as they realize the nature of the crisis will cooperate in this common endeavor and not seek private profit out of their neighbor's misfortune. If any still continue to hoard, the committee should bring this matter to public notice. Some gifts of food grains have been made to me and I have welcomed them. I know that these gifts do not go a long way toward solving the national problem, but they are of importance in creating that atmosphere of self-help and cooperation which is so necessary today.

Mr. Chairman, what did Nehru say about starvation and famine? Briefly, I want to sum up in four points what he said because it has a direct bearing upon the charge that there is great suffering and that there is great danger that there will be a very extreme famine condition. Here are Nehru's own words, and I quote again:

Famine, as we have grown to understand this awful word does not exist to any wide extent at this stage. But the specter of famine certainly hovers over the land.

Again I quote:

We have large areas in India today which are deficient in food and some which hover on the verge of famine, and yet there are also other parts of India which produce surplus food grains. Taking India as a whole, the deficit is not so great as imagined.

Quoting further:

The new wheat is coming in and it is our good fortune that the crop has been on the whole a good one.

I am sure that our people, as soon as they realize the nature of the crisis, will cooperate in this common endeavor and not seek private profit out of their neighbor's misfortune. If any still continue to hoard, the committee should bring this matter to public notice. Some gifts of food grains have been made to me and I have welcomed them. I know that these gifts do not go a long way toward solving the national problem, but they are of importance in creating that atmosphere of self-help and cooperation which is so necessary today.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SMITH of Wisconsin. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, it seems to me that this statement by Nehru himself should be persuasive in indicating to us that while there may be some danger of extreme suffering and hardship, the problem is not as acute as it has been painted by this legislation. This legislation refers to "emergency need arising from external sequence of floods, drought, and other natural disasters." Mr. Nehru is absolutely silent about that. Is it not strange that he has failed to do so.

I have a feeling that this program is not one that was designed originally to take care of the need that has been set forth in the legislation, but rather it was originally conceived to gain the good will of Mr. Nehru, and that is political and not economic. That is the situation as I see it today.

Of course, we know that while there may be a condition that is going to be bad, we also know that Nehru is preach-

ing to his people the concept that if they are ultimately to overcome this condition which faces them almost annually, it is a matter which they themselves must solve. This is an agricultural problem for the people of India.

There are many things that might be said, that the food grains that are short today are being consumed by animals, which could well take care of any need the Indian people have today. We do not like to talk about that kind of a situation because it is an internal problem; but, after all, we are the ones who are going to foot this bill. I sympathize with, and I support as a matter of fact, the idea that the gentleman from Texas [Mr. BURLESON] referred to when he addressed the Committee a few minutes ago. The question in my mind is, how far we are going to continue this kind of operation now before us? Are we going to try to take care of famine conditions all over the world? Are we going to assume the responsibility of arming nations all over the world? I do not know how you may feel about this, but, as far as I am concerned, my first responsibility is to my own country. We are in bad financial condition, confronted with higher taxes, economic controls, and diminishing consumer goods. In other words our standard of living is going down.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. COX. Is it not known to the gentleman that there are a flock of countries sitting on the steps of the Capitol now expecting to come to your committee for hand-outs in the event you adopt this Indian bill?

Mr. SMITH of Wisconsin. There is no doubt about it.

Mr. COX. In other words, the information that I have, and it is reliable, is that it totals $7,000,000,000. When are we to end this give-away program, if we expect this country to survive?

Mr. SMITH of Wisconsin. I can only say this to the gentleman, that we had better end it now or the voters will take care of us in the next election.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. I should like to read two sentences from the official India News Bulletin issued by the Embassy of India, Washington, D. C., February 16, 1951, page 7:

> It might also be pointed out that jute is one of India's most important industries which earns nearly 45 percent of her dollar exchange. India can hardly afford to starve it.

In other words, while the people starve it is perfectly all right says the Indian Government, to divert acreage from production of food crops to jute, in order to profit by it, regardless of human misery and starvation.

Mr. SMITH of Wisconsin. In that connection I might say that there was a reduction in the acreage for the production of food grains to the extent of 1,200,000 acres this year. That all goes to this problem.

I think India is big enough and resourceful enough to work itself out of this problem without reliance upon the United States of America. That is the position of Mr. Nehru and it is an admirable one and I commend him for it.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. CRAWFORD. Laying aside the charity involved in this and the payment involved, let me ask the gentleman this question: Assuming that this deal is made in accordance with the provisions of this bill and a loan is facilitated through the machinery of the Export-Import Bank, in the gentleman's opinion will that loan be as sound as similar loans made through the Export-Import Bank?

Mr. SMITH of Wisconsin. I am afraid I cannot answer that question.

Mr. Chairman, at this time I wish to insert in the RECORD—and for this I have secured permission in the House—the speech by Mr. Nehru on May 1, and also an article from the New York Times of May 2, on this question entitled "Nehru Bars Food With Strings."

(The matter referred to follows:)

SPEECH BY PRIME MINISTER NEHRU BROADCAST OVER ALL-INDIA RADIO MAY 1, 1951

I am going to speak to you about the food situation in our country. What do those words convey to you? They might mean just some slight maladjustment which we should try to remedy, or they might mean starvation and famine for larger number of our countrymen. Let us try to understand objectively what exactly the situation is. On one hand we have exaggerated reports of famine conditions prevailing over wide areas and deaths from starvation. On the other hand, an attempt is made to minimize the gravity of the situation. The truth lies somewhere between the two and is bad enough. There are in India today wide areas, more especially the instates of Bihar and Madras, where food is lacking and is supplied in insufficient quantities and hence there is continuous undernourishment. Some are unable to bear this strain for long and weaken and collapse. Famine, as we have grown to understand this awful word does not exist to any wide extent at this stage. But the specter of famine certainly hovers over the land.

What, then, are we going to do about it? We cannot look on while tragedy develops. We cannot live our everyday lives when starvation and death march with stealthy steps toward many of our people. There are many important and even vital problems confronting us in the international and domestic sphere, but there is nothing more vital or of greater importance today than to meet this menace of famine. What are our brave schemes worth if we cannot even save our people from that worst of fates—death by slow starvation? It serves little purpose to spend our time apportioning blame. We have to be up and doing to meet and counter this danger that confronts our people. Each one of us must realize what is happening and what is likely to happen. Each one of us must do his bit to prevent this happening. We have to face a very difficult situation, and I do not want anyone to minimize this difficulty. Nevertheless, I am convinced that we can face it successfully if only we show awareness and determination to do our utmost to crush the evil which threatens to overwhelm us. Let us declare war on famine and all of its brood.

This is not a question of politics or economics on which there can be any difference of opinion. Only the small in mind can try to take advantage or worse still, try to aggravate this situation for political purposes. If we cannot pull together in this matter, then indeed, we are men and women of petty statute who cannot rise to any occasion or any crisis.

We have tried our utmost to procure food grains from distant countries. We have purchased them to the utmost of our capacity, and ship after ship is coming in laden with this precious commodity and yet this is not enough and we have tried and are trying to get more. I should like to express my appreciation and gratitude to the many countries which have helped us in this matter: To the United States of America, which has the good fortune to have abundant supplies and which has also provided us with ships for transport; to China, which in spite of its own need has already sent us several shiploads and which is going to send us more; to Soviet Russia, which I hope will also be sending us wheat before long. I should like also to express my appreciation of the help given us by the Government of the United Kingdom in securing ships which we so badly need. Above all, I should like to express my deep gratitude to innumerable individuals in various countries, to the common man everywhere for not only his sympathy in our misfortune but also his desire to help to the best of his ability. In the United States of America, a nonofficial emergency committee which was formed for this purpose has done excellent work.

While we welcome all the help we can get from foreign countries, we have made it clear that such help must not have any political strings attached to it, any conditions which are unbecoming for a self-respecting nation to accept, any pressure to change our domestic or international policy. We would be unworthy of the high responsibilities with which we have been charged if we bartered away in the slightest degree our country's self-respect or freedom of action, even for something which we need so badly.

I shall not deal here with the wider and more basic problem of food in India, although that must be understood by us in all its implications; nor will I say much at this stage about the intimate connection of the food problem with that of the growth of population, both human beings and animals. It is clear to me that we cannot ultimately tackle the food problem by itself, ignoring these other factors.

We have sought help from abroad, as needs we must, and we shall continue to do so under pressure of necessity, but the conviction is growing upon me more forcibly than ever how dangerous it is for us to depend for this primary necessity of life on foreign countries. We can never function with the freedom that we desire if we are always dependent in this matter on others. It is only when we obtain self-sufficiency in food that we can progress and develop our policies. Otherwise, there is the continuous pressure of circumstance, there is trouble and misery and there is sometimes shame and humiliation.

We have large areas in India today which are deficient in food and some which hover on the verge of famine, and yet there are also other parts of India which produce surplus food grains. Taking India as a whole, the deficit is not so great as imagined. We can only meet this crisis by pooling all our resources and using them to the best advantage all over India. It would be shameful to all of us if some people die of lack of food while others have abundance of it; if some of the states have to face widespread undernourishment and starvation while others have a surplus. There is heavy responsibility at this moment on those states or areas which are described surplus, for it is to them that we must look to supply the need of those who lack food. We cannot

think any more in narrow terms of our own particular state and ignore the agonizing call from a sister state. We have to realize that whatever help may or may not come from abroad, the burden and responsibility rest upon all of us and if any part of India goes down, we go down with it. In this, as in other matters, India is one and we must function therefore as a united whole.

Two days ago I visited the district of Bulandshahr Uttar Pradesh. From the point of view of food, it is relatively more fortunate. When I told the people there of the sufferings of their brothers and sisters in Bihar or far off Madras, they were moved and immediately, without my asking for it, many offered their help and their gifts. This spontaneous gesture affected me deeply, and I realized that if only our people knew what the facts were, they would come to the rescue even at a sacrifice for themselves.

The immediate need is procurement of food grains. This has to be pushed to the utmost extent. There may be gifts, and we shall welcome them, but ultimately it is the amount of food grains that we procure that will make a difference. If this is so, then it becomes of essential importance for all of us to work our hardest to procure more than we have ever done in the past. This becomes the duty of our administration and of the trader and of the farmer and the peasant in the field. At this moment for any person to hoard or to speculate on food is a crime and a disgrace. If we think too much of our tomorrows and the day after, what of those who may see no tomorrow?

I have learned with surprise and distress that some people are coming in the way of procurement and are actually preaching against it. If they think that the manner or method of procurement is not right, they have every justification for trying to rectify it or to improve it, but to say or do anything which hinders procurement is to invite famine and death for our people.

Procurement therefore must have first place. The new wheat is coming in and it is our good fortune that the crop has been on the whole a good one. Let us make the best of it and pour out this life-giving substance to those from whom life might be ebbing away. Let us all function with efficiency and integrity and not allow either our self-interest or our greed for profit or the red tape of official machinery to come in the way of speedy and adequate relief.

What else can we do? Perhaps you know that our Army has offered help in the distribution of food or otherwise. We welcome that offer, because our Army is efficient and disciplined and I am sure that the help they give us will be valuable. I welcome it even more because I should like our Army to be not only the brave defenders of our freedom from external aggression, but also efficient servants of the people who can always be called upon in time of need. The Army and the people are one, and they must help each other.

In some of the areas that have been badly affected, notably in Bihar and parts of Madras, unemployment has grown and the purchasing power is vanishing so that even if foodgrains are available, there is no money to buy them. In these areas, it is important and urgent to start public works and to give relief and some purchasing power. These public works can be of many kinds. Primarily, they should concern themselves with growing more food wherever this is possible or any other kinds of works of permanent value. Wells can be made, village tanks can be dug and cleaned, roads can be constructed.

There must be many young men including students in our colleges and universities as well as in higher classes, secondary schools, for whom such labor should be welcome both from national and individual points of view. Personally, I have long been convinced that our educational process is incomplete unless the student has put in manual labor of some kind, and I hope that the time may come when a course of such labor should be made an essential part of school and college education, without which no degrees or diplomas can be given. Participation in such labor should be made compulsory. The practical effect of this will be appreciable. The psychological effect would be even more important, but, above all, this will result in improving the quality of the younger generation and making them fitter for any task that they might subsequently undertake. For them to throw themselves in a disciplined and organized way into this work of food production and relief as well as of public works in aid of it would have a tremendous effect on the Nation. Such work cannot be undertaken spasmodically and should be carefully organized and supervised. No person who is not earnest about it and hard working should undertake it.

We have large schemes for growing more food which are run under official auspices. Let the people start their small schemes on their own initiative and grow food wherever they can manage to do so—parks, gardens, uncultivated land in rural areas, compounds or public institutions, and private residences.

In any organized scheme for procurement or distribution, Government agencies must necessarily function, but that is not enough and it should be supplemented by private agency in a hundred ways. I suggest that each village should form a small committee of its own whose function should be to help every person in that village. That committee should assume responsibility for the village and those who lack food should be supported by those who have a little surplus. Of course, where necessary, official help will be given, but the village should function as a cooperative unit in this matter and the committee should also see to it that there is no hoarding by anyone in that village. I am sure that our people, as soon as they realize the nature of the crisis, will cooperate in this common endeavor and not seek private profit out of their neighbor's misfortune. If any still continue to hoard, the committee should bring this matter to public notice. Some gifts of foodgrains have been made to me and I have welcomed them. I know that these gifts do not go a long way toward solving the national problem, but they are of importance in creating that atmosphere of self-help and cooperation which is so necessary today. Therefore I should like to encourage such gifts. Naturally, any foodgrains sent as a gift will not be sold. They will be distributed free to those who stand in need of them. They will be sent to areas most affected in Bihar and Madras. I suggest that the district magistrate of the area concerned be informed of these gifts and he can make arrangements for their dispatch according to directions.

When we are seeking to make the most of every ounce of foodgrains that we have, can there be greater folly, if not much worse, than waste? We are a people whose social habits have encouraged waste. This must be considered as an offense against common decency and must be stopped.

May I suggest also that each one of us should demonstrate active sympathy and a desire to help by giving up one meal a week. This is no great sacrifice for anyone. Let the foodgrains so saved be collected and sent as gifts in the manner I have suggested above.

If this is done in any adequate measure as it should be, then we have conquered and survived this food crisis.

I have ventured to place before you certain suggestions for action. I want you to have not only an intellectual appreciation of the situation in India, but also emotional awareness of the tragedy that fast approaches us. I want you to look upon it as something intimately affecting you and not as some distant occurrence with which you have little concern. I want you above all to think of common Mother India, whose children we are, of her honor and self-respect and of her distress in the agony of many of her children. Let us put all our resources, all our strength and energy in this war against famine which we must and will win.

[From the New York Times May 2, 1951]

NEHRU BARS FOOD WITH ANY "STRINGS"—SAYS INDIA WILL NOT BARTER FREEDOM OF ACTION—UNITED STATES BILL IS CAUSING RESENTMENT

NEW DELHI, INDIA, May 1.—Prime Minister Jawaharal Nehru declared today that India, though grateful for help, would not accept food from any country if it had "any political strings attached to it."

Reviewing the food situation in a Nationwide broadcast, he added: "We would be unworthy of the high responsibilites with which we have been charged if we bartered away in the slightest degree our country's self-respect or freedom of action even for something which we need so badly."

Indian opinion strongly supports Nehru's view. Every important newspaper published today official and parliamentary reactions to the speech by Mr. Nehru on Sunday in which he expressed a similar view.

FOOD POLICY BEING RESHAPED

According to the newspapers, the general reaction was that the conditions in the United States Senate bill on aid to India were so obnoxious that the Government of India had decided not to rely any longer on 2,000,000 tons of United States grain and that the food importing policy was being recast. A large section of parliamentary opinion, according to reports, favored rejection of American help even if it materialized ultimately.

An official of the Food Ministry said these reports were rather speculative and that government was not committed to any policy of outright rejection of United States help.

Strong exception has been taken to three conditions in the Senate bill. These would require India (1) to distribute supplies obtained locally or imported without discrimination as to caste, color, or creed, (2) give full and continuous publicity in India for American assistance and (3) permit unrestricted observation of distributions by Americans.

Officials here expressed the view that all three conditions in the Senate bill were being voluntarily observed, but that writing them into an agreement was objectionable. Meanwhile the food problem has been placed on a war footing and is being dealt with by a special cabinet subcommittee that meets every day.

AIMS AT SELF-SUFFICIENCY

In his broadcast the Prime Minister warned his countrymen of the "dangerous consequences inherent in constant dependence upon outside help for food."

"We have sought help from abroad and we shall continue to do so under pressure of necessity," he said.

"But we can never function with the freedom that we desire if we are always dependent in this matter on others. It is only when we obtain self-sufficiency in food that we can progress and develop our politics."

Famine as it is understood by the people does not exist to any wide extent at this stage, he said, adding, "but the specter of famine certainly hovers over the land." He said he emphasized the need for intensification of internal procurement measures and for starting urgently a number of public works to increase the purchasing power of the poor.

Communist China has agreed to supply India immediately with 50,000 tons more of rice, according to information received from

Peiping, an official of the Food Ministry said today. This is the second agreement concluded with China within the last 4 days. Last week it was announced that Peiping had agreed to supply 50,000 tons of milo sorghum grain.

At the same time the Chinese Government has made arrangements to ship the 100,000 tons of grain as speedily as possible and officials here expect consignment by early July—when the crucial period for Bihar starts. Both transactions, officials said, form part of a deal with China for 1,000,000 tons of food grains for which negotiations are being carried on in Peiping.

The Indian Government will shortly resume negotiations with the Soviet Embassy here for 500,000 tons of wheat offered by Moscow in exchange for jute.

Mr. COX. Mr. Chairman, has the gentleman time to yield to me?

Mr. SMITH of Wisconsin. Yes.

Mr. COX. The gentleman referred to the animal population of India that eat wheat. They consume 2,000,000 tons a year. In other words, it is known to everyone who knows anything about India that they have 180,000,000 sacred cows; they have 136,000,000 sacred monkeys; they have 10,000,000 sacred or professional beggars—and all these sacred things will have a first claim on any wheat that may be procured by money lent to India. Was the gentleman ever in India? Did he ever see a flock of sacred monkeys come in on a little grain merchant and eat him out of house and home, yet he could not punch one of them out of his grain bin?

Mr. SMITH of Wisconsin. I have never been in India, but I may say I am sure Mr. Nehru recognized that situation to which the gentleman refers and that something will have to be done about it.

Mr. COX. They say it is religion and that, therefore, it ought not to be referred to in this debate, but it is a religion that the overburdened taxpayers of this country ought not to be compelled to support.

Mr. SMITH of Wisconsin. We must face the question before us on a realistic basis.

Mr. CARNAHAN. Mr. Chairman, I yield 8 minutes to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I wish to thank the distinguished gentleman from Missouri, author of bill H. R. 3791, for allowing me to speak at this time. As you know, I am a member of the Committee on Un-American Activities. The committee met this morning and we go into session again early this afternoon. We are having some very important sessions and are sitting today while you debate this important grain to India issue, I therefore appreciate being allowed to speak at this time.

I thought that in the few minutes allotted to me, I would try to avoid repetition of some of the arguments for the bill that are chiefly based upon costs or dollar value; or alleged economic objections, or the usual line. I thought I would try to call your attention to the fact that there is something in America not less important that we must not lose; I think we have lost too much of it already, for our own safety—the value of an idea; the following of an ideal.

The only way in God's world that you can overcome the idea of communism is with a better idea. The idea of communism has caught or is forced upon people in Asia and elsewhere. Aggressive communism is afloat in the world and is capturing the imagination of the hungry people of the world because most of the people of the world are hungry; their bellies are empty; their children are starving; I fear for my Nation that if in connection with this bill we refuse to stand forthright and righteously upon the premise that America will share that of which she has a superabundance with the people of the starving world, that shall surely lose our own respect as well as destroying chances of winning and holding friends in Asia.

I have here a letter which I shall quote, written from a man in south India. It is an eye-witness account. Here is what Donald F. Ebright wrote on May 4, 1951, from India:

In the villages, where 90 percent of the population lives, people are walking skeletons. Wells and "tanks" or ponds are dry. Prices are soaring. Nothing grows on the parched land, and because of the lack of fodder, large numbers of cattle are dead. Large numbers of men have migrated to the cities in hope of getting employment and food for themselves and their families. Behind them are left sickly children and gaunt wives who cry with hunger. A series of natural calamities exceeding anything seen since 1910, plus the continuing burden of aiding refugees not yet resettled from the terrible uprooting of millions when the subcontinent divided into two in 1947 and 1948, plagues the young Government of India. The Government is doing the best it can with inadequate resources.

It is important that Americans realize that the people of India are doing everything they can for themselves.

Here then is down-to-date eyewitness testimony and evidence of the actual famine condition about which we are speaking. Why then should any Member oppose this bill and ask us to rely on hearsay or rumor or gossip as to the facts? Mr. Ebright was speaking for the Methodist Board of Foreign Missions of America when he wrote the foregoing report which I have read.

The report of our House committee shows that on January 30, 1951, the bipartisan delegation from the Senate and House waited upon the President of the United States and urged him to have help sent to India. In the letter which they wrote the President, from both sides of the political aisle of this House and the Senate, they said:

Unless we act promptly many hundreds of thousands of people of India face starvation.

The unanimous report of the splendid House Foreign Affairs Committee also said:

The evidence presented to the committee at open hearings on H. R. 3017 left no doubt of widespread crop destruction caused by a series of earthquakes, floods, and locust plagues. The committee believes that India's request should be met.

Mr. Chairman, I am not unwilling to rely upon the distinguished bipartisan committee of this Congress in this matter. I cannot subjugate such committee report and opinion to any partisan or strictly political argument which has been, or will be, or may be made against this bill.

When our American Constitution was written the important consideration and restraints concerned were largely political. Therefore, our own Constitution and the following Bill of Rights were primarily directed toward removing these political restraints. Rights of freedom of speech; freedom of choice of religion; rights to a fair trial—these were some of the rights which were obtained through bloody sacrifices.

Granting that the masses of the people of India do not presently comprehend these political rights we have gained; the starving people of India do comprehend the gnaws of hunger and starvation. They do comprehend from whence their starvation is removed. We can help spank spreading communism by spreading the practice of American idealism.

Yes, Mr. Chairman, I have an abiding and enduring faith that the American idealism which speaks out for human dignity and for human rights, can be made more than a match for aggressive communism. And, sir, we cannot force this fact to the attention of hundreds of millions of people in a more positive, direct manner, with less expense with no loss of life, as easily and as positively, as we can to furnish them grain to survive upon and let them know it is because we think kindly of them; let them know it is because we want them to live and not die from hunger; let them know that we have a high regard for them because they are human beings; let them know we are not interested in giving them the grain in order to get their millions of dollars of interest on a proposed 2½-percent loan; let them know that America has ideals which it lives by as well as boasts about; let them feel the application of American ideals.

I read history which tells me that the surest way a false idea or ideology can be whipped is to match it with an idea or ideal which has enduring value in the hearts and minds and souls of men. My argument is that the getting of this grain to the starving folks without materialistic gain for ourselves, is a matchless idea; even to starving people. It is matchless and more powerful than powder and bullets. It is applied Americanism.

I know some of you will say that the basis of my reasoning is not sound. You will say it is idealistic. You will say it costs too much money. Well, Mr. Chairman, answer me that way if you will, but applied American idealism, when founded upon the rock of sound, unselfish generosity and charity, always whips greed, selfishness, and petty thinking. No generous thought on impulse is illy founded. Applied American idealism will whip aggressive communism.

We in America need to put perspiration into patriotism. We need to put more inspiration into our democracy. An inspired democracy practicing American ideals will not perish. We need to perspire by the doing of unselfish, sound deeds in keeping with the highest ethical

and religious conceptions of our forefathers and of ourselves. India is a case in point at present. We must put within our own daily consciousness such power of conviction for and on behalf of our highest American ideals that it will make us daily vigilant and vigorous in daily support thereof. Sir, a self-sacrifice and a national sacrifice in behalf of deserving peoples are two of the ideals of American history which we must not forget to practice right now in this very day and circumstance. The destiny of our Nation ultimately will be determined by our applied ideals and ideas far more than by powder and bombs.

I am very conscious of the fact that, being a member of the Un-American Activities Committee and sitting there as I do day after day and oftentimes, even though the House is in session as it is today, that there is forced upon my conscience realization of the fact that we in America need by concrete evidence, if you please, to give convincing proof to the hungry people of India that America is not pinching the eagle on the almighty dollar until it screams and screeches for mercy. The Communists say that is our habit. America's ideals, historically, are not mercenary: India is a present opportunity to practice what we preach. There are millions of people in India who are hungry today. This moment they need relief. They are dying in their tracks on filth. America has a superabundance of grain. This is proof America should share it with the starving people of India or with the starving people of any other part of the world, up to the unselfish ideal limit of our own safety. As a very proud American citizen I am not against a foreign policy of my country which says to the people of the world, that the ideal of the American people is to share and share graciously; to share without our hands behind our backs for reward; to share unselfishly to the maximum of our ability, consistent with our own national economy and national security. The heart of the American people is soundly unselfish and generous. It is part of the American ideal.

I may say to you, Mr. Chairman, that I know of no other idealism in the bosom of my country which at this time would be as powerful as would be the declared policy of my country that it will share unselfishly; that it will save the starving children of India if possible; that it will save the starving mothers of India; and that it will share its superabundance with the starving peoples in the world, consistent with our national security and our national economy. The dollar mark does not beget American idealism. American idealism must whip the idea of communism. From the time of our American Declaration of Independence we have been fighting for the dignity of the individual. This is part of the American ideal. We have been fighting for opportunities for individuals to have an individual consciousness and personality as contradistinguished to the mass consciousness which existed prior to the American Revolution. As I see it, one of the very fundamental concepts of our American way of life as distinguished from aggressive, grasping, militaristic communism now on the march is that we in America have an ideal that should not make it necessary for us to want something back in return for our every generosity of kind deed. I am not ashamed of the fact I believe in the American gospel which says in substance, that if we "cast our bread upon the waters, it will return in due time well buttered."

Mr. Chairman, there has been considerable talk about our not being able to afford it. I say we cannot afford to not do it. There has been considerable talk about politics. Some have relied, this very hour of debate, on Nehru as an authority as to the famine in India, and in the next breath they have condemned him as being a politician, not to be relied upon. The distinction, to me, between aggressive communism on the march, the communism which has gone on the march to conquer the ideas and ideals of man, is the rival ideal, if you please, not only of the dignity of the individual for which my son and thousands of others have died, but an ideal that we in America possess, which teaches us that it is worth while to do good without thought of reward. If we in America cannot practice that sort of ideal sufficiently enough and graciously enough and unselfishly enough to overcome the idea of aggressive communism, which is based on materialism, then I do not know of any idea or ideal that America does possess which can be as powerful. We must put vigilance and vigor into our American idealism, based upon unselfishness. Communists feed the bellies of these people. When people are hungry they do not stop to think of what is right or wrong. Their hunger naturally conquers their reason. Those who stop their hunger naturally have their good will. Let us practice applied Christianity. Let us prove America's ideas and ideals are not all materialism.

This is not a matter of Nehru or the State Department. This is a heartbeat of American people saying that they demand we save starving women and children. I will say this to you, that if we in this Congress will rise and make this transaction on as generous terms as is humanly possible to them I believe it will do more to captivate not only the imagination, but the understanding of the peoples of the world, than would spending billions of dollars for bullets and power. We presently need to spend both.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield to the gentleman from Illinois for a question.

Mr. JONAS. I want to say this to the gentleman, that I am sure no one will be affected by the splendid emotional appeal he is making, but is this not true that history discloses that every year there is a major famine somewhere throughout the world, and if we follow the gentleman's reasoning we will have to assume not only at the present time, but for generations to come, there will be famines, and that the alleviation of those famines is our responsibility?

Mr. DOYLE. I want to say that we should assume the responsibility of our American ideals as contradistinguished from the Communist ideals of materialism. One is greed, one is selfishness, one is militarism, and one is to conquer people. You can conquer people through their appetities. This is what communism does.

Mr. JONAS. Well, it is not realistic.

Mr. DOYLE. It is realistic. It is the American way. We must follow it to win out.

Mr. SMITH of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, there have been some suggestions made, I do not know how seriously, that we do not have sufficient food reserves in the country to enable us to export the maximum quantity of food which would be called for under this proposal. I do not believe that there is any basis for a contention of that kind and I would like to briefly point out what our situation is with respect to grain and other food that might be exported under this legislation.

There has been a considerable amount of talk about a poor wheat crop this year and we are going to have the smallest crop that we have had for a number of years. It may be less than 1,000,000,000 bushels, but not very much less, according to the latest estimates. Most of us have gotten so used to billion-bushel wheat crops that we forget we had but one billion-bushel wheat crop in this country until 1944. Since that time we have had several, and it is fortunate that we have because we have not only been able to supply needed food to other nations and take care of our own needs, but we have been able to build up a sizable reserve. The carry-over of wheat on July 1, according to the best available estimates, will be about 423,000,000,000 bushels. That, added to a crop of approximately 1,000,000,000 bushels this year means a supply for the 1951–52 marketing year of 1,400,000,000 bushels. Of course, wheat is only one of the commodities that will be exported under this legislation. It probably will not comprise more than two-thirds of the total; perhaps not that much. There will be grain sorghums, as another important element, a commodity of which we have a large supply. This year there will be planted, perhaps, the largest acreage of grain sorghums that we have ever known in this country. A great deal of the wheat acreage which has been lost by winter kill and other causes in the Southwest will be planted in grain sorghums this year, and there is no reason, so far as I can see, why we cannot send, if necessary, four or five hundred thousand tons of grain sorghums to India.

Other commodities that are mentioned—corn, beans, and rice—are in good supply so that there can be no question, I am sure, but that we have whatever food may be necessary to send under this legislation.

While we are on the subject of food, I want to point out how very fortunate we are in this country as far as our food supply is concerned. If we compare the figures now with our production before World War II. we find that our annual

production of food in this country is about 42 percent above what it was preceding World War II. The consumption of food on the part of our people has increased above any figure which it was before the beginning of World War II, and it is estimated that for 1951 it will be 13 percent per capita above any prewar year.

This food is not only greater in quantity, it is greater in quality in that it consists more largely of the protective foods, the proteins, meat, eggs, dairy products, and fresh fruits and vegetables.

A stranger from Mars, if he came to this country, or a visitor from India or any other country where food is scarce, could not help but be astounded by the talk he would hear on the question of food. He would be amazed to find that at least two-thirds of the adult people in this country are watching the scales every day to see how much they have lost or gained. If there is any one personal problem the American people are interested in today it is their weight. I understand the most popular feature article that has appeared in American newspapers in recent months has been this Fat Boy Elmer diet story that people are reading because they are interested in reducing their weight. Of course the reason they are overweight is that they are eating too much food.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman think the standard of living is too high in this country?

Mr. HOPE. I am not saying the standard of living is too high, I am saying that in this country instead of suffering from underconsumption of food there are millions of people who at least think that they are suffering from overconsumption of the abundant food supply we have in this country.

Contrast that with the situation in a country like India. I do not know the extent of the starvation in India. There are different figures on that. But I am sure there are going to be milions of people in India who will starve if that country is not able to procure additional food, and there is no place they can get any substantial quantity of it except in the United States of America. We take food for granted in this country. Some countries have taken famines for granted. But that is no longer true to the extent it has been in the past. I do not think there is a country in the world today where the people are not demanding that their government, whatever kind of government they have, make every possible effort to secure for them an adequate supply of food. We all know in the restless atmosphere which prevails in many countries in the world today that any failure on the part of a government to make the maximum effort to secure food for its people is the greatest possible inducement to accept a political philosophy like communism. Such people are even more likely to fall prey to Communist agitation when they contrast their misery with the lush supply of food in countries like our own. We cannot furnish food enough from our supplies to take care of all the world's hunger, but I think we owe it to ourselves and the world to make available our surpluses to areas where actual starvation is taking place. I believe any steps we take under this legislation to supply to India additional supplies of food will pay dividends, in that it will prevent the trend toward communism which exists in every ill-fed and undernourished country in the world today.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am glad to yield to the gentleman from Georgia.

Mr. COX. Is the gentleman aware of the fact that under the provisions of the bill now before the Committee, and which the Committee is considering, there is no provision made for the shipping of one kernel of wheat or any other sort of grain to India? Does the gentleman understand that?

Mr. HOPE. The gentleman understands that the legislation authorizes the shipping of food to India and authorizes the extension of credit for that purpose.

Mr. COX. With great respect, I must say the gentleman is mistaken as to what the bill says. The bill proposes to lend India $190,000,000, which $190,000,000 India can spend with Russia or with Communist China as she sees fit.

Mr. HOPE. She can spend it for food which is vitally needed; yes. And as I have already stated the only place in the world today from which any considerable quantity of surplus food can be procured is the United States. I have discussed the economic and political aspects of this matter. There is a humanitarian side also. We are a Christian Nation. Our people have deep sympathy for those in distress wherever they may be. Since the end of World War II American farmers alone have contributed millions of bushels of grain and other food supplies to hungry people all over the world. Millions of other Americans have made their contributions of food and clothing through churches and philanthropic organizations.

The situation in India is too big a problem for private efforts but I am sure that the American people as a whole are keenly interested in this legislation and in having our Government make food supplies available to the people of India. I have received many letters, the contents of which indicated they were written from the hearts of good Christian people urging that Congress do everything possible to meet this need. Many of them would like to send it as a gift. The Government of India has not asked it as a gift. All that has been requested is special and easy terms of payment. That is all that this bill provides. Under the circumstances passage of this legislation without crippling amendments is the least we can do.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CARNAHAN. Mr. Chairman, I now yield 8 minutes to the gentlewoman from New York [Mrs. KELLY].

Mrs. KELLY of New York. Mr. Chairman, there is one question at this moment that I would like to try to clear up, and that is the question of India's ability to repay this loan.

As I understand it, there is no question of India's ability to service a loan of the size authorized by the bill. India's excess of reserves over requirements is around $500,000,000. The burden of this loan might reduce the amount available for her total development program, but that is not definite, either. She is already exporting all the commodities which her mines and industries can produce at this time without greater additional outlay of capital. The bulk of these commodities comes to the United States and the free world.

This age is dominated by force, ideas of force, and subversion—the army of communism versus the army of the free world. To one or the other of these the whole world must turn. Nations may want to remain neutral, but history is shaping the need for decisions, and the United States must help these nations decide. It is with this global background of force that I believe we must consider this bill, H. R. 3791. It has a very historical setting.

As my colleagues pointed out yesterday, this is the first time that this new nation has asked for assistance of the Congress and the people of the United States. Our actions and deliberations on this bill will not only be heard and felt in India but will be heard and felt all over Asia.

Our concern in considering this measure is not primarily how the emergency arose, but how we can assist in meeting this emergency swiftly and effectively now that we have been asked for assistance. Personally I feel that this vital issue is not the question of the relationship of Pakistan and India, not the political, diplomatic position taken by the Indian Government, not the price of jute nor the barter of minerals, not the problem of sterling balances. The vital issue is how we can help our fellow men, the Indian people. We have the opportunity, a long overdue response to the people of a new nation, India.

I personally joined a group of sponsors to furnish emergency food relief assistance to India on a grant basis. I felt that the objective deserved this support, but since this method was not acceptable to many, I support the method outlined in H. R. 3791 to furnish food grains on a loan basis in accordance with ECA lending facilities.

Through our ECA program, Russia failed in the West and then turned to the East. The aim of Russia is to widen the gap between the East and the West. It is her new method in dividing and absorbing the nations of the world.

India turned to the West for assistance. Now is our chance to assist this new independent Nation as we were aided in the early days of our Republic, when we severed our relationship with the same mother country, England.

It is this infant republic we are asked to help, whose constitution is modeled after that of the United States Constitution, and it contains a similar bill of rights. Fundamentally, our form of government and our way of life are her ideal. India needs our help in this critical period or assistance would not have been requested. Her need is known to be positive.

Indians are a proud people and a suspicious people, particularly suspicious of Europeans, in whose class Americans are placed. The basis for this sentiment may be partly a result of the English colonization period. I fear that is the real feeling in the world today, and this is our opportunity to check their fears in that the United States has no thought of aggression and no desire for exploitation.

Most of us agree on the humanitarian aspect, particularly since we have a surplus of grain; but as practical-minded Americans, there is another side. It is practical and it is good business. To me it has an intrinsic, political aspect, which I am going to explain.

This aid is necessary for world peace and for the general welfare of the United States in order that this new independent republic shall remain a free nation. It is consistent with the foreign policy of the United States in order to create situations of strength for new independent nations, and to permit them to work out their own internal problems by democratic processes, as the United States did during the early days of our Republic. But, to me, more important than any other situation is the fact that India is geographically important to the free world, due to the fact that if India is absorbed into the orbit of Russia, it would accrue to the benefit of Russia alone, to the detriment of the free world, and particularly to the United States.

It would cut off our vital raw-material-supply lines. As you and I know today, the United States lifelines for vital raw material, reach to every segment of the globe, and at the very doorstep of India for the tin, manganese, rubber, and other strategic materials that keep industry and the arms program at top speed.

Any unfriendly nations able to sever shipping routes in this area, to control India, would place the United States and the free world in jeopardy.

It was only recently, last week, that I really realized that almost all of our strategic material that are necessary for these supplies are imported by the United States.

Crude rubber must come from outside the United States. The supplies come from Malaya, Indonesia, and Thailand.

Chrome ore needed for making alloy steel is produced in this country in small quantities. Russia formerly furnished this material. Our supply now comes from Turkey, the Philippines, and South Africa.

Tin is imported from Malaya, Bolivia, and Indonesia.

Manganese is a metal for which no adequate substitute has been found in making steel. More than 93 percent is imported from the Gold Coast of Africa and from India.

India shipped to the United States in 1950, 585,971 tons of manganese, three-quarters of its total exports. The bulk of the remainder went to the United Kingdom. There is a current rumor that there has been a cut in manganese shipments in 1951. This is not true. From January 1 to March 3, 110,000 long tons have been shipped to the United States. This is a rate about 10 percent greater than the average of 1950. Arrivals in February alone to one company in the United States were 16,000 tons.

To review briefly the foreign trade of India, I want to emphasize the fact that India imports from the United States amounted to $230,000,000, while the exports to the United States were valued at $192,000,000.

Mica: Indian exports of mica in 1950 to all countries totaled 340,000 hundredweight. Of this total the United States took 80 percent and of this 37 percent went to the United States stockpile.

Jute: The jute industry has in past years accounted for more than a third of India's total foreign exchange earnings, and almost three-fifths of its dollar earnings. The United States is the leading importer of Indian jute manufactures. There is one point I want to make at this time and that is that India has no trade with the Soviet Union in strategic materials and has had none since 1946. I believe, no matter how we feel on this bill, that the importance of keeping these routes open for our strategic supplies is most essential to the national security of the United States.

Mr. COX. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY of New York. I shall be pleased to.

Mr. COX. The gentlewoman made the observation that this was the first time India has ever come to the United States for aid. Is the gentlewoman aware of the fact that on two of the lots of wheat that we let her have during the present year we took a considerable loss on one which she got at the world price rather than at the domestic price?

Mrs. KELLY of New York. I do.

Mr. COX. And that on the other we gave her a reduction of $9,000,000 in the price?

Mrs. KELLY of New York. I realize that. I may say to the gentleman from Georgia that he is in error. The commodity in question was not wheat but milo. In late May and early June 1950, the Commodity Credit Corporation was ready and anxious to sell to India some milo which we had and which was in danger of spoiling. We sold the milo at $1.80 per hundredweight—a little bit below the going export price. It would have spoiled had we not sold it. By selling it to India, we got cash. Had we not sold it, we would have lost the 200,000 tons.

A few months later we made another sale of milo to India at $1.40 per hundredweight. We did absorb some of this cost. The gentleman is again in error. The cost we absorbed was about $6,600,000, not $9,000,000 as the gentleman says. We did this under section 32 of Public Law 320, the agriculture laws of which the gentleman is an ardent supporter.

Our sacrifices for peace in the world transcend the reasons for arguments against the passage of this bill. Either we must extend the hand of friendship to India in her need or cast her to the forces of evil and destruction—the army of communism.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, we have heard a considerable amount of enlightening debate on this subject and we will hear more. I shall endeavor in the time that has been yielded to me to answer the major arguments which have been made with respect to this legislation.

First, let me state briefly why I believe this legislation must be passed in the national security interest of the United States. We are dealing here with 350,000,000 people in South Asia out of a total of roughly 700,000,000 people who are left in the list of the free peoples in that area of the world.

The new Republic of India came into being only on January 26, 1950, having received its independent status in August of 1947. The subcontinent of India is the fulcrum of Asia, a state that is directly on the border of China, and, therefore, certainly influenced by the fact that communism has triumphed in China and that China has a rampant army of something in the neighborhood of two to four million men. For the relief of distress in India we are asked to make an investment, asked to make a loan to this Nation, to this government which has not defaulted on any of its external debts, a loan to relieve an urgent famine situation.

There is some argument that we should turn our back on this nation and run the risk of jeopardizing the one remaining really big anchor that the free peoples have in Asia. It seems almost inconceivable that that argument can be made in the face of the evidence before us. Why is it made? First, it is said that India is not our declared ally against the Soviet bloc; second, that the famine is really not serious; and third, that we should get strategic materials from India.

It is perfectly clear that the people of India are a free people today, and if any evidence of that is required, it is shown by many facts. For example, 43 deputies of the India's Parliament had perfect freedom to send a communication by cable to the Congress of the United States about this very food-aid bill. The only thing that Mr. Nehru could do about it was to lecture them on the fact that that was not the way to run a government; in other words, that India could not conduct her affairs by having individual representatives of what is tantamount to their Congress communicate with another sovereign power.

Secondly, this Dr. Kumarrapa, whose speech has been read here in part and referred to several times, I think his actions and statements prove that India is a very free country. The Government of India said that Dr. Kumarrapa had a perfect right to state his own position as a lecturer in the United States in his private capacity. This is the official statement dated March 9, 1951:

> He is authorized to speak for the Government of India only in the social commission of the United Nations to which he is a delegate on subjects coming up before that commission in accordance with the Government's instructions.

Then they add:

Any views expressed by him on topics outside the commission or on topics other than those before it are his own, and the Government has no responsibility for them.

He was completely repudiated, and everything he said was completely repudiated by the Government of India, but he was not jailed for saying it.

Let us see about India's record in the United Nations. Despite the fact she is sitting on the doorstep of Communist China, it is my recollection she did join originally in one of the key votes when the question of sending U. N. forces in to repel aggression in Korea was concerned. Away back in June she joined I recall, with other United Nations powers in asking that action be taken to stop aggression in Korea. Since that time it is a fact that she has abstained in the United Nations in respect of condemning the aggression of the Communist Chinese and a declaration of an embargo on shipping war materials to Communist China. There is no condoning that. It is our mission to try to win India over to our side, not 33⅓ percent as demonstrated by the three votes I have described, but by 100 percent.

Now, what is the way to win her over? To hit her over the head or to let millions of her people starve to death? Or shall we win her over on the relatively cheap basis of giving her this essential food aid? The answer is self evident.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Connecticut?

Mr. SEELY-BROWN. It occurs to me that most of the arguments today have involved the relationship between the United States Government and the new Government of India. I wonder if the gentleman will explain, so that not only the Congress but the people of the country will understand, just how will the starving people of India, not the Government of India, but the starving people of India, get the grain we want to provide by this bill?

Mr. JAVITS. I will be glad to answer the gentleman if he will permit me to proceed for a minute on this point. I will go right to the next point which involves the claim that the famine is not real in India.

The key to India, the key to Nehru, and the key to everything we face is found in the May 1st speech that my distinguished colleague from Wisconsin referred to. In the next to the last sentence of that speech this is what Nehru said, and I want you to remember that he is elected by the people, he is a politician like anyone else who has to be elected. He said:

I want you above all to drink of common mother India, whose children we are, of her honor and self-respect and of her distress in the agony of many of her children. Let us put all our resources, all our strength and energy in this war against famine which we must and will win.

He was expressing pride in his nation and pride in his people.

Mr. Chairman, he made that speech on May 1. The Foreign Affairs Committee had reported out an aid to India bill in March. There it was the 1st of May. India was facing a famine situation. No action had been taken in the Congress of the United States, either by the House of Representatives or by the Senate. What did you expect Mr. Nehru to say to the people of India? Should he have said to his people you have the liberty to starve? Or did you expect him to make a speech castigating the United States? Or did you expect him to say what he did say: "All right, my dear people, we are facing famine; the best we can do is to depend upon ourselves."

I ask you as reasonable men, what did you want him to say on May 1 in face of complete failure of action on the part of the Congress of the United States? We are disturbed, and rightfully, that Nehru made a fuss over the fact that the Russians had shipped only 50,000 tons of grain into India, on barter, whereas we had shipped hundreds of thousands of tons India bought here. But should we not ask ourselves if perhaps we ourselves invited that very action by the delay on this bill. What else did we expect? Did you expect anything other than implied criticism of our own delays, if delay was wrong? If we feel delay was not wrong, let us not be surprised. Let us be adults and accept the consequences.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. How much excess grain have we in this country now?

Mr. JAVITS. The distinguished gentleman from Kansas [Mr. HOPE] just made a speech a few moments ago in which he said that we are fully able to meet the requirements of this particular bill insofar as grain—grain sorghums, milo, and wheat are concerned.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Ohio.

Mr. VORYS. Some reference has been made as to exactly how this grain will be distributed. It will be distributed through the Indian ration system, will it not?

Mr. JAVITS. Exactly. May I point out to my distinguished colleague from Ohio that we went to the trouble of calling in the United States agricultural attaché in India, Clifford C. Taylor. We were tremendously impressed with him. Mr. Taylor advised us that the rationing system in India was excellent and he proved it in the following way, and this appears at page 37 of the hearings. He said that at one time just to test their rationing system India took off rationing in 1947, thinking if there were any hoarded stocks they would come out in an open market. Nothing more came out. Apparently the rationing system was so good that it was reaching all of the available stocks in the country.

As to distribution within the country, Mr. Taylor testified that he had checked the distribution system in the areas of the country in which it functioned. It covers either in full or in part 125,000,000 people. He was able to vouch to us for the fact that was equitable distribution and that it did fully the job we had a right to expect and that the people would get the grain.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Will the starving people of India be forced to buy this grain or will it be given to them by the Government of India?

Mr. JAVITS. The people of India will buy the grain with money which they either have, because they earn it, or on the basis of work-relief projects which are initiated in India to see that they get the money with which to buy the grain; indigents—and we have had full discussion on that score—are cared for by free grain distribution through governmental channels in refugee camps. In rural areas indigent people are, through long-accepted custom, supported by their own family group, which in turn participates in the rationing system.

In this case we have a loan. And as to what happens to the money the people pay, we hope India will have money enough to make its payments on time.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The money that is received by the Indian Government on the sale of this grain or food in India is then put in a joint account, and it is called counterpart funds.

Mr. JAVITS. Not now. This is a straight loan proposition.

Mr. COX. Mr. Chairman, if the gentleman will yield, the gentleman, of course, has no understanding of the provisions of the bill, as you would judge from that statement; is that not correct?

Mr. JAVITS. I am sorry.

Mr. COX. But he is wrong; is he not?

Mr. JAVITS. On that particular counterpart point.

Mr. FULTON. That was in the previous bill.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Georgia.

Mr. COX. The gentleman is interested in getting food to the hungry people of India or to the people who will become hungry.

Mr. JAVITS. I am interested in relieving the famine situation in India.

Mr. COX. If that is the purpose of the gentleman, why did he not provide, or see that it was provided for in the bill that he is now supporting, that the wheat or the grain or the food that India may need she should obtain from the United States, purchasing it with this $190,000,000?

Mr. JAVITS. As far as the $190,000,000 is concerned, we can rely upon the arrangements between the ECA and the Indian Government to take care of the purchase of as much food grains as America can possibly sell. May I say this, too, there is food grain in essence available primarily only in the United States. The questions the gentleman asks are quite impractical. The grain

surplus is here. The people of India have themselves scratched the bottom of the barrel in Canada, Argentina, Australia, and New Zealand and other areas for grain supply. The only thing the gentleman is thinking about is that they will put this money in their jeans and go into the Soviet Union and give them dollars for grain. Now, that is assuming that there is a surplus of grain in the Soviet Union that they want to sell, but I think we can certainly depend on the Economic Cooperation Administration, run by Bill Foster, to see that no such thing takes place.

Mr. COX. But under the provisions of the gentleman's bill India could spend every dime of this $190,000,000 in purchasing food from Russia.

Mr. JAVITS. Under the provisions of the bill, according to the gentleman, India could use the money for pate de foie gras and truffles. The gentleman is talking about complete impracticalities.

Mr. COX. The gentleman favors the adoption of this bill. Does he expect this to be the only case of this nature that Congress will be called upon to handle?

Mr. JAVITS. I certainly do not, neither does the gentleman or anyone else. The President has already told us that he is bringing in an eight-and-one-half to nine-billion-dollar economic aid bill. May I ask the gentleman this: Does the gentleman want to spend every dollar that is spent to win this struggle against communism with inert and deadly weapons, or does he want to try to win over communism with life-giving goods—with grain as we try to do here?

Mr. COX. I want to end the ECA program that has cost us so much already.

Mr. JAVITS. I want to end the struggle against communism with the decisive defeat of communism, and if that is the difference between the gentleman and I, then I will stand on my position.

Mr. COX. Will the gentleman permit me to propound one more question?

Mr. RIBICOFF. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Connecticut.

Mr. RIBICOFF. The gentleman from Georgia raised the question with the gentleman from New York that he raised with the gentleman from Missouri. At that time I stated for the benefit of the House, and I would like to reiterate that the committee will offer an amendment to clarify any doubt about the money that will come from this loan, to be used first to buy available grain in the United States of America, so that there will be no question about that.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Texas.

Mr. BURLESON. I should like to propound two questions to the gentleman from New York. First, I may have a misconception of Mr. Nehru's statement of May 1. As I understood his speech, what he said was this: He was appealing to the Indian people to go into the far corners and bring out all the grain and all the foodstuffs they had. The impression I got from his speech was that he feels they can take care of themselves. The implication is all through it.

Mr. JAVITS. Let me answer that question, and then we will go on to the next one.

I just pointed out that the frame of reference in which he was saying this was the frame of reference that he had no right to except any help from the United States or anybody else up to that point. And may I point out another thing. The Indian people were getting 9 ounces of grain by way of ration distribution. They have as a matter of life and death to raise it to 12. They still cannot make it. Nine ounces of grain means 900 calories a day. Twelve ounces means 1,200 calories a day. They have alleged that they are going to do it, but they cannot make it. Does not that disprove the idea the gentleman has that some way or other they have scraped up 2,000,000 tons of grain from the corners?

Mr. BURLESON. It is suggested to me that we know more about their conditions than Mr. Nehru knows.

Mr. JAVITS. That is not so, because the Indian Government wants this grain aid urgently. It is continuing to want it up to this very day, and that is known to all who read and listen. It wants it because it must have it to avert famine. Recent food riots in India should certainly be convincing enough on that point.

Mr. CARNAHAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. REAMS].

INDIVIDUAL HELP FOR INDIVIDUALS IN INDIA

Mr. REAMS. Mr. Chairman, the strength of this country is that we have been individual people working under a Government which recognizes and protects and gives dignity to us as individuals. We must keep it that way. But we cannot any longer blindly close our eyes to the fact that even our complex society has reached proportions where individual and voluntary corporal acts of mercy are inadequate. We came reluctantly to the recognition during the depression years of the early thirties that we could not let people in this country starve because the burden on individual charity was too great. It was a very hard decision for many to make, but I suppose there is no one conversant with these facts who now would say that we could have come through these devastating years depending on private charity or individual effort to take care of the hungry people of this great country.

I can still feel the accusing eyes of hungry people in the soup lines at the Salvation Army headquarters and other private charities. I still have a sickening nausea when there comes recollection of those families under the bridge abutments cooking in discarded cans whatever scraps of food they could find over fires of driftwood. Then came Government aid. It was a new venture. It was not well organized at first, but through Government, not individual, action it saved the lives and self-respect of the individual. We are at that position now with India. Members have said our contribution should be individual—if this effort is to be classified as charity. I agree that the instance of the Good Samaritan on the road to Jericho is the ideal—it is being followed today by thousands of sturdy citizens throughout this country who have a concern for these starving people of India. In my own State of Ohio, headed last year by Mr. Frank Farnsworth, a stalwart citizen of the district I have the honor to represent, the crop organization collected from the farmers of Ohio and shipped to the needy people of the world about a hundred carloads of food grain. The individuals in this fine organization, realizing their inability to meet the vast need in India, are urging Congress to pass this bill to send grain to India.

We should frankly face the facts as to what this bill is and what it is not. It is not a club to force the Republic of India to change its laws with reference to its embargo on monazite sands. Under similar circumstances, I believe Americans would be willing to starve before we would let any other nation take advantage of our extreme misery to cause us to violate our principles.

It is not a bribe to get India to take sides with the United States or the United Nations. Of course, we hope and expect that—but loyal friendships are not bought and trusted allies are not bribed—these relationships are earned.

It is not a bankable loan in the sense that we can expect to foreclose on this new republic and its people if it is not paid according to its terms. But it is first a cup of cold water and a loaf of bread to a very hungry and needy neighbor. A neighbor whose conduct we have not approved of as measured by our standard. We do not like some of their associates. We sometimes feel that they should come half way around the world for their pals and forget about those who live in the same neighborhood with them. Some of us do not even like their pets. But as sure as there is a God who controls our destiny the only way these 350,000,000 people of India can be brought to join with us in a program of good will in the world is to demonstrate that we have some love and good will in our own hearts.

Second, it is an opportunity to establish a bridgehead of friendship to a nation of 350,000,000 people who have great world possibilities. Just now we complain of their habits and practices and defense mechanisms. But remember the Republic of India is less than 6 years old. Let us look at the Turkish nation and people—how far they have come in the past 25 years. Given time, friendship, and encouragement India can even exceed the record of Turkey, Japan, or any other Asiatic country in learning the art of making available for its people the rights of life, liberty, and the pursuit of happiness. If the food provided by this bill can help do that every cent is well invested.

The missionaries went into India from a desire from within themselves to help these people. They created a great residue of love and respect among the people of India for America—although covered up with a lot of debris of unfortunate statements by thoughtless public figures in both countries.

Then the American businessman went to India with a desire from without to make money and to extend the benefits of American enterprise to that land.

The opportunity now exists through this food grain to show the people of India that all of America has a concern for them as individuals. We are not trying to change their religion or their form of government. We are not trying to exploit their resources. We are just being the kind of neighbor who deserves their respect and confidence.

This is the only approach which justifies the passage of this bill. It is the only approach which is good business as well as good neighborliness. It is not the act of the shyster who wants to get his fee while the tears are hot but of the lawyer who wants to help to build for his client a fine business in which both can have continued pleasure and profit. It is the approach of the friend and neighbor who expects to live cooperatively alongside another in a very small world for a very long time.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield for a question?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to know how much wheat we have in this country that is available for India or anyone else.

Mr. ALLEN of Illinois. The Department of Agriculture advises we have around 450,000,000 bushels, This bill provides for 2,000,000 tons, or about 80,000,000 bushels. The Department of Agriculture says we have sufficient but not a surplus of wheat. They also say that the winter wheat has been reduced through a disease called mosaic, by 25 percent.

Mr. NICHOLSON. Will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Mr. NICHOLSON. I am concerned about the Government going in on price controls when we have a surplus of things. Is there any reason in the world why we should have price controls on a commodity of which there is a surplus?

Mr. ALLEN of Illinois. Naturally, when you send things abroad, that makes the price of the article higher, because that creates, if not a scarcity, a less amount available with increased costs.

Now, Mr. Chairman, yesterday I said when I first heard about this grant-to-India bill, I was in favor of it because I thought it was going to be a mutual proposition; that the United States had grain which India needed and that they had strategic materials, monozite sand, jute, magnesium, and things that are necessary to the defense of this country. But, as I stated yesterday, even though Mr. Nehru did not ask for any gift, the State Department came in and said, "Regardless, we want to give it you anyway."

Mr. Chairman, on yesterday I also asked certain questions. I asked those questions of members of the Foreign Affairs Committee particularly, and they have gone unanswered—every one of them. I said, "If we do give this grain to India, will the Indian Government trade us strategic material for it, which we need badly?"

There has been no answer to that question.

Another question I asked the Foreign Affairs Committee yesterday was this: "Will the Indian Government, if we give them this grain, agree to fight communism?"

There has not been one member of the Foreign Affairs Committee who answered that question.

Another question I asked yesterday: "If we give them this grain, will the Indian Government furnish troops alongside of our boys who are being slaughtered, 7,000 miles away, on foreign shores?" Yes, American young men who are fighting practically alone.

There has been no discussion or explanation of that by any member of the Foreign Affairs Committee.

Another question I asked: "Will the Indian Government, if we give them this grain, vote with the United States occasionally before the United Nations?" So far to my knowledge they have voted against the United States every time.

There has been no answer to that.

Then, above all, I said: "In the event that the United States gives the Indian Government this grain, will Nehru stop applauding Russia?" You know he opened the Indian Parliament a week or so ago praising Russia but did not say one good word about the United States.

There has been no answer to any of these questions.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. Not now.

Mr. FULTON. Not even for an answer from a member of the Foreign Affairs Committee to your questions?

Mr. ALLEN of Illinois. I will yield later; not at this point. All that has been discussed in this discussion—and that includes the remarks by our beloved Speaker also—is that this is the human thing to do; that the people of India are suffering. That has been the whole argument of those who favor this proposition. There has been no other reason given except the people of India are suffering.

That is true of a billion and a half people throughout the world; they are also undernourished. I say to you the surest way to make an enemy out of any country is to give one nation and refuse to give other nations.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. Not just now. I will yield later.

I will say to the gentleman from New York [Mr. JAVITS] that there are hundreds of millions of people throughout Israel, Egypt, and other such places who are starving. I venture to say there are millions of Americans who are undernourished at the present time. I would say to the gentleman from New York [Mr. JAVITS] that undoubtedly if he will go home to his district he will find thousands right in his own district who are undernourished. One of the things I cannot understand is that there are so many Americans in high official life who, I am sure, spend more time attempting to solve the plight of people living outside the United States than they do in solving our problems here at home.

So it comes down to the question: Why should we help them when they will not help us?

In regard to the remarks of the Speaker, whom we all love and respect, he said if we do not give this to India we will be offending them. Offending them—think of that. Are they not offending us when they refuse to go along with us in this war against communism and aggression? Why are we sending our boys throughout the world to be slaughtered? We are fighting aggression and we are fighting communism.

Has India by any kind of action indicated that they are helping us in our grave hour? Of course not. Our Government is spending billions of dollars. We are a nation with a national debt of $258,000,000,000 and committed to another $100,000,000,000. Our Ways and Means Committee is seeking ways and means to bring in more money. This year we are spending $55,000,000,000 and still running in the red many billions. Next year it is proposed that we spend $100,000,000,000 and we will go in the red again next year $35,000,000,000 and the year after another $35,000,000,000. Notwithstanding that we are raising our taxes, it will still leave a large part of it for our children, our grandchildren, and future generations to pay. Still people insist that we give and give and give.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. COX. I wanted to ask the gentleman from New York [Mr. JAVITS] if he would construe the adoption of this bill to mean that Congress was committing itself to give like treatment to a dozen other nations now sitting on the steps of the Capitol?

Mr. ALLEN of Illinois. That is a good question.

Mr. COX. I wonder if the gentleman agrees with me that the adoption of this bill will mean a vote of confidence in Dean Acheson, and it will be committing this Congress to the support of the Javits plan which will call for about $7,000,000,000 in addition to that already pledged?

Mr. ALLEN of Illinois. I may say to the gentleman from Georgia that that is a very splendid statement, and I am sorry that the gentleman from New York [Mr. JAVITS] is not present to give answer.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I am sorry; I cannot yield at this time.

Mr. Chairman, when we start talking about giving away $190,000,000 to buy this wheat, it means it will require the payment of 800,000 income-tax payers of the United States who are paying $20 per month or $240 income tax this year. As I say, the Ways and Means Committee is working day and night to try to raise money to meet our needs. They even seriously considered a tax of 20 percent on lollipops, bubble gum, and all candies. Still we come in here now and want to give all this money to a nation

that has been against us and still refuses to cooperate with us.

The gentleman from Pennsylvania asked me to yield. I now ask him this question: How are we being benefited directly or indirectly by passing this bill except the satisfaction of relieving starvation in one nation against dozens of other nations whom we also want as our friends?

Mr. FULTON. The gentleman asks me if the United States of America is being benefited?

Mr. ALLEN of Illinois. Yes; except for the satisfaction of having relieved suffering in one nation when there are 20 others appealing for like aid?

Mr. FULTON. The United States of America is being benefited because we are getting an ally that will stand by us if we maintain our high principles, in the event of trouble and world war III. India supplied 2,250,000 troops to the Allies in World War II, had 106,000 casualties, and had 36,000 men killed. Right alongside of our own men in Italy they fought, too.

Mr. COX. Ask the gentleman how many troops they have in Korea.

Mr. ALLEN of Illinois. Here is a question for the gentleman, a member of the Foreign Affairs Committee: Does he not think the Government of India should give us strategic materials which we need and which will go to Russia unless we do get them?

Mr. FULTON. I certainly do believe India has cooperated and will cooperate in this respect. We are friendly peoples at this time—let us not alienate good friends.

Mr. ALLEN of Illinois. Does not the gentleman think that the Government of India should fight communism?

Mr. FULTON. The Government of India is fighting communism right at home, and everybody admits it is doing a good job. Nobody even questions that.

Mr. ALLEN of Illinois. Does not the gentleman from Pennsylvania think the Government of India should furnish troops to fight alongside with our boys being slaughtered 7,000 miles away?

Mr. COX. Will my friend permit the gentleman from Pennsylvania to say how many soldiers India has in Korea now?

Mr. ALLEN of Illinois. None.

Does not the gentleman think that the Government of India should vote occasionally with us in the United Nations?

Does not the gentleman think the Government should compliment us once in a while rather than applaud Russia any time Russia does some insignificant thing like when Russia sold 50,000 tons of wheat to India?

Mr. Chairman, this bill should be defeated unless the government of India trades us strategic material for the grain. Unless India in no uncertain terms agrees to fight communism and communistic aggression; unless India agrees to furnish troops to help our boys in Korea; unless India agrees to vote with peace-loving nations in the United Nations; unless Prime Minister Nehru and other high officials of the Indian Government do not stop applauding the words and actions of the communistic government of Russia.

Mr. CARNAHAN. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Chairman, I rise to add my voice to those of my colleagues who have spoken in support of H. R. 3791, a bill to furnish emergency food relief assistance to India.

The program contemplated by this bill represents statesmanship of the highest order. Furthermore, it is consistent with the history and the record of generous help with which the people of the United States have on many occasions responded to the needs of unfortunates in foreign lands. The bill before us proposes a measure which is in keeping with the highest and finest traditions of our Republic.

From the testimony which has been heard in the House Foreign Affairs Committee, and public opinion as expressed in the press, over the radio, in public forums, and in messages which we have all received from citizens in all parts of the country, it is clear that this bill has the solid support of the people of the United States.

While this response is spontaneous and is founded on the unfailing humanitarian instinct of the American people and their deep friendship for the people of India, it is at the same time based on a realistic approach to the problem of foreign affairs. The Republic of India is a new free nation which gained its independence from colonialism less than 4 years ago following a long period of storm and stress. On January 26, 1950, India was established, under a representative government, as the democratic Republic of India. It is the second most populous nation in the world, with its 350,000,000 people living in an area of a million square miles: Ahead there lies a great future for this young republic, provided that we can demonstrate our friendship when the friendship of the free world is so important to her survival. India is striving for a world of peace and freedom, a world in which its people and all other people may develop their own political, social, and economic institutions. The people and the leaders of India have chosen for their country and for themselves the institutions of democracy. Today the people of India stand between the traditions of our western civilization, on which their institutions are founded, and the ruthless propaganda of imperialist Soviet communism. Hungry Indians, with no food relief to look forward to, are not concerned with ideologies. If we should fail them and the U. S. S. R. should feed them, we will, in effect, have thrust them into the waiting arms of imperialistic communism. This we must avoid, for if we fail India, we fail the teeming millions of Asia who also are looking to us for guidance. The enactment of this bill will serve as a symbol of encouragement and hope to all those people.

I believe that these are fundamentals which the people of the United States clearly recognize. Their first instinct is, of course, humanitarian, but let us not imagine for one moment that they are not as much concerned with the general welfare and security of the United States as is the Congress itself. They know full well that if a starving India should fall prey to the forces of communism, it will seriously threaten the security of the vital interests of the United States in the Far East.

If India is to win her race against starvation, we must act with speed. The target date originally set for the beginning of shipments was April 1, almost 2 months ago. Conditions in India have been getting much worse than expected. Food riots have broken out, and in some areas the government rationing system has temporarily collapsed. The situation is truly desperate. We cannot, we must not, delay any longer.

President Truman pointed out in his special message to the Congress asking for authorization to send relief to India, and I quote:

> It is not our objective in foreign affairs to dominate other nations. Our objective is to strengthen the free nations through cooperation—free and voluntary cooperation based on a common devotion to freedom.

This bill eminently fits into that pattern of our foreign policy, the high traditions of the American people, and the wisdom and foresight of the Congress.

Mr. CARNAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I approach a final decision on the matter of emergency grain for India with considerable trepidation and some misgivings.

If time would permit, and I were inclined to do so, I could offer some five or six reasons why I oppose this legislation. But when I consider it from a humanitarian standpoint, and realizing that America has to have friends today, I come to the conclusion that its benefits outweigh any objection I might have.

In arriving at my decision I am thinking along the same line that the majority of my colleagues in the House are thinking in their decision to support this legislation, and in after months, when I am asked by my constituents as to why I voted as I propose to vote today, I will offer the same explanation as the man did who was brought before the magistrate and charged with throwing a brick through a plate-glass window. The magistrate said, "Sam, why did you do it?" Sam said, "Your Honor, at the time I thought it was the proper thing to do."

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I was one of the original group who became aware of what the probable famine that would come to India as a result of floods and droughts and the youth of her government. As it happened, I had had a good many contacts with Indians for many years. I have friends in India. Some of them are nurses who have been to this country to our schools of nursing; others of them are doctors who have institutions in India. Others are members of various interesting groups.

The first Ambassador from India had a most charming wife, Madam Rama Rau who did much during their tour of duty in the new Embassy to win friends for India. I heard her speak in Cleveland about the conditions in which the

great mass of the people lived, the miracle that the Indian women were trying to do. She had much to say of their appreciation of the generosity of Americans. Among other things, she told of what it meant to the Indian people to have the ambulances and the mobile hospital units that had been sent over. So much could be accomplished, so much could be done that was impossible without them, and in addition, they were the visible evidence that the people of America wanted to help them, to give them hope and courage as well as health. But then she hesitated and said:

> Ladies, there is one thing I think you do not understand and that is the stark reality of the poverty of the Indian people. Much as we need this help you have so generously sent, grateful as we are for this practical evidence of your desire to make these health units available to us, we have to find the money to run them and sometimes it is a very difficult matter.

We realized suddenly that we should have known, should have realized that in a new country so vast as India, poverty is on every hand and that a maintenance fund should have accompanied the gift.

Mr. Chairman, the longer I live and the more I have to do with those great countries on the other side of the earth the more I realize that the Western World has not as yet any real comprehension of the problems and the complexities confronting those new-born nations. It has been my privilege to know some of the men and women of India, to study some of their ancient wisdom, to help in a very small way to build better health conditions here and there. I have the greatest possible admiration for the courage with which they are attacking the almost fantastic problems facing them.

When I learned of the droughts and the floods that had overtaken great sections of the country I was glad to join with the small group of Senators and Congressmen who went to the President and asked that something be done about it.

It had not occurred to us to do anything except make it all a gift out of our plenty toward their need. To me there was an added reason to make it a grant as we had done in Europe so that counterpart funds would be set up, and with those funds India could improve agricultural methods materially.

Into the midst of that particular moment of my thinking came my distinguished colleague LARRY SMITH with the story of two plows brought over from India literally in the hands of two of his friends. One was the very oldest of plows—all wood. The other was metal. These men had told him that with the wooden plow a man could prepare only 2 acres but with the metal he could prepare 10. Perhaps we might have found a way to put metal plows onto the Indian farms. Maybe we can yet. "Plows for India!" That would be a great slogan for some of our generous and practical friends. Maybe we could start something like that. They cost only $2.60.

This noon I was asked, "Why does a man come back from India at this point and say that some of the storage bins are filled with rice and the Government will not sell it?" May I suggest that the Government of India is very aware that there are no refills for those bins and that until there are definite assurances that the pipelines will be kept full from this end they dare not risk having none at all. When they know those bins can be refilled, they can use enough of that rice to keep the people from starving.

There has been asked here on the floor the question, "How is this grain going to get to the people?"

I have here a perfectly fascinating collection of papers and pictures showing the whole process, starting with the arrival of a wheat ship at Bombay and going all the way through, showing the care given the grain, the people queued up at the ration stations, and so forth. If you can pay you pay and if you cannot pay you do not pay. If there is no grain nobody gets any. I think there is no country in the world that has so fair a rationing system and so excellent a system of distribution of the ration food to the people as has India. The big problem is one of keeping the pipelines filled so that they can have something in their storage bins which they can distribute. If there is nothing in those bins nothing can be distributed.

I have here a number of editorials from some of our papers, like the Atlanta Journal and the Louisville Courier-Journal and the Macon Telegraph. They give so clear a picture that I confess I am a little surprised that more of our membership has not benefited from reading them in the Speaker's lobby.

It is asked—why should we do for a country whose spokesman is not too friendly—indeed when he is ungracious.

The fact that we do not agree entirely with the man who happens to be head of the Government was one of the reasons why we originals in this whole matter felt it would be of peculiar importance that the representatives of the people of America should want to do something for the people of India, regardless of the disagreements that might exist between our respective Governments. For that reason we were particularly eager that this gesture and this contribution to their very life should be made.

I want to say this, if I may, Mr. Chairman, I want to remind the House of Representatives of the fact that we have been told in many ways, through many religions, and in many languages, but perhaps most pertinently in our own, that "he who loveth his own life over much shall lose it" and that the only way to retain anything is to give it freely. I am so certain that this is in conformity with a universal law which, if disobeyed, will bring down upon our own heads exactly what we earn by an unwillingness to share our plenty with the starving.

What do you think it means to the mothers in India to read of surplus grains in the United States when their children are starving to death? Does that bring us any friendship? And mind you, I am not buying friendship when I vote for this bill. No, I am doing what I believe to be my human duty to other human beings, and I will do it in every part of the world it is possible for me to do it in and in the best way that it can be done, knowing all the time that unless I possess something I cannot give it away. So I must not be careless lest I have nothing to give.

Mr. Chairman, I feel very deeply on some of these matters because to me the very life of my own country is at stake—the spiritual life of my own country. Without the spirit there is no life. Unless we pull ourselves together, friends, and find again the basic principles of human understanding, the human give and take, the kind of thing that built our little villages in the beginning of our country, we may find ourselves lost. Now there seems to be no time for kindness, for the simple realities of community living. I am certain that unless we know that the universal law of life is a law of giving, that as Walt Whitman said, "The gift is to the giver and comes back most to him," then indeed will our Nation and our people be in grave danger.

I am so certain of that fact that I believe that these deeds come back most to us when we do these things which mean life to the children of tomorrow in other countries, but I am certain also that if we do not fulfill our responsibilities toward those in need across the world our own future is jeopardized to a degree that few of us here today can possibly appreciate.

It is a moment when we as individuals and as a Nation must remember that—

> The earth is the Lord's and the fullness thereof, the world and they that dwell therein.

Now and always it is His world, and all of us are His people. Yes, we must use our best intelligence in all we do. We must not waste, but we must use and with care. Wasteful extravagance, throwing things away, destroying them as we have been doing for the past 20 years, indeed for a century, is also a violation of the law. By what right do we throw out that which would be life to another? We should not forget that everything we eat dies to make us live. What right have we to life? Is it ours, or God's? What right have we to the death of all this that becomes us, unless we use it rightly, unless we share its equivalent that others too may live, and unless we can see clearly through the confusions that are thrown around us on every side, that we have a destiny in the world, that we may not have been fulfilling over well? To me food to India is part of our recognition of this destiny.

The CHAIRMAN. The time of the gentlewoman from Ohio [Mrs. BOLTON] has again expired.

Mr. CARNAHAN. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. JACKSON].

Mr. JACKSON of Washington. Mr. Chairman, I wish to associate myself with the very fine remarks made yesterday by the gentleman from North Carolina [Mr. DURHAM].

As a member of the Joint Committee on Atomic Energy, I have thoroughly acquainted myself with the matter of

monazite sands in India. It is my considered opinion that the Senate took unwise and ill-considered action in accepting the Bridges amendment to S. 872. The amendment is embodied in the second half of section 6 of the Senate bill. The Bridges amendment requires that India use monazite sand and manganese as well as cash to pay for that half of the wheat shipment which is not an outright grant. Now there are certain faults on the face of the amendment—for example, it does not say how much monazite or manganese—but I wish to address myself to a much deeper implication in this section of the bill.

Let us take up the matter of monazite sand first. This sand—and this is common knowledge—furnishes thorium, among other elements. The United States Atomic Energy Commission definitely has an interest in the establishment of an agreement between our Government and the Government of India concerning monazite.

In 1946 India placed an embargo upon the export of monazite. We have done the same thing here in the United States under the provisions of the Atomic Energy Act. The reasons for this are obvious: they have to do with protection of local atomic-energy development, with neutrality factors, and, in India's case, with a desire to handle such a commodity in the best interest of that nation's economic program. In 1947 India made an exception to its embargo. It entered into an agreement with a private French company for the construction of a monazite processing plant in India in exchange for limited monazite shipments to France. I am told, however, the French company has not constructed this plant to date.

I am advised that negotiations between our Government and India concerning monazite are now pending. I have high hopes for the success of these negotiations. We are already receiving important quantities of other strategic materials from India, such as manganese, kyanite and others as a result of private negotiation.

I am convinced from the information I have received that if shipment of wheat to India is made conditional upon the export of monazite to the United States, shipments of wheat will be refused by the Indian Government. It would be refused because such a condition would be considered a flagrant invasion of India's sovereignty and it would seriously weaken the position of the non-Communist Congress Party in India. If the Indian Government were to accede to this provision it would give the Indian Communists (and there are many of them) the best issue they ever had around which to rally support from the Indian masses.

What is important, from our point of view, is that if India should be forced to reject our offer—shipment of all strategic materials to the United States from India might well be placed in jeopardy. Here is a rough idea of important items we are already getting from India through voluntary and amicable negotiations:

Eighty-seven percent of all imports of mica to the United States.

Fifty-five percent of all imports of kyanite to the United States.

Seventy-nine percent of all imports of jute to the United States.

Eighty-nine percent of all imports of shellac to the United States.

Thirty-six percent of all imports of manganese to the United States.

Twenty-nine percent of all imports of castor beans to the United States—for industrial lubricant as well as other lubricant use.

Ten percent of all imports of hides to the United States.

If all these supplies, including monazite, were cut off from the United States, one can see that the latter half of section 6 of the Senate bill is not a help but a terrible hindrance to our defense program. Not only does it prevent us from obtaining strategic materials but it makes us the worst kind of a Simon Legree in the eyes of the world. To insert this provision in the bill is to introduce a strain that completely blocks the quality of mercy in providing a starving neighbor with something to eat.

The inclusion of manganese in the provision introduced by Senator BRIDGES is equally ill-considered. We are already obtaining from 65 to 70 percent of the entire India output of manganese. Does it make sense to introduce an element of compulsion into the India-aid bill in a situation like that? I repeat, this provision may well end the strategic materials we are now getting from India. It will achieve just exactly the opposite result that it intends.

Members of this House have a responsibility—a responsibility to legislate in the long-range interest of our Nation's security, and an immediate responsibility not to handicap and destroy work now being done by the executive branch of our Government. I do not have to dwell on what effect this provision would have on our foreign relations. It would place us in the role of a bully who throws his weight around just to show he can get what he wants even if it is foolish to get it. Is that the kind of an impression we wish to create? Is that the way to win friends and keep our much-needed allies in this highly precarious conflict between communism and democracy as we know it?

This bill is founded on a humanitarian basis—that the American people will not stand by unmoved while millions of innocent people starve in India. It is contrary to the purpose of this measure that we should exact a pound of flesh for that which we seek to do out of our natural generosity.

Think of how Moscow has been interpreting this proposed amendment. Such propaganda opportunities are never lost on the Russians who seek to distort the aims of the United States. I urge the House not to give them further opportunity to distort our purposes.

It is high time we settle down to the gravest responsibility this country ever had—to help establish peace and justice among the nations and, above all, to defend our democratic way of life.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield.

Mr. MANSFIELD. The gentleman knows the further fact, does he not, that as far as manganese and mica especially are concerned, they are extremely rare in this country; as a matter of fact, we do not produce more than 10 percent of our own manganese needs. According to the figures the gentleman has given 36 percent of our total imports of manganese come from India. I believe if the gentleman will go a little further he will find that 36 percent which comes into us represents more than 75 percent of India's production; not only that, but also we are getting it at a very reasonable price.

I think on the basis of the figures the gentleman has given and the statements he has made that our economic relationship with India in regard to these products is a very sound, very fine, and a very good one.

Mr. JACKSON of Washington. the gentleman is absolutely correct.

Mr. COX. Mr. Chairman, will the gentleman yield to me at that particular point?

Mr. JACKSON of Washington. Not for the moment; I wish to comment on the question asked by the gentleman from Montana. The gentleman has made a very fine statement. Here we find ourselves in a situation where we have been getting the vast majority of our imports of these strategic materials from India by private negotiation. That seems to be a pretty effective means of obtaining the materials. I see no reason why we should throw that means of obtaining strategic materials out of the window by adopting a policy of compulsion.

Mr. COX. Now will the gentleman yield to me?

Mr. JACKSON of Washington. I yield.

Mr. COX. Does the gentleman favor extending this loan to India without obligating that country in anywise to make transfers of any of the minerals that she has in surplus and which are in short supply here at home?

Mr. JACKSON of Washington. I may say to the gentleman from Georgia that I have talked about this to one of the outstanding businessmen of this country who is quite familiar with India. He has carried on business negotiations in India. He has also been responsible in large measure for the contracts that have been made for the purchase of these strategic materials. He feels under all the circumstances that the best way to do it is by private negotiation. I have confidence in people who are familiar with the facts.

Mr. COX. Does not the gentleman understand that India has placed an embargo on the exportation of monazite sand and that it is in short supply in this country?

Mr. JACKSON of Washington. If the gentleman followed my statement, I covered that.

Mr. COX. I followed the gentleman's statement, but I did not get the point.

Mr. JACKSON of Washington. I stated that India has an embargo on monazite sands, the same sort of embargo that the United States has on all fissionable material. We have not only

put a ban on the export of it but it can not be owned privately in the United States. It is a Government monopoly.

Mr. COX. Does the gentleman understand that the production of monazite sand in the United States amounts to very little, that there is only a handful to be obtained in Florida and that they are trying to develop it in one of the Middle Northwestern States?

Mr. JACKSON of Washington. Well, I know there is very little of it in the United States and I know that India is not the only country that has monazite sand. As a matter of fact, it can be found in Brazil as well as in India.

Mr. COX. Does the gentleman know that under India's persuasion Brazil has likewise imposed an embargo on the exportation of the sand mined there by an Illinois company at the invitation of Brazil.

Mr. JACKSON of Washington. The gentleman's argument does not quite make sense because here is the United States of America placing an embargo on the very material he is talking about.

Mr. COX. I would think that the gentleman would object to having his argument tested to the full extent also.

Mr. JACKSON of Washington. I take the gentleman's own argument. Is he opposed to the present Government monopoly on fissionable material, which is the law of the land?

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. CARNAHAN. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. COX. I am opposed to letting India have one grain of wheat so long as India refuses to let us have the materials for which she has no use in the world except to convert into foreign exchange and which we need so badly.

Mr. JACKSON of Washington. I will answer the gentleman by saying again that I have talked with a very substantial businessman of our country about this important matter. He is personally familiar with the problem. He feels very confidently that we can get this by negotiation. The past history of negotiation indicates that we can get this strategic material.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from South Carolina.

Mr. RICHARDS. The gentleman from Georgia is talking about getting monazite from India as well as other strategic materials. Is it not a fact that the thing the gentleman from Georgia wants to do will defeat his own very purpose? We will not only get no monazite because it is prohibited from being exported from India but we will not get manganese from India and we are getting 75 percent of it now through negotiation as the gentleman has said. In other words, you will be cutting off the nose of the United States to spite its face.

Mr. JACKSON of Washington. The gentleman is quite right. The moment you introduce the element of compulsion you will run into trouble. We have used the art of negotiation to achieve this vast amount of material which the United States of America is now receiving from India. It is predicated upon the work done by an outstanding businessman. I have faith in our people who are handling the negotiations for this material.

Mr. RICHARDS. The gentleman is a very important member of the Joint Committee on Atomic Energy. Is it not a fact that there has been no shortage in the United States up until this time of thorium coming from monazite sand?

Mr. JACKSON of Washington. The gentleman is correct.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from Montana.

Mr. MANSFIELD. I would like to call the attention of the committee again to a statement I made on yesterday as follows:

> 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.

Mr. JACKSON of Washington. I appreciate the gentleman's fine comment. I may say with further reference to Brazil, so that we may clarify that point on monazite once and for all, that Brazil will agree to the shipment of monazite on a government-to-government basis. Such an agreement, as I understand it, only awaits the establishment of the necessary administrative machinery in Brazil. The trouble has been that an American company that has a monopoly on monazite, has refused to put in a processing plant in Brazil as requested by the Government as they refused to do in India, and that is why we have not been getting monazite from either India or Brazil.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. CARNAHAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, as a member of the Atomic Energy Committee I want to aline myself with the statement made by my colleague on the committee, the gentleman from Washington [Mr. JACKSON], as well as the one made by the gentleman from North Carolina [Mr. DURHAM] yesterday. I also want to make this statement, that the subject of monazite sands is not an important subject to the atomic energy development at this time in the Nation. It is used strictly from the standpoint of certain research, and there are other supplies available. The importance of the monazite sand argument rests solely upon the monopoly by a certain concern in Chicago that has been deprived of its supply of Indian monazite sands, and they have been the ones responsible for bringing the monazite argument into the discussion.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. No; I cannot. I only have 5 minutes.

Mr. COX. Well, I do not blame the gentleman, because that is not true.

Mr. HOLIFIELD. All right, I will yield to the gentleman.

Mr. COX. The gentleman says that the Lindsay Chemical Co. is responsible for bringing monazite into this picture.

Mr. HOLIFIELD. The gentleman named the company. I did not name the company.

Mr. COX. I know, but I know who the gentleman is talking about.

Mr. HOLIFIELD. I am glad the gentleman knows the company.

Mr. COX. I was working on that phase of the case before I knew that the Lindsay Chemical Co. existed.

Mr. HOLIFIELD. Well, I am glad the gentleman is that farsighted.

Mr. COX. If the gentleman would give me time, I would tell the story.

Mr. HOLIFIELD. The gentleman has had more time than I, and I am a member of the committee, and I will not yield further.

On February 8, 1951, the Government of India through its Ambassador, Madame Pandit, requested that the United States assist India in obtaining 2,000,000 tons of food grains to meet an unusual and critical emergency which threatened famine in many parts of India. The formal request stated that India "would greatly appreciate if the grain be supplied on special and easy terms."

In considering this request, an analysis was made of India's ability to pay for this grain. India is a new nation and has many fiscal problems. Her financial resources are very limited. It is very doubtful if India could comply with the previous loan qualifications of the Export-Import Bank. It was therefore thought advisable, both from the humanitarian standpoint and from the standpoint of supporting the new government in India, that the 2,000,000 tons of grain be given to the starving Indian people. It so happened that the United States was the only nation possessed of an appreciable surplus carryover of grain from the previous year's crops.

It should be clearly stated that the starvation threatened in India is not the usual subnormal nutritional threat, which has always existed in India during normal crop years. This is an unusual famine condition caused by unusual floods and droughts in grain-bearing areas. It, therefore, was not the case of ordinary malnutrition which is always present, but malnutrition carried to the point of mass starvation due to the unusual conditions.

Strong opposition arose in Congress against giving the grain to India since they had requested it on a loan basis. This opposition was particularly strong in the House Committee on Rules, and approval of a rule was postponed for several months. The introduction of a bill with a loan provision finally occurred. A rule was reluctantly granted, and although an attempt was made on the floor to defeat the rule, that attempt was badly defeated by a vote of 211 to

13. The bill itself is now under discussion in the House.

In my opinion, H. R. 3791 should be passed. While I am not in favor of some of the public pronouncements of Nehru, and I certainly believe that the attitude of the new Indian Government of trying to appease Russia is a policy which they will sooner or later regret, I still can understand some of the reasons which prompt the weak, militarily and financially speaking, to take such a stand.

The new state of India is naturally somewhat nervous and apprehensive of the strong Communist governments of Russia and China, which lie near its northern border. India's leaders are also confronted with strong political opposition from within. The Nehru government with all its faults is a constitutional government, and it is definitely anti-Communist.

If the Nehru government should fall, it is doubtful whether it would be supplanted by a constitutional government. The chances are that the new government would be a dictatorship of either the right or the left. Under these circumstances, the investment made in supplying grain to millions of starving people in India accomplishes two objectives: that of feeding the starving and that of supporting a free government.

We cannot afford to stand idly by with tremendous surpluses of food while millions starve. We cannot afford it either from a humanitarian standpoint or from the standpoint of world prestige and world security.

World leadership has been forced upon us by developments beyond our power. We are being judged throughout the world by what we do on these great international problems. If we rise to the challenge presented and furnish the world real leadership, we will earn the respect of the rest of the nations, especially those of the free world. If we, through selfishness or lack of vision, fail to furnish this leadership, we will lose their respect and we will destroy their faith in the value of democracy.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As a member of the Atomic Energy Committee, could the gentleman tell us how we in the United States could justify our embargo on fissionable materials, if we are asking other nations to break their embargo?

Mr. HOLIFIELD. I cannot. I say that the sovereignty of India is just as sacred to them as the sovereignty of the United States is to us.

This problem must be viewed, therefore, not only in humanitarian terms, but in terms of effective leadership of world opinion.

I am confident that it is right morally, and right from the standpoint of strengthening the free world, for us to pass this bill and send our surplus food to the starving people of India. I am confident, if we press forward with faith in the rightness of our cause, that the Government and the people of India will be strengthened and will be friendly to the other peoples of the free world when they are needed.

This extension of aid to India is an evidence of our maturity and the acceptance of one of the responsibilities of world leadership.

Mr. Chairman, I want to make one point about this opportunity to come to the aid of the millions that are starving in India. We are not dealing with malnutrition in India as it normally obtains there. This is an emergency that has been brought on by droughts and by floods, which causes malnutrition to advance into the area of mass starvation. So it is an unusual situation and is not the normal situation of malnutrition that obtains generally in India.

Mr. VORYS. Mr. Chairman, I yield the balance of my time to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, the people of North Dakota—that is a great majority of them—disapprove of the appropriations this Government has made to finance loans, which are never paid, and gifts to foreign countries and are disappointed with the money we have sunk in the Marshall plan and in the North Atlantic Pact. They feel that an end must finally be put to the spending of these billions and the increase of our taxes in this country.

But when it comes to feeding the starving, no matter in what country they may be, a different side of spending is realized. When we can do it, the people of North Dakota will be first to share their food with starving people. The feeding of the people of India for which this appropriation is asked, is not a war measure; it is not a gesture to secure support from India, it is a cause which appeals to humanity.

I am well aware of the action of India in these troubled times; I know they do not support us in the U. N.; I know they will not send any troops to aid the U. N. cause in Korea; I know they will appease Red China and Russia to any extent of which they are capable, and if I could retaliate against that Government, I would do it. We cannot retaliate against that Government without abandoning the people in it to starvation; and in the year of our Lord 1951, it would not be a thing a Christian nation should do, when it has the means of allaying that hunger and death.

To some it may seem that we shall never get anything back for this act or even any credit for it, but still it is the Christian thing to do. Maybe the benefits of this Nation will return a hundredfold by our following the right thing regardless of all consequences. It will surely be a demonstration to the world that there is at least one nation on earth that is not seeking pay for the good things it does.

We have given away billions for a lesser cause; we have poured billions into the British Empire until every baldheaded man in England is fitted out with a toupee paid for by the people of the United States. Along with these toupees we have thrown in, with reckless abandon, false teeth and eye glasses, while we have thousands in this country who have to go on through life baldheaded, toothless, and unable to see where they are going.

You say, we only loaned this money to England. Well I wish some intelligent economist in this House would tell me the difference between a gift and a loan which never will be paid. England has not paid anything on World War I yet, well on this I will say that England's intentions were good. We made an adjustment with her and canceled the principal if England would pay 2 percent on the interest. She accepted the offer—who would not?—but stuck us again. She did not have the 2 percent so she gave us a note for that, and up to this minute she has not paid that note and, as I surmise has no intention of doing so. So while we collected that 2 percent interest we received no money but another note. In other words, she paid nothing and increased her note to us.

In this aid to the hungry people of India I dislike to assume it is a loan—in the end it will be a gift and why leave any cause to charge us with being a shylock. The issue with me is to feed India with a gift of 2,000,000 tons of wheat, or refuse to do it. Forget the loan and not stir up in the minds of the people of the United States that we are making a good hard banker's bargain, when we know all the time we are making a gift. We are exercising charity so why make it appear as anything else.

There is only one condition I would require in aiding India. I would so word the gift that the 2,000,000 tons of wheat had to go to the starving people and not into the treasury of the Indian Government, or into the hands of food speculators similar to our experience in Greece. We should preserve the right in this appropriation to have a representative of this Government check the distribution of this food and prevent speculators and the Indian Government itself from profiting on the misery of her own people.

I have voted against all appropriations for the Marshall plan and for the North Atlantic Pact and every other appropriation intended to buy friendship, but I have never refused to vote for an appropriation to alleviate the suffering of starving people no matter where they are. The first-named appropriations went to support a policy—which I thought wrong—the last is an appropriation in the name of Christian principles of humanity. Remember that a good deed is never lost—it lives—and will come back to the doer a hundredfold.

While we have had experience in making these loans, we have never collected any of them except from some little countries.

Mr. JOHNSON. What about Finland? They have paid every dollar of their debt to us.

Mr. BURDICK. I was going to say a couple of the smaller countries, probably the least able of anybody to pay, have paid their debts to us.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. VORYS. I do not think the gentleman quite does justice to India by blaming her for all of the habits of the

British. The Indians have never yet defaulted on an international loan that I know of. They have the resources to pay the loan. I do not see why, if they remain independent, they will not pay. It seems to me a little unfair to blame them in advance with a lot of the frailties of our European neighbors when they have never yet exhibited those frailties.

Mr. BURDICK. I am a follower of Patrick Henry, and he said "There is no way of judging the future except by the past."

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Do you not think we ought to give India an opportunity to prove whether she will or will not pay? It is such a young and new nation that it has never yet had an opportunity to fall down on meeting any of its obligations as have other nations. But just give India the opportunity and the time and she will probably default like her foster father, Great Britain, has defaulted on every loan we have ever made to it.

Mr. BURDICK. I do not think you will be disappointed. But I do not want to fool the American people right now into making them believe that we are making a loan. I am in favor of giving India the money to stop starvation. I will vote for what we have—it is not the way I wanted it, but I do believe that the way you have hedged this in in the bill is a good thing. You are not going to send any wheat over there which is going to interfere with the necessary supplies for this country because it provides in the bill that you cannot do that. Some might think I am in favor of this bill because I represent the wheat growers of this country, and that we are trying to get rid of some of our surplus, but that is not the case at all. We do not have very much surplus wheat in this country when you take into consideration the short crop which is coming up in the soft wheat belt. We better not talk too much about surpluses until the end of the season comes around.

Here is one thing I want to let you know—this Government has not spent a dime in supporting the price of wheat in America. It has not cost the Government a nickel. The fact is they have made $49,000,000 by having the price support on wheat because the world market price of wheat has been ahead of what the farmers received all the time. I hope no one, and especially no one in the State of North Dakota, who happens to read what I have said, will draw the inference that we are selfish about the matter. I understand, and I believe I have reason for so understanding—or at least I can say I am satisfied that India is not going to vote with us in the United Nations. I am satisfied that India is not going to send forces to help us in Korea.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. COX. Is it not the conviction of the gentleman that India is pro-Communist and pro-Russian?

Mr. BURDICK. No, and I will tell you why. India will never be Communist, because communism strikes at two things—it strikes at capitalism—that is No. 1. The next thing it strikes at is religion, and you cannot do anything with the Indians when you attack their religion. I think they are perfectly safe so far as that is concerned.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I am the most yielding man you ever saw.

Mrs. ST. GEORGE. I am delighted to hear that.

The gentleman, and many of the other eloquent speakers this afternoon, has given the impression that the United States has sent absolutely no grain to India. Is that the gentleman's conception, that we have sent no grain to India?

Mr. BURDICK. I was trying to find these sheets but you interrupted me and I confess I missed your question.

Mrs. ST. GEORGE. I happen to have been in touch with the Department of Agriculture this afternoon. I understand that during the last few months we have sent a considerable amount of grain to India. I do not understand we have been thanked for it, although Russia who has sent far less, has had very generous thanks and has been given great publicity. I understand we have shipped over 400,000 tons, which is a considerable amount. It seems to me we are rather at fault in not publicizing that fact. Of course, I realize we do not want to be thanked for our generosity. We are accustomed to being kicked in the teeth for giving away things, but I do think it might be well to publicize having given this wheat.

The CHAIRMAN. The time of the gentleman from North Dakota [Mr. BURDICK] has expired.

Mr. CARNAHAN. Mr. Chairman, I yield 8 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, it is very difficult to follow the genial gentleman from North Dakota [Mr. BURDICK], for whom we all have the greatest affection and respect.

I was interested in the fact, however, that he based some of his conclusions on the bad record of Britain. I would like to point out that until there was a collapse of the inter-allied debt structure throughout the world in the early thirties, Britain did not default in a single interest or principal payment due the United States. No private loan to Britain has ever been in default. However, that is not relevant to this question.

It seems altogether appropriate, whichever side we take as to the India problem, that there be continued reference to our religious ideals. I know that those opposing this bill are as charitable-minded as I, and in the presence of suffering would exhibit personal generosity. Whatever I say about the wisdom of the generous policy by our Government, I am sure that anybody with whom I differ will understand that it is not an indictment of viewpoints.

However, the gentlewoman from Ohio [Mrs. BOLTON] put her hand upon something that is basic in this whole discussion. It is that America, a favored nation, cannot stand before the world with a surplus of food and let millions die for lack of it. We do not want an adverse judgment of history to be imposed upon us.

I do not know whether Mr. Nehru is a sound leader or not. I know that I disagree with some of his utterances, but I am sure I do not understand the Orient as well as I might. I am willing to grant that judgments should be reserved on some points as the new republics mature. We must be patient and tolerant for in the fundamental struggle they are on the free world's side. There are other sources of information than Nehru's speeches, statements that cannot be questioned that the situation in India is desperate.

In the final analysis, the vote of this House will rest upon that fact; that is, if we do not send grain, millions of people in India will die. I do not know how many. There is some question about that, of course, for disease factors enter the calculations. It is true that there is always some suffering in India, but it is not true that this is a normal condition or a continuing situation. We have an emergency to deal with. Let us make no mistake about that. It began with an earthquake, followed by floods, then a drought in another part of the country, and finally the locusts. India has had a series of disasters that should win the sympathy of the American people. The hunger of masses of her people is appalling.

Here is one basis for the insistence that hunger is widespread; it is a letter from the executive secretary of the Agricultural Missions, Inc., founded by Dr. John R. Mott. On its board of directors serves my good friend, a Member of this House, the gentleman from New York, RALPH W. GWINN. I refer to that because it is a leading organization in the field of missions. This is what one of the missionaries says:

> We are nearing the end of February, but it looks like the height of the dry summer season. Our monsoon failed in October-November for the fourth successive year. We have not had a drop of rain since November 17 and things are dry, terribly so. We have installed a third Diesel oil pump in a desperate attempt to raise as much food as possible, since grains are so difficult to get to feed man and beast. Naturally the income from our farm has been affected very badly, and a serious financial situation faces us as it does all farmers in south India today. We do not know where we can find fodder for our cattle. We would like to sell some of our dairy stock, but prices are so low due to the fodder scarcity that we hesitate to "give them away," having spent so much time and money to breed and raise them. Food for our workers and students is no less desperate. I can assure you that the 2,000,000 tons of food India hopes to get from America is indeed badly needed. We have never faced a more desperate situation. The coming 4 or 5 months will be dreadful, we fear. I can see nothing else than sheer famine, starvation, and death for man and beast unless help comes and soon. It is impossible to exaggerate the staggering need.

So we are not depending upon the representations of Nehru for the conditions which the House Foreign Affairs Committee presents to this House in a plea for this loan for food.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. BROWN of Ohio. As I understand, the gentleman's argument is, and I am sure the gentleman attempted to justify it, that India needs this wheat for her survival; is that correct?

Mr. HAYS of Arkansas. For the survival of her people.

Mr. BROWN of Ohio. Well, the survival of her people. The United States of America needs this monazite sand from which thorium is derived, and manganese for our survival in a dangerous war. If that be true, what would be unChristian in having a little cooperation and understanding that we furnish the wheat and the food that India needs for her survival, and in return that India furnish us manganese and the monazite sand we need for our survival? Thus both these great nations can survive.

Mr. HAYS of Arkansas. I get the gentleman's question and I think all the Members understand it. It is a question that may represent our differences, and the differences are not substantial unless the House feels that we should tie the hands of our negotiators. On yesterday the House received accurate information on this subject from the gentlemen from North Carolina [Mr. DURHAM], and others serving on the Joint Committee on Atomic Energy. I hope by this time it is clear that while we are entitled to ask India to meet our needs in such respects as she can, we should not place our negotiators in a position in which the whole transaction will fall if we are not able to induce India to meet all of the requirements of a rigid amendment. In that case we would lose minerals, India the food.

Mr. BROWN of Ohio. On that point may I make an observation?

Mr. HAYS of Arkansas. I cannot yield further; I am sorry.

I hope that when we get into a discussion of that question the House will hear us dispassionately; and, although we may have exhibited emotion about human suffering, I trust that our efforts will be regarded as consistent with our desire to protect our own country. If, as the gentleman from Ohio says, we can in this transaction secure a continued supply of manganese, or if India is in a position under her policy to give us other strategic material, then it is to our interest to do it. But we must not exploit suffering and widespread hunger, and we must not put the ECA that negotiates the terms in the position of turning down the plea for food.

Mr. CHATHAM. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. CHATHAM. For the RECORD, is it not true that the vice chairman of the Joint Committee on Atomic Energy, the gentleman from North Carolina [Mr. DURHAM], said yesterday that in our domestic monazite sands, production is scheduled to exceed domestic consumption of end production by the end of 1951?

Mr. HAYS of Arkansas. That is correct.

Mr. CARNAHAN. Mr. Chairman, I yield the gentleman one additional minute.

Mr. HAYS of Arkansas. Mr. Chairman, may I just take this concluding minute to highlight the point that has been made. It is repetitious, but this is one of the fateful periods in human history and I believe, if I might speak with conviction, that much depends on the decision of this House when we take the final vote.

There is a precedent for this assistance. It is not the first time that the American Congress has been asked to send food to starving people. In 1921 the people in the Valley of the Volga River, millions of Russian people living under a communistic regime, asked for help and we sent it.

In 1924 the victims of an earthquake under the Government of Japan, a rising power that undertook to destroy and to enslave us, the millions of victims of an earthquake asked the United States for help and we sent it.

On many occasions the United States has been asked for help by the stricken people of Germany, those who rose against us, and because we did not propose to let suffering people die, we sent them help.

To the people of China, the flood sufferers in the valley of the Yangtze we have extended aid on more than one occasion.

We should be no less generous with the people of India.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "India Emergency Assistance Act of 1951."

Mr. COX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cox: Strike out all after the enacting clause and insert in lieu thereof the following:

"That this act may be cited as the "India Emergency Assistance Act of 1951."

"SEC. 2. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized and directed to provide emergency food relief assistance to India on credit terms as provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended (except that such credit terms shall provide for repayment by India of the entire principal of, and all interest on, any credit so extended not later than 6 years after the date on which such credit for India is established), including payment by transfer, or otherwise, 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; such transfer of materials to include the immediate and continuing transfer of substantial quantities of monazite, beryl, raw jute, and cyanite. The Administrator is authorized and directed to issue notes for this purpose from time to time during the fiscal years 1951 and 1952 in an amount not to exceed $190,000,000 for purchase by the Secretary of the Treasury who is authorized and directed to make such purchases; and in making such purchases, the Secretary of the Treasury is authorized and directed to use, as a public debt transaction, the proceeds of any public debt issue pursuant to the Second Liberty Loan Act, as amended: *Provided*, That with respect to the procurement of any agricultural product within the United States for the purpose of this act the Secretray of Agriculture shall certify that such procurement will not impair the fulfillment of the vital needs of the United States: *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.

"SEC. 3. Notwithstanding the provisions of any other law, to the extent that the President finds that private shipping is not available on reasonable terms and conditions for transportation of supplies made available under this act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $20,000,000 to the Department of Commerce, in such manner, at such times, and in such amounts as the President shall determine, for activation and operation of vessels for such transportation, and these advances may be placed in any funds or accounts available for such purposes, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose: *Provided*, That pursuant to agreements made between the Reconstruction Finance Corporation and the Department of Commerce, the Reconstruction Finance Corporation shall be repaid without interest not later than June 30, 1952, for such advances either from funds hereafter made available to the Department of Commerce for the activation and operation of vessels or, notwithstanding the provisions of any other act, from receipts from vessel operations: *Provided further*, That pending such repayment receipts from vessel operations may be placed in such funds or accounts and used for activating and operating vessels."

Mr. COX. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Chairman, I have asked for this extension of time because I have not had an opportunity to address the House on the merits of the bill. The Committee on Foreign Affairs came before the Committee on Rules and asked for 2 hours general debate. That committee extended the time to 6 hours with the understanding that the opposition would have some time. I was not able to get one minute.

Mr. Chairman, I intended to offer as a substitute for the pending bill with some changes the bill recently turned out by the Senate which, in my judgment, is a very great improvement upon the House bill, but that bill deals with matters extraneous to the pending bill and therefore ran into the trouble of being subject to points of order, and because of that I have offered the substitute which is now before you.

Mr. SMITH of Virginia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eleven Members are present, a quorum.

Mr. FULTON. Mr. Chairman, will the gentleman yield for the purpose of correcting a statement?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am concerned about that because I have tried to be fair, and if the gentleman asked the Committee on Foreign Affairs for time, I did not know it or I would have given him part of my time.

Mr. COX. I thank the gentleman. The gentleman is always clever, and I appreciate it.

Mr. Chairman, the committee will observe that this substitute now before you having been offered by myself is the committee bill with two changes. On page 1, line 9 of the bill after the word "amended"—and if you have the bill before you I beg of you to refer to it—this additional language is proposed to be inserted "except that such credit terms shall provide for repayment by India of the entire principal of, and all interest on, any credit so extended not later than 6 years after the date on which such credit for India is established."

On that phase you will recall it was developed in the debate that the Committee on Foreign Affairs originally reported a bill to make a grant of 2,000,000 tons of wheat to India, and they made it a grant upon the ground that India could not pay for the wheat. If you will look to the report filed by that committee you will find substantiation for that statement. Then later they came back with the bill that is now before you to make a loan of $190,000,000 to India and they take the position that India's resources are sufficient to make India a good risk, and therefore the transaction is a bona fide one, that the loan is a good loan, and that the loan will be repaid.

The Secretary of State took the position that while India had the resources with which to pay the loan they ought not to be pledged because it would embarrass India's qualifying for an industrial loan, which, incidentally, I should like again to inform you is for three-billion-eight-hundred-million-odd dollars, the greater portion of which she expects to get from the Export-Import Bank.

Let us go to the second amendment to the committee bill. On page 1, line 10, after "by transfer" insert a comma and the further words "or otherwise." That is a minor amendment, and I will not dwell upon it.

Then there is an amendment on page 2, line 3, and this I do believe to be of great importance. It was a point that was discussed at great length in the Senate. It was the Bridges amendment, which was adopted overwhelmingly. The language is this:

> Page 2, line 3, insert before the period a semicolon and the following: "such transfer of materials to include the immediate and continuing transfer of substantial quantities of monazite, beryl, raw jute, and cyanite."

I cannot conceive that this Committee would for a moment consider making a loan of $190,000,000 to India without at the same time at least making some effort to assure India's repaying the loan.

You have heard advocates of the pending bill tell you that calling it a loan is a subterfuge. One of the last gentlemen making a speech supporting the bill, the gentleman from North Dakota, said that if you thought you were going to get payment of a dime upon this transaction you were fooling yourselves. So there you have it.

I want to inquire why there can be any possible objection, other than that offered by the Secretary of State, to requiring India to send us some of the minerals she has, some of the jute fiber she has, and which are in short supply in this country, we having no fiber and little of the monazite sand about which you have heard much.

Let me tell you just a bit about this particular commodity. India is the main source of monazite sand. Her production is larger and the quality is better than that produced anywhere else in the world. Next to India, Brazil has the greatest quantity. There is none in the United States except a little which is found in Florida which only amounts to a handful, and I believe it is in Nevada where they are undertaking to develop mines. But it is believed that it will take 2 years or more before it will be possible, even exerting our effort to the maximum, to get enough monazite to meet the requirements. India, I say, has that sand. She has it mined now. It is sacked and stacked up in the thousands and thousands of tons. But Russia came into India, and Russia dominates India, make no mistake, my friends—Russia came into India and influenced India to lay down an embargo against the shipping of that sand. That was not all. Indian representatives went to Brazil and influenced that country to lay down a like embargo— an embargo upon the sand which is mined by an Illinois company at the invitation of Brazil.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WHEELER. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. I thank my friend.

Mr. Chairman, I do not want to impose myself upon the committee, but some of these things ought to be cleared up. This Illinois company which is the principal chemist in that field made an investment above $400,000 in Brazil and at the insistence of Brazil, but because of the interest of India the investment of more than $400,000 is a total loss unless the company can export the monazite sand. Monazite sand is a vital and necessary materal. Almost the entire output of the products of this Illinois company is taken by the Atomic Energy Commission. It is important. It is of no use to India except as she can convert it to foreign exchange. Something has been said about India wanting to process this sand herself. An endeavor has been made to coerce—mark you—an endeavor has been made to coerce and to drive this Illinois company to go into India and develop such a plant. The development of such a plant there would mean the dismantling of the plant which is operating in this country. The operation of such a plant in India would be an economic impossibility. Into the plant of the chemist to which I have referred, there rolls every morning acids and alkalis totaling 400,000 pounds. India produces few of these acids. She produces none of the alkalis. She cannot process the sand. She entered into an agreement with a company in France. They found it likewise impossible to process the sand on an economic basis. But even since the laying down of the embargo India has exported certain quantities of the sand to a French company, whose name I could give, and with which there was formerly associated an outstanding French Communist. My dear friend, the gentleman from Massachusetts, made a very emotional speech this morning, to which I responded. I want to say to you we cannot legislate upon the basis of emotion alone. He said he was in favor of something, and I want to join him and say, too, I am in favor of something. I think the one-worldism which we have been practicing has carried us to a dangerous extreme.

I do not see that it is possible for us to hold together and be a solvent, strong country, if we continue to carry on this give-away program. Yes, I favor something. I favor keeping flying the flag above the dome of this Capitol, which gives itself in complete fullness to the winds of God that blow. We must give some consideration to the ability of our people to carry on in this proposed fashion. I want to tell you here and now that if we ever mean to bring to an end this give-away program, here is the place to start.

I have asked this question and have had no answer from members of the committee, "Will the adoption of this bill mean this Congress committing itself to a give-away program that has already been outlined and which is being engineered by a Member of this House, that will call for the additional expenditure of in excess of $7,000,000,000?" Are you for that sort of program? Are you prepared to make that kind of pledge? It is your problem. This is your country. My concern in its preservation is no greater than yours. Let us come together as responsible people, with a common concern, and make a decision that represents sanity, patriotism, and a concern for the solvency of this Republic.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

I have listened with a great deal of interest to the remarks of the gentleman from Georgia [Mr. Cox] yesterday and today. I notice his complaint that he was given no time under general debate on this bill. I recall that on yesterday when we were considering the rule he monopolized more of the time than any other Member. Not only that, but when the chairman of this committee, the gentleman from South Carolina, went to

ask him for time he refused him and said he had none. Later, of course, he offered to give him 4 minutes, but then it was too late.

The gentleman from Georgia is making a great to-do about a give-away program. I should like to call to his attention the fact that I was one of those who opposed the original India-aid grant bill, because I felt that we should report out this measure on a loan basis, due to the fact that the Indian Government had asked for assistance on easy terms. Now the gentleman comes in, if I understand his amended bill correctly, with a new bill. Does this House not realize that he and his group are responsible for the bill which is before us at the present time? The Rules Committee turned down the original bill, and they told the Foreign Affairs Committee the kind of bill they would accept, and that is the kind of bill they got, a bill which calls for a loan, a loan which I understand will be worked out between the Indian Government and the ECA, a loan which the gentleman from Georgia wants to cut down to a 6-year basis and to which he wants to add certain amendments. I wonder if this House does not know by now what this particular substitute means. We are dealing with a new country, a country which has been in existence only a few years as a free nation. Here we are dealing with a third new bill on this subject, while we are discussing the terms laid down by the gentleman from Georgia in defiance of the wishes of the committee which brought out this bill. He brings up the question of monazite. I never heard of this mineral, or rare earth, until lately. The gentleman brings up the question of manganese. I know something about that, because it happens that in my State of Montana 90 percent of the manganese produced in this country is mined; but 90 percent is not a great deal, because all we can do at our very best is to supply 10 percent of our national needs. The gentleman brings up the question of manganese and says we should put clauses in this bill to make certain that the Indian Government will ship us manganese. They are shipping us approximately 40 percent of our total imports and needs. They are shipping us in excess of 75 percent of the manganese which they produce. These figures have been brought out by the gentleman from North Carolina [Mr. DURHAM], by the gentleman from Washington [Mr. JACKSON], and the gentleman from California [Mr. HOLIFIELD], all members of the Joint Atomic Energy Committee.

Now we come to the question of monazite. I have read twice, and I am going to burden this Committee again by reading a third time just what the Bureau of Mines has to say about this particular substance, this substance which the Indian Government, I understand, has put under its own control just as we have put certain rare materials in this country under our own sole control. Here is what the Bureau of Mines says about monazite:

1. 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.

I should like to call to your attention that one of the arguments used against the present bill is that in view of our interest in a monazite supply and India's interest in a food supply reciprocity is not an unreasonable requirement. Reciprocity is never an unreasonable requirement. But, Mr. Chairman, this is a loan; it is not a give-away program as far as I am concerned, and I expect the Indian Government to repay this loan if the bill is passed.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the gentleman from Montana may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MANSFIELD. Mr. Chairman, I repeat that as far as I am concerned this is a loan; it is not the beginning of a give-away program for India or any other part of the Middle East. This measure is being advanced in good faith, and I am quite certain on the basis of the Indian Government's request for easy terms and assistance at this particular time that it is their intention to repay this loan as its earliest convenience.

I have heard some remarks about an American concern being interested in monazite in India. I have also heard members of the Atomic Energy Committee, Members of this House, state that at the present time negotiations are being carried on between this company and the Indian Government and between this company and the Government of Brazil. In both instances it appears that a favorable reaction can be expected; and on the basis of negotiations voluntarilty entered into, not forced upon a government or a company, that it is possible that an agreement might be worked out. So when we consider these things let us look at the factors truthfully; let us not only recognize the humanitarian aspects of the people who are starving, of people who are the victims of drouth and famine, of the people who do need help, but also let us look at it from the practical viewpoint of the assistance which India has rendered to this country. Remember the amount in percentage of kyanite that we get from India, the manganese and mica and other minerals of which we are in short supply and all of which we need; think seriously of the economic relationship which now exists and let us defeat this amendment offered by the gentleman from Georgia and keep that economic relationship on a high plane.

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Joint Atomic Energy Committee I have made a special effort to look into the monazite question. I have tried to find out the significance of the Indian embargo to us. I have tried to find out what our real needs are for monazite and for the thorium and rare earths which can be extracted from it. I have tried to find out what other sources we have besides India and what our own production is and what we can produce should the need arise. I have also tried to find out what portion of our annual consumption of rare earths is for our defense efforts in contrast with our ordinary commercial needs.

The facts on this important matter have been stated by the gentleman from North Carolina [Mr. DURHAM], the distinguished vice chairman of the Atomic Energy Committee. I agree with the clear and pointed statement which he made yesterday and wish to underscore it by telling you what I have found out. In the first place, I think it is significant that despite the fact that India has embargoed monazite shipments since 1946 we have been able to fill our needs from our own resources and from imports from Brazil. In the second place, I want to tell you that although thorium and rare earths are important to our defense effort and this problem must not be neglected, their importance has been greatly exaggerated by persons lobbying Members of the Congress on this matter and by Members arguing for a monazite amendment to this bill. As to thorium, the distinguished vice chairman of the Atomic Energy Committee has already pointed out that at present thorium is not used in our atomic energy program except on an experimental basis.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Georgia.

Mr. COX. Did I understand the gentleman to say something about lobbyists being up here lobbying for some part of this bill?

Mr. PRICE. I made a statement to the effect that Members of Congress have been contacted at great length on the question of thorium.

Mr. COX. Has the gentleman overlooked the fact that the State Department has had five up here every day since consideration of this bill started?

Mr. PRICE. I am not entering into that argument with the gentleman from Georgia. I say there probably have been discussions on both sides of the question. I was referring to those who have been talking about the question of monazite.

This does not mean that we are uninterested in monazite. It does mean that there is no need for us to be stampeded into a foolish amendment which could only hurt our relations with India and could not help us to get the monazite we want. It means that we have time to work out our problems on a decent, sensible basis as one free nation does with another.

Now, as to the rare earths, I have been under the impression that great quantities of rare earths are currently needed for our defense program. This impression has certainly been given by lobbyists for this monazite amendment and by some Members speaking for it. I find,

however, the facts do not support this allegation. It is probably impossible to determine the exact quantities of rare earths which are needed for various items used in our defense effort since some comes in through commercial channels, but it is the belief of persons who are best acquainted with this matter that the use for defense purposes is a relatively small part of our total consumption. The use of the remainder for nondefense purposes is also not entirely clear, but some idea of it can be gathered from the fact that a spokesman for the industry which makes flints for cigarette lighters has declared that 90 or 95 percent of cerium salts, the major one of the rare earths, is used in the lighter flint industry. Now I do not mean to say that the lighter flint industry is not a respectable one or that you would not be inconvenienced if we had no lighter flints, but I do mean to say that this is the sort of situation which would make it laughable if it were not tragic that there should be a serious proposal that we should not send food to India to prevent perhaps millions of people from starving unless India will send us monazite to make lighter flints.

The real significance in the fact that the use of rare earths is a relatively small part of our total domestic consumption comes from the fact that our domestic production in the last 2 years has already been about 30 percent of our total domestic consumption. It is not necessary to assert whether this will cover all of our defense needs or not, because we already know that this year the stepped-up rate of our current production is nearly twice what it was last year and will be in the neighborhood of 60 percent of our consumption last year. I cite these figures because they show very clearly that if we need to we can meet our defense requirements for rare earths out of our own production. I do not think this will be necessary though because we have until recently been receiving a substantial supply of rare earths from our friendly neighbor Brazil and there is no reason to believe that the current discussions between our State Department and Brazil will not succeed in continuing this supply.

My conclusion from these facts is not that we should give up our efforts to make arrangements with the Indian Government. What I say is that this is a separate problem. It is the kind of problem which has been handled with complete success on such important raw materials as manganese and mica and others. It is the kind of problem which should be approached on the basis of friendly negotiation. We all know that the Indian people have just achieved their independence after hundreds of years of colonial status. We all know that they are just as jealous of their independence as we are of ours. We have only to think how we would react to a demand of the kind which this amendment would propose if such a demand were made on us. The sensible thing to do here is the American thing: Vote this bill without any gratuitous, insulting, demeaning amendments. Vote it as an act of humanity in the American tradition. Vote it as a matter of American self-interest in the stability and progress of a nation of 350,000,000 people—the largest free nation in Asia—and then let our representatives sit down with the Indian Government in a calm and friendly negotiation.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to get a little light on this subject concerning which I frankly feel I am somewhat confused in view of the opposing statements as to the situation so far as monazite is concerned from the various people who have spoken with some authority here. In the first place, I want to make it very clear that I am definitely in favor of doing all within reason to provide humanitarian needs, that I am in favor of helping the people of India take care of their starving people, and if we can do it we should.

Now, on this question of monazite, whether or not it is important, and how much we are getting of it, I have a letter here that I think will be of some help in clarifying the point. I think we should know the facts so far as our sources are concerned and just how much reliance we can place upon statements that are not supported by facts. This letter was addressed to me on March 2, 1951, by the Munitions Board, by Mr. E. J. Lintner, and was in direct response to an inquiry regarding our monazite situation:

DEAR MR. KERSTEN: In reply to your letter of February 28, 1951, we are only too glad to supply you with the following information regarding monazite.

Monazite was included in the original group of critical and strategic materials covered by Public Law 117, June 7, 1939. The derivatives of monazite have a number of direct and indirect military applications, such as those in searchlight arc carbons, portable gasoline lamp mantles, radio tubes, radio condensers, aerial photographic lenses, optical glass itself as well as a polishing medium for the 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. Normal United States annual requirements amount to approximately 3,000 tons of monazite. * * *

The principal world sources of monazite are India and Brazil. Small quantities are produced in the United States (Florida and Idaho). For the period, 1940–50, we produced approximately 4 percent of our total requirements, the balance being made up almost equally by India and Brazil. It is apparent therefore that we depend very heavily upon imports.

In 1946, India placed an embargo on the export of monazite. However, we received a few hundreds tons in 1947, but nothing more since that year. In the last quarter of 1950, exports of monazite from Brazil were prohibited by executive decree. A bill that was signed by President Dutra on January 15, 1951, made the executive decree final.

In other words, our Brazil source was shut off at the beginning of this year.

The State Department is making every effort toward correcting the situation with the above countries.

I interpolate, I certainly hope they are.

Then there is a deletion of another portion of this letter for security purposes, and it closes:

In an effort to improve the stockpile position, we recently changed the purchase specification to cover not only monazite but also an ore known as bastnasite, that is found in California, Nevada, and the Belgian Congo, and the derivatives of these ores. These measures, however, will prove of slight help and our only hope of ample supplies will continue to be the existing world sources.

I have attempted to cover all the points raised in your letter and if there are any further questions, do not hesitate to let me know.

Sincerely yours,

E. J. LINTNER.

If we are to rely on our Munitions Board, we presently depend heavily on foreign sources for monazite. To those gentlemen who get up here and say that this is not so important, I say that your Munitions Board says otherwise. If we are to give the State Department in our argument and our debate here the idea that we are not too much concerned about it, here is the Munitions Board that says we are concerned. They are strategic materials, and we definitely depend upon foreign supplies.

Now, gentlemen of the Committee, what are the facts?

Mr. McCARTHY. Mr. Chairman, I move to strike out the last word, and rise in opposition to the amendment.

Mr. Chairman, Stringfellow Barr, former president of St. John's College in Annapolis, has recently published an article, Let's Join the Human Race. In his introductory paragraph, he says:

If the American Government is to find a foreign policy, a policy that is constructive and realistic, we American citizens had better have a good realistic look at the human race.

Here are some significant facts:

Each day, on the average, 200,000 babies are born in this world. The chance that any of these will be born in the United States is 1 out of 20 and the chance of its being born in the Soviet Union is a little bit better. The chance of the child being born white is not more than 1 in 3. The chance of its being Chinese is 1 in 4. The chance of its being born in India is better than 1 in 9. If the child is born colored, it will probably be born either among people who have recently revolted and thrown out the white folks who used to govern them or else in a country that is still trying to throw the white folks out. The child that is born in Africa will probably learn this maxim: Never trust the white man. Each child born has about a 1 in 4 chance of being a Christian. It is far more likely that he would be Confucian or Buddhist, a Mohammedan or a Taoist. The child born in India has only a 50-50 chance of growing to maturity. In the case of the many colored children, the chances are overwhelming that he will be chronically sick for his entire life from malaria, or from intestinal parasites, TB, or other diseases and even if not chronically sick, he will be weak from hunger. The chances are 2 to 1 for each child born that he will suffer from malnutrition either from too little

food or from an unbalanced diet. The chances are very good, too, that each colored child will suffer from famine. The child born colored will have only 1 in 4 chances of learning to read. He will most likely live in a mud hut with a dirt floor, no chimney, and a thatched roof. In addition he is almost certain to work on land of the landlord, to be deeply in debt to the local money lender and to pay an annual interest rate of anywhere from 30 to 100 percent.

The issue today is a simple one. It is a clear one. I would not claim the time of the House to express my views if it were complex. I would remain silent while men more experienced in foreign policy, men with fuller knowledge of the intricacies of diplomacy, advised me. Some of the speakers today are trying to make this into a complex issue. They have spoken of its possible effect on our relations with Pakistan; they have suggested other complexities. Nevertheless, the issue before us today remains a simple one. It is a question of whether or not we will give aid to a starving people—to the people of a nation which does not have food, which could not have raised it, which cannot buy it.

In this situation, we, a Nation with a surplus of wheat, are called upon to share a part of that surplus. I know that our surplus is not sufficient to guard us against every possibility. Our carryover is not large enough to supply the American people in the event of total crop failure in the United States in 1951. It may not be large enough to supply us if we have a 50 percent crop failure, but it is large enough to meet any reasonable or likely failure of our own crop. Our choice is then between withholding aid so as to protect ourselves against a most unlikely contingency, or of giving aid to meet a real and pressing need. Justice demands and charity urges us to act quickly.

Let us not propose seriously to use the starvation of a people as the direct means, as a lever, to advance our national or international interests. Let us act in this case with dignity, with reserve, with decency. Let us not conduct ourselves as though we were running the soup kitchen of a gospel mission, demanding that those who receive our soup, first sing our hymns and confess their sins. Let us not exact as the price of the bread we give, the self-respect, the integrity of the peoples of India. Let us not demand that they sing our national anthem, and confess their national faults. Soup-kitchen and bread-line conversions are notoriously short-lived.

Let us not succumb to the temptation to be dishonorable in the name of preserving honor, or indecent in the name of decency. Once we stoop to the use of dishonorable means, no matter how noble our purpose, our goal, may be, we shall have lost the cause. In that first compromise we sign the death warrant of honor, even though we sign it in invisible ink our enemies will cast it before us, blackened by the acid of time and we and our cause shall stand condemned by our own hand in the tribunal of history.

Mr. VORYS. Mr. Chairman, I had a good bit to do with drafting the committee bill. I want to compliment my friend, the gentleman from Georgia, on adopting so much of it, but I respectfully differ with him with reference to the two respects in which he would change the bill. He proposes a time of 6 years. He proposes to add to the language which already requires repayment in strategic materials some extra special language along that line. Here is the trouble about it. When you provide certain requirements in advance with respect to a loan yet to be negotiated, you tend to tie the hands of your own negotiators because maximums become minimums and minimums become maximums. Statutory requirements or concessions cannot be used for bargaining purposes. It would indeed really be a pity if this whole thing fell through because India should say, "Well, we could pay it in 7 years, but not in 6 years," or "We could pay it in 8 years and not in 6 years." But if the substitute is adopted the negotiators' hands would be tied. Who would those negotiators be? We talk about the State Department all the time. Under both the gentleman's substitute and the committee bill the State Department will have a one-sixth voice in the matter. The negotiator will be Bill Foster, head of the ECA. He will have to get the approval of five others on the council of which he is a member. There will be Secretary of State Acheson; John Snyder, Secretary of the Treasury; Charles Sawyer, Secretary of Commerce; Bill Martin, head of the Federal Reserve; and Herb Gaston, head of the Export-Import Bank. We know those people, we have been assured that they will say, "If it is a loan which Congress authorizes, it is not going to be a fuzzy loan." We know if we are going to need strategic materials, we will need them for longer than a period of 6 years. How much of them do we need? The Cox substitute does not tell us how much. The committee bill requires that repayment shall include "materials required by the United States as a result of deficiencies in its own resources." In addition to those words the Cox substitute says, "immediate and continuing transfer of substantial quantities," of named strategic materials.

When is "immediate"? How often is "continuing"? How much is "substantial"? Under the substitute bill you still leave discretion to those same negotiators to put reasonable interpretations on those words. Now, if you cannot trust those negotiators to be discreet and wise and to represent the best interests of our country, to make a good trade, if you cannot trust them, then you should not be either for the committee bill or the substitute. On the other hand, if you can trust them then do not stick language in the bill which is offensive to some thin-skinned people over there, which would require a change in their domestic law which we would be unwilling to make in our own law on monazite sands. Leave them something to bargain about. Here is one significant thing: House members of the Committee on Atomic Energy have stood in the well of the House and have told you part of the facts. I suspect they have not been in a position to tell you all the facts about this monazite sands situation, except that they come to you and say, "Leave that part out of the bill. Everything is going along pretty well as is with reference to monazite sands." They say other things are more important and that you do not need this in the law.

Now, one more reason I hope this amendment is not adopted is that it attempts to put in terms, requirements, and conditions which we did not offer to the ECA countries and to Spain. It might be construed as an attempt to draw an international color line when we offer international loans. On the one hand we leave this council of negotiators with broad authority, which they have exercised in 13 cases in Europe, lending $1,184,000,000, but when it comes to India we attempt to write in conditions which make it a different sort of thing, which are diplomatically offensive, but which still leave those negotiators with discretion.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 5 minutes. I ask this because the gentleman has great knowledge of the subject which he is discussing.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. COX. Does not the gentleman understand that the language of the amendment, to which he takes exception, is word for word the Bridges amendment to the bill that the Senate recently passed?

Mr. VORYS. I do, and I took exception to it there for the reason that it is needlessly offensive diplomatically, but it still leaves discretion to these same negotiators.

Mr. COX. Am I correct in remembering that the gentleman said on yesterday with respect to the other phase of the amendment which he has discussed that a 6-year loan was a much more rational transaction than a 35-year loan?

Mr. VORYS. The gentleman is absolutely correct. The gentleman also referred to a reference I made earlier where even a 6-year loan would not necessarily paralyze the Indian economy. However, a 6-year loan would desperately burden the Indian economy at a time when we all hope they will go ahead with some sort of improvement plan. The gentleman from Georgia pointed out the amounts that India would like to get for an improvement plan. My own feeling is there ought to be an improvement plan over there; but, just as in the Marshall plan, the swelling was reduced substantially before it came to Congress by those who originally proposed it, a similar reduction would have to be made in

the Indian improvement plan. The gentleman must remember there is further legislation coming up this spring with reference to regional economic and military plans.

Mr. COX. The gentleman has said he is opposed to making India a fuzzy loan. The gentleman's bill, with which he had much to do in writing and possibly wrote it, provides India an ECA loan.

Mr. VORYS. Authorizing the negotiation of a loan under that law.

Mr. COX. Contemplating that it will be a 35-year loan.

Mr. VORYS. No.

Mr. COX. As most all ECA loans are?

Mr. VORYS. No. Too many of them have been for 35 years, but the gentleman will remember when the matter was presented to the Rules Committee I urged a comparison between this and the Spanish loan, which was for 20 years.

Mr. COX. Can the gentleman put his finger on a single ECA loan, unless it be the Spanish and Belgian loans, that is not a fuzzy loan?

Mr. VORYS. I happen to think that all of these loans will pay out if we have world peace. I am proud of the fact that I am one who insisted that we get some of our ECA activities on a loan basis.

Mr. COX. If we assume that world conditions will remain as they are, is there any reason to hope that we will get a dime of it? The gentleman must take consideration of the fact that we are now at war. This should make a very great difference.

Mr. VORYS. Yes. I think the gentleman's hopes and fears are like mine. We both are fearful of war, but our hope is that we can achieve world peace, law, order, and justice, and if we have that sort of a world India can pay back the loan, if we do not make it too long, and India will pay it back in things we need. But I want to leave the negotiators free to say how much of one or the other of these materials will be furnished over how long a period, and allow the negotiators to sit down and bargain with India in a way that two proud sovereign nations are accustomed to do.

Mr. COX. Mr. Chairman, will the gentleman yield further?

Mr. VORYS. I must yield to my friend from New York [Mr. JAVITS], who has been on his feet for some time.

Mr. JAVITS. Mr. Chairman, will the gentleman yield for a question of fact?

Mr. VORYS. I yield.

Mr. JAVITS. India is indebted to the International Bank for $64,500,000. Those are loans running between 15 and 25 years. Is it thinkable that a 6-year loan would be satisfactory for food purposes when India is able to get bank money from 15 to 25 years? And is not this getting to be a rear guard action?

Mr. VORYS. We all understand, of course, that a food loan is not a good kind of loan except that it is better for a person to borrow money to pay the grocer than it is not to pay him at all.

Mr. JAVITS. Exactly.

Mr. VORYS. Let us not forget that it is a pretty simple thing we have before us here: India's people are hungry; famine is threatened for want of grain in a hurry. We want some strategic materials they have.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. We want some strategic materials they have, not in a hurry, not in 6 years, but over a long period of years. All right; we get together; we do what India asks. Do not forget that when we grant them a loan we are doing what they asked.

If this were the last transaction we were ever to have with India that would be one thing and we should try to write everything into this bill. This is the first. We have had rather painful relations as far as I am concerned, based upon the position of India in the United Nations, but I do not think we should consider the views and sentiments of the Chief of State of India as the sole criterion for our friendship and relationships with India any more than the people of the world I hope judge the United States entirely by what our Chief of State says and does. I think that by going into this on a business basis, permitting these three Cabinet officers and three other officials to negotiate, we can meet the emergency needs of the Indian people and also have the beginning of what I hope will be a mutually profitable friendship. I urge you not to put in here limitations that will hamstring our negotiators when they come to the bargaining stage of discussion.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may proceed for 1 additional minute that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. I was very much interested in the gentleman's statement at the beginning of his excellent talk regarding the obtaining of strategic materials. Is the language in the bill of the committee, in the opinion of the gentleman, mandatory or permissive in that regard?

Mr. VORYS. The language of the committee bill is mandatory that strategic materials must be obtained. It does not spell out how much should be obtained any more than does the substitute offered by the gentleman from Georgia.

Mr. KERSTEN of Wisconsin. I thank the gentleman.

Mr. HERTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it seems to me that where an amendment is offered on the floor of the House that has not been seen by any of the members of the committee or the other Members of the House before its offering, that it should not be considered lightly. This amendment contains at least one provision that was not raised in the other body and that is an entirely new one here; for the first time it brings in jute and jute products among the materials of which a continuous flow is required from India in substantial quantities.

I know something about jute because some of the largest producers of jute products are in my State. I also know what great concern the farmers of this country have in a continuing supply of jute. But take the requirement that India must furnish us a continuing supply of jute and jute products; it so happens that India does not produce jute except in very small quantities. The old India under British domination before the division between Pakistan and India produced it in large quantities, but the jute was produced almost entirely in Pakistan and not in India proper. As a matter of fact, the trade agreement recently entered into between India and Pakistan required Pakistan to supply India for processing in India's mills a million bales of jute by June 30, 1951, and two and a half million bales in the next 12 months. The scarcity of our supply of jute today is due to the fact that India and Pakistan had a tremendous row in their trade dealings owing to the fact that Pakistan did not devalue her currency whereas India did, and it was not until the middle of March that this trade agreement was finally reached. However, at any moment Pakistan may say to India: We will not send you any further jute.

At that point we will be requiring India to supply to us something which India could not possibly supply because India has not the jute production.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. COX. Has the gentleman overlooked the fact that in carrying on this trade warfare against Pakistan, India has tried to destroy her economy and to break down the profits that Pakistan would obtain?

Mr. HERTER. I am merely pointing out that you cannot require the delivery of something the country has not got itself.

The second point has to do with the 6-year repayment schedule. I do not know whether the gentleman from Georgia who offered this amendment figured how much India would have to repay per year and how that would affect her own financial situation.

Mr. COX. Will the gentleman let me answer that?

Mr. HERTER. I will give the figures myself, and I am sure the gentleman will agree with me.

Mr. COX. I have examined everything that the gentleman from Ohio [Mr. VORYS] has said on the subject, and I arrive at this 6-year figure because he used it in this minority report that he filed which, as I said on yesterday, knocked the brains out of the committee report and killed the committee bill.

Mr. HERTER. I am sure the gentleman had some good reason for the 6

years. But I would like to point out that 6 years would require India to pay back in dollars $36,000,000 a year for the next 6 years. The Indian balance-of-payments picture is not a very good one to say the least. India is 5 years old. She has had five independent years. During that time the only reserves that she had on which to back her currency and on which to purchase what she needed in the outside world was money which was blocked, the blocked pound, which remained in Great Britain and which had accumulated for India on account of war purchases. These have been reduced one-third of their total as of the present time.

In 1950, for the first time India reached an approximate balance of trade.

Her exports and imports were approximately in balance. But now she has had to use almost every dollar that she could accumulate for the purchase of food. The gentleman from Georgia is entirely right that she has purchased 500,000 tons of food from us. But she is at the end of her dollar rope and that is the reason she came in and asked for this special treatment. The gentleman's amendment would put on her a burden of $36,000,000 per year. Possibly she can pay it, but obviously whoever is negotiating the loan should have sufficient freedom to be able to take a look at her economic position and make certain she is not being strangled by too heavy a payment when she is trying to get on her feet and having a difficult time doing it.

Mr. HALLECK. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, earlier today I had something to say about the proposition that is now before us and about my own fundamental convictions on how matters of this sort should be approached.

It has always seemed to me that in foreign policy matters we ought to keep in our minds the question of our own enlightened self-interest. To my mind such a view is entirely compatible with our meeting such responsibilities as may be ours in the world. So far as I have observed, those same motives pretty well govern other nations in their relationships with the nations of the world. I also said that I know a great many people want to support this legislation if an arrangement can be worked out that is mutually satisfactory and advantageous. That necessarily means satisfactory to the parties, India and our Government, and advantageous so far as it is possible to make it advantageous to India and to our Government and to our people. Certainly, on my record no one can rightfully challenge me on my position in respect to these matters that have come before us. A great many people have criticized me on occasion for going along too far in trying to work out some of these problems. Others have criticized me for not going along far enough.

I referred to the Economic Cooperation legislation earlier today. I said I supported it, and I did. I think it has done much good. I think also in retrospect, and having learned of some of its operations as I have in recent months, that it could have accomplished much more for us and our own interest and for the welfare and the stability of the peace-loving peoples of the earth. We should have seen to it that there was coming to us, yes, and operating among the beneficiary nations themselves, more of a quid pro quo, that might reasonably be expected to go along with the things that we were undertaking to do.

Now, what is the situation that this amendment presents? First of all, I question the limit of 6 years. I have never discussed the matter with the gentleman from Georgia. Perhaps 6 years is too short a period, although certainly it would seem to me that some reasonable period might well be included in this legislation. Possibly we did not have it in other legislation that has gone before, but we are dealing with this legislation now, and I think we have a practical problem.

Secondly, everyone admits, and the committee in its report admits, that India produces and has materials that are needed here, materials essential in our own operations both at home and as we attempt to make ourselves strong for whatever may confront us on the international front.

Mr. HERTER. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. HERTER. Merely to point out to the gentleman that every one of these materials, except monazite, we are getting the vast majority of today, and there is no reason to believe that it will not continue.

Mr. HALLECK. Well, my understanding is that they have not been coming to us in the quantity that they might.

I want to cite the committee report, and after all I think we ought to be able to rely on the committee report. If you have a copy of it look at page 6. It refers to a number of materials which India possesses, regarded by the United States as strategic or critical. The following commodities are No. 1 on the stockpile list: Beryl, castor oil seed, chromite, coconut oil, cyanite, manganese, mica, monazite, opium, pepper, natural rubber latex, rutile, shellac, talc, and zircon. It makes reference to jute, mentioned by my very able friend, the gentleman from Massachusetts [Mr. HERTER]. Then in the next paragraph it says the export of some of these materials, notably beryl, monazite, and raw jute is prohibited. Those are three of the articles that the gentleman from Georgia talks about in his amendment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Then the report says:

All of these materials are vitally needed by the United States. Although the computations are made in dollars, based on prices, repayment of loans in kind, and barter transactions, are well established in United States policies. The committee believes this means of repayment should be utilized where possible in this transaction.

However, the committee does not believe it desirable to put the loan in a strait-jacket by requiring payment in kind as the only means of discharging the loan. For this reason, the language is permissive. At the same time, the committee desires to point out that the permissive language is not an invitation to the executive branch to ignore the responsibility to acquire these strategic materials wherever possible. With due regard for India's policies on strategic and critical materials, the committee desires to observe that in the long-term view, strategic materials are as vital to national survival of the United States as food grains are to India.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from New York.

Mr. COUDERT. Does not that mean in effect that the committee in its thinking wants barter transactions, wants immediate returns in terms of material; and in effect does not the 6-year amendment proposed by the gentleman from Georgia mean increased pressure upon the Indian people to pay off in those necessary materials?

Mr. HALLECK. I think if the 6-year provision were adopted, and, as I said, I personally am not sure but what that is too short a time, it undoubtedly would exert that kind of pressure. I want to commend the committee on going as far as it did in pointing up the desirability, if not the necessity, of trying to get some of the things we need as we give to India some of the things India needs.

Mr. RIBICOFF. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Connecticut.

Mr. RIBICOFF. Does the gentleman know how much manganese we got from India last year?

Mr. HALLECK. No, I do not know in tons.

Mr. RIBICOFF. Does the gentleman know how much mica we got from India last year?

Mr. HALLECK. No, I do not know in tons.

Mr. RIBICOFF. Does the gentleman know how much burlap we got last year?

Mr. HALLECK. No.

Mr. RIBICOFF. Then it is evident the gentleman is talking generalities and does not know the facts.

Mr. HALLECK. I may say to the gentleman from Connecticut that he may claim to be an expert in all these matters, knowing all the details of tonnages, and I am perfectly willing to grant him that privilege if he wants it. But I take it he joined in what the committee has reported, and that report itself recognizes the need and the equity of obtaining these materials from India. Obviously the committee, in its study of this matter, believed that we should try to obtain more of these materials, much needed in this country.

I think the gentleman from Ohio [Mr. VORYS] very properly said the additional language contained in the substitute in these words "such transfer of materials to include the immediate and continuing transfer of substantial quantities of monazite, beryl, raw jute, and cyanite," yet leaves to the negotiators, the administrator, a permissive operation. There is no absolute requirement, as the gentle-

man from Ohio pointed out, that we get any given quantity of jute or any given quantity of anything else. But what does the language do? It imposes upon the Administrator of the ECA and other representatives of our Government who are going to make these negotiations on our behalf an added obligation. That obligation is to do everything they can within reason and honor to get as many of these materials as they can. This is for two reasons: First, that we get repayment as we go along; and, second, that we get as great quantities as is proper and fair under the circumstances of these materials that are badly needed for our own economy and national security.

In other words, so far as I am concerned, and going back to my original thesis, we want to help the free peoples in the world. We want to help people who need food, but we must recognize that America is not a bottomless barrel to be tapped for everybody at any time or for any sort of purpose that might strike somebody's fancy. We must recognize, as I see it, that as we go along helping other people, we ought to try to get them to help us as much as they can, whether it is fighting in Korea or getting the materials we need here at home to maintain ourselves, making it possible for us to go on trying to be a potential force in the world to help free peoples who look to us for guidance and support.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. RIBICOFF. Mr. Chairman, I rise in opposition to the amendment.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. TABER. I have been examining the report and I find there is no statement in the report as to the quantity of normal consumption or the amount available to India. There is absolutely no justification for any operation so far as the report is concerned. I wonder would the gentleman be so kind, if he would, as to enlighten us on that question.

Mr. RIBICOFF. I would say to the gentleman that India at the present time, because of this drought and other conditions, is short approximately 6,000,000 tons of wheat. India is purchasing throughout the rest of the world, including the United States, 4,000,000 tons, and is now 2,000,000 tons short.

Mr. TABER. What is the normal crop in India, and what are the normal importations?

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. JAVITS. May I suggest that there is a special memorandum of information on the India Emergency Assistance Act at the table here, which contains the most complete and thorough information on that subject beginning at page 6. The gentleman from New York can probably acquaint himself fully with that matter by just reading that report.

Mr. RIBICOFF. I will be glad to supply that information for the gentleman.

Mr. Chairman, I think one of the difficulties so far in the discussion is the use of so many generalities. The gentleman from Indiana certainly gave a very impassioned argument to the House, but he cited no facts to us. He made a great to-do over the fact that we needed these strategic materials and were not getting them from India. I asked the gentleman when he had the floor if he knew what we were getting and obviously he did not have that information.

The House should know that in 1950 the United States received from India 576,454 tons of manganese, which is approximately 75 percent of India's export production of manganese. So far as mica is concerned, we received 211,725 hundredweight, which again is about 75 percent of its export of mica. When it comes to jute and jute goods we received 217,452 tons, which is approximately, when we consider burlap, and that is what we basically need in this country, about 65 percent of the Indian export of burlap and jute products. When you consider that in 1949, prior to the war, we were receiving about 53 percent of India's burlap exports and in 1950 we received about 65 percent of India's burlap exports, can it be said that we are not getting a fair proportion of India's exports of the critical materials that we need?

I wish to point out something about the high cost of burlap, because there seems to be a lack of understanding among the Members of the House and the users of this product. The reason the prices have been high is due to American profiteering and not to Indian profiteering. In 1949 the gap between the landed price of burlap and the market price in the United States on the most widely used type was one-tenth of 1 cent a yard. In October 1950 the gap between the landed price of burlap and the market price was 15.4 cents a yard. So if you talk about the rise in price of burlap, look to your American dealers and not to the Indian Government.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. The figures which the gentleman quoted as regards the exports of manganese and jute were for 1950?

Mr. RIBICOFF. That is correct.

Mr. SEELY-BROWN. Could the gentleman advise us as to whether or not India has, in recent months, placed any embargo on the shipment of these items out of India?

Mr. RIBICOFF. They have not. As far as these items are concerned, we are getting even a larger proportion during 1951. There was a temporary embargo on jute, but not burlap, when India was short on raw jute from Pakistan. I might state, that, due to the settlement of India's trade quarrel with Pakistan, and more jute coming into burlap manufacturing markets in India, we will now start getting more yardage of burlap.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. RIBICOFF. Mr. Chairman, I ask unanimous consent to proceed for another 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from North Carolina.

Mr. DURHAM. I think the gentleman should point out the percentage you are getting of these critical and strategic materials, and the fact that long-term contracts exist on practically all of them.

Mr. RIBICOFF. That is correct. May I ask the gentleman from North Carolina a question? Do I understand it to be the consensus of the Members of the House on the Joint Committee on Atomic Energy that you are satisfied with the monazite world situation as it affects the United States, without the necessity of requiring monazite sands from India?

Mr. DURHAM. That is correct, as it exists today. For the future no one can predict the need that might come into the picture.

Mr. RIBICOFF. I might point out to the House that we are talking about today. We are talking about India's food needs for 1951 and not for the next 25 years. If we are talking about India's food needs for this year, what right have we got to talk about monazite for future years, especially in view of her long established embargo policy and the statements from the gentleman from North Carolina.

The statement made by the distinguished gentleman from North Carolina [Mr. DURHAM] certainly demolishes completely the argument that has been made by the proponents to put a condition of monazite in this bill.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. COX. I would like the gentleman to yield in order that I might ask the gentleman from North Carolina [Mr. DURHAM] if he knows what quantity of monazite sands are available to the United States.

Mr. RIBICOFF. I yield.

Mr. DURHAM. The gentleman recalls that I went over those figures yesterday in the RECORD. At the present time there are monazite sands available to this country, government to government, from Brazil. Monazite sands are available to us from Idaho. The only question which the gentleman is concerned about is because of the fact that we have one manufacturer in this country that wants to buy monazite sand from India today at $35 and he has to pay the Idaho miners $235 a ton for it.

Mr. COX. Does the gentleman know that the concern to which he has referred is a concern that went to Brazil and developed two mines at the instance of Brazil?

Mr. DURHAM. And he was offered the same proposition in Idaho and would not accept it.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. RIBICOFF. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. RIBICOFF. The gentleman from New York [Mr. TABER] at the beginning asked me about India's total food requirements. I should now like to state that India's total minimum food requirements for 1951 for its 350,000,000 people were 50,670,000 tons. The total production of food grains in India was 43,770,000 tons. The total available pipeline supplies was 700,000 tons. Purchases by India and allocations and transfers under International Wheat Agreement was 3,090,000 tons. Assistance requested from the United States is 2,000,000 tons. This gives a total of 50,370,000 tons or a balanced need of 300,000 tons. In other words, this 2,000,000 tons just about takes them under their total requirements, their absolute minimum of 50,670,000 tons for 1951.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. MANSFIELD. I wish to bring to the attention of the committee while the gentleman from North Carolina, [Mr. DURHAM], is here, the fact that he is the vice chairman of the Joint Committee on Atomic energy. On yesterday he told this House, if I remember correctly, that manganese was the vital product at this time, and the gentleman from Connecticut has brought out the fact that in excess of 75 percent of India's production is imported into this country, and that that comprises about 40 percent of our total need; so we should not underestimate the importance of manganese in the steel and related industries.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. JAVITS. Just by way of filling out the answer to the question asked by the gentleman from New York, [Mr. TABER], the production of food grains in India in 1950 was 49,240,000 tons. The production this year is 43,770,000 tons; and that is where the famine shortage exists.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair would like to make a statement. A number of Members have been seeking recognition for a long while. The Chair is endeavoring to follow two well-established practices, that of recognizing first members of the committee, otherwise alternating on either side of the aisle.

The gentleman from Pennsylvania is a member of the committee and is recognized for 5 minutes in opposition to the amendment.

Mr. FULTON. Mr. Chairman, there is a defect in the amendment offered by the gentleman from Georgia [Mr. Cox] that may have escaped his attention. His amendment requires that the Government of India shall keep a continuous supply of these materials flowing. I should like to point out that the trade so far between the two countries, India and America, has been between private business concerns and not between the governments of the countries themselves.

As to manganese, I come from the city of Pittsburgh and represent a large part of it. We use tremendous quantities of manganese in the steel industry, as you know, and if we do not get this strategic material, our mills and our economy will shut down. You may ask us in Pittsburgh: Has the flow of manganese from India been satisfactory? And that is the question the gentleman from Indiana asked, Have the United States mills and factories been getting the vital material? I say to you as a Representative from the great industrial center of Pittsburgh: There certainly has been full cooperation in the delivery of manganese from India to date.

Indian exports of manganese to all countries in 1950 totaled 795,000 tons, and we in the United States received 585,000 tons from India. That has been keeping our mills running, and has increased the strategic stockpiles.

The stockpiling purchases by the United States Government of manganese from India have been made only through private importers. There has been no purchase whatever from the Government of India. I believe therefore that the Cox amendment has this defect in it, that it departs from private enterprise and goes down the socialistic road through a basic concept of state trading instead of private enterprise. I have heard everything when I hear that promise from the gentleman from Georgia.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Georgia.

Mr. COX. I should like to say to the gentleman that there is no defect in the amendment, that the amendment was drawn as intended for the acquisition of these minerals to add to the Government stockpiles.

Mr. FULTON. I am sorry that I did not hear the gentleman.

Mr. COX. It was necessary in order to meet a situation over which we had no control. The State Department is in this picture, you have to recognize them as being in the picture and you have to deal with the situation with that knowledge.

Mr. FULTON. Now that the gentleman has brought up the United States stockpile, 37 percent of the total manganese imports in the year 1950 went into the United States stockpile. This was done through private importers exclusively without the State Department being in it, and I will stand on that statement.

Mr. COX. But under direction that it should be fed to private enterprise by the Government. The gentleman will find that provision in the law.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman refers to the committee bill. Of course, if he will observe, the language in the Cox substitute in respect to the Government of India is the same language as contained in the committee bill.

Mr. FULTON. But, as the gentleman knows, the form of this particular committee bill was a bill forced by the Rules Committee. It was indicated that if we came before the Rules Committee with this kind of a loan bill the legislation would go through. Now we come here with that kind of a bill and we find the greatest opposition from several ranking members of the Rules Committee on the very provisions we were asked to submit.

May I then ask the gentleman from Georgia [Mr. Cox] this: He has asked yesterday the gentleman from New York [Mr. JAVITS] the following question:

> I wanted to ask the gentleman from New York [Mr. JAVITS] if he would construe the adoption of this bill—

That is the committee bill—

> to mean that Congress commits itself to giving like treatment to a dozen other nations now sitting on the steps of the Capitol?

Mr. COX. Exactly so.

Mr. FULTON. The gentleman has the same inferred defect in the amendment he has offered because he also has a loan provision, simply reducing the loan from approximately 20 to 6 years. So the gentleman from Georgia is encouraging the 12 nations to sit on the steps of the Capitol by his amendment, just as he infers the Foreign Affairs Committee bill would do.

Mr. COX. Will the gentleman yield further?

Mr. FULTON. I yield to the gentleman from Georgia.

Mr. COX. May I ask the gentleman if he would construe the adoption of this amendment as giving a commitment on the question of granting aid to other countries, now sitting on the steps down here and in the galleries, on the same terms as given to India?

Mr. FULTON. I do not consider this bill as any further commitment whatever. But I do say if the gentleman from Georgia sees as the defect in the committee bill that there is such commitment, the same defect is likewise in the gentleman's 6-year-loan amendment, which he now sponsors. So the gentleman is hoisted by his own petard.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. JAVITS. Is it not very clear as to why this amendment has been offered; that is, this is nothing but a rearguard action to defeat the whole bill?

Mr. FULTON. Yes, and may I point out that the gentleman from Georgia [Mr. Cox] was the one who stood on the floor of the House here yesterday and pleaded: "Do not by any means even pass the rule; do not consider the legislation." I ask the gentleman from Georgia does he really wish to press his amendment offering a 6-year loan to India?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. COLE of New York. Mr. Chairman, reserving the right to object, I have been one of those who has been seeking recognition and I am apprehensive that at this hour of the day a motion will be made to curtail debate which will leave those of us who have been patiently awaiting recognition an opportunity to speak only for a minute or a minute and a half. I shall have to object pretty soon to any further extension.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. Mr. Chairman, the question is: Is the gentleman from Georgia logical in his objection to a loan earlier and in his complete opposition to the rule, or is he logical now in asking for a 6-year loan to India by his amendment? In which position is the gentleman from Georgia right, and in which is he wrong?

Mr. COX. I may say to the gentleman that I have never made a statement upon this floor in which I was not sincere.

Mr. FULTON. I agree with the gentleman, but the question is, when was the gentleman correct in his positions, yesterday or on his loan amendment to India today.

Mr. COX. I am undertaking by this amendment to make the bill less objectionable and I want to say to my colleagues that I am still opposed to it. I am still opposed to granting a loan to India.

Mr. FULTON. Then the gentleman is one of those Members who will vote against his own loan amendment?

Mr. COX. I beg the gentleman's pardon.

Mr. FULTON. Is the gentleman then one of the Members who will vote against the 6-year-loan to India amendment which he now proposes?

Mr. COX. I made my position entirely clear. I said I am undertaking to make the committee's bill less objectionable. I do think the adoption of the amendment will improve the bill.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I would like to ask my friend, the gentleman from Georgia [Mr. Cox] a question. Assuming, by chance, that your substitute should be adopted, would you then vote for the bill on passage?

Mr. COX. I said at the outset I take the position that the loan ought not to be made. I have not run away from that position. Does that make my position clear?

Mr. FULTON. Returning to our supply of strategic materials, we cannot afford in this country to have shipments of mica from India shut off either, for sonic instruments in which mica is used are vital for the defense program. We have had come from India 134,855 hundredweight of mica in 1950 for our strategic stockpile, we must remember. If Congress should put these rigid and inacceptable conditions on the loan, India is probably going to say: "The United States would not be acting as a friendly nation but is dealing tough; India will shut off the strategic defense materials India is even now freely supplying the United States."

Cooperation, mutual trust, and reciprocal trade, would immediately cease, a series of reprisals would begin, and neither our honor nor our defense program, nor our industrial centers such as Pittsburgh can afford it. We should not cause such a disastrous break in our historic friendly relations with India.

Substantial contributions were made by the Indian subcontinent to the Allied war effort during World War II. We needed India's friendship then, and we need and should prize our mutual friendship now.

The Indian Army, which was then composed of men now belonging to both the Republic of India and the Dominion of Pakistan, reached a peak strength of over 2,000,000 troops during the course of the late war. Of these 943,000 served overseas. The Indian Army suffered 106,594 casualties including 36,696 men killed. This Army won more than 7,000 awards. Included in this figure were 31 Victoria Crosses, a very high number of the highest award which can be bestowed in the British Empire. These Indian men volunteered to fight side by side with our fine United States troops. The largest volunteer army in World War II was India's without a draft.

Some of the more notable campaigns in which the Indian Army participated are listed below:

Africa: The Fourth and Fifth India Divisions fought in Africa with distinction, and played a prominent part in the final action which was climaxed by the capture of the German general, von Arnim, successor to General Rommel. General Arnim was forced to surrender to the Indian formation. Previous to this engagement the Indians were active in driving the Italians out of East Africa and Ethiopia.

Italy: Three famous Indian Divisions played significant roles in the campaign in Italy. The Eighth Indian Division entered the campaign in October 1943, the Fourth Division in December 1943, and the Tenth Division in April 1944.

For 2½ years of the North African campaign, India was responsible for supplying the bulk of stores for this theater of operation. Allied troops in the Middle East wore clothes made in India and walked in boots supplied by Indian factories. Nearly 90 percent of the tents, canvas ground sheets, etcetera, used in the Middle East came from India. All in all, India shipped 1,500,000 tons of stores to the Middle East. Included in this figure were: assault craft, camouflage paints, nets, medical stores equipment for the comfort of troops.

I wish to call attention to the statement of May 23, 1951, from the United States Department of Defense in regard to India's contribution to World War II, submitted to me by Lt. Col. Tudhope of the Department:

With regard to the contribution made by India to the war effort during World War II the following statements may be made:

1. India raised an army (exclusive of navy and air force) of peak strength totaling 2,049,317 men as of July 1945.

2. In connection with battle participation, India furnished 16 divisions in January 1945.

3. By the first month of the United States participation in the war (January 1942) India already had mobilized 13 divisions of which 5 were in combat. These divisions were raised from an initial arm force of 180,000 men.

4. It can be said that India held the Middle East for the Allies from 1939 to 1942. This is the time of the African-Libyan campaign.

5. India also contributed largely to the reconquest of Burma where 11 Indian divisions were committed.

Mr. RICHARDS. 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. GORE, 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.

RESERVE COMPONENTS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, I rise at this late hour of the day to make a simple announcement.

I am chairman of the subcommittee that has been investigating the Reserve activities. I have received many inquiries from Members of Congress and from the public generally as to why the delay in handling the affairs of that subcommittee regarding the Reserve components.

The reason is that we must wait until the manpower bill is disposed of by the committee of conference. It is obvious to all of us who have thought about the Reserve program that we cannot proceed to write legislation when we do not konw what the over-all manpower picture is going to be. If, for instance, we have a bill voted into law which will give us universal military training, following which the Reserves will be placed from 6 to 8 years in Reserve components, we can write one type of bill. On the other hand, if we are thrown back on a voluntary program where the Reserve organizations must be built on a purely voluntary basis, an entirely different type of legislation is in order and will have to be enacted.

In considering the present state of the Reserve situation with all of the troubles that the Reserves have had, it is going to be extremely difficult to write any kind of voluntary Reserve legislation at the present time.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CLEO C. REEVES, FLOYD L. MURPHY, AND FABIAN P. DURAND

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 593) for the relief of Cleo C. Reeves, Floyd L. Murphy, and Fabian P. Durand, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "$150" and insert "$123."

Page 1, line 7, strike out "$410.10" and insert "$168.10."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. KEATING. Reserving the right to object, Mr. Speaker, the amounts in the Senate amendments are lower than the amounts in the bill as passed by the House?

Mr. BYRNE of New York. That is correct.

Mr. KEATING. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BURNSIDE] is recognized for 30 minutes.

SITUATION IN THE FAR EAST

Mr. BURNSIDE. Mr. Speaker, having observed some of the confusion which has been created in American thinking as to far-eastern matters, I feel compelled to present information that has come to my knowledge.

Asia is in the throes of rethinking its economic, religious, and sociological approaches to life. Many have heard there was a better way of life. For eons of time, and also true today, a full stomach is the chief desire of the masses of the people of Asia. This is quite a contrast to America, where we are laboriously trying to keep our middles within reasonable bounds.

The Japanese have studied our free-enterprise system and they like it. They have made vast progress. This has been done in spite of the lack of natural resources.

What is another great desire of the people of Asia? A little plot of land to call their own. They crave to run their fingers into the soil and say, "This is mine." A closeness to the soil spells security to them.

The Communists are not coming into Asia promising collective farms and Marxian ideology. Instead, they have been constantly pointing out weakness in the old order. Their chief weapon is creating a caldron of dissatisfaction. As the dissatisfaction mounts they worm their way into the leadership of the opposition to the existing government. The Communists expect when the government fails to take over the control.

In Asia there is a very small middle class. Our democracy thrives in conjunction with a vast middle class. Communism is set up to give its strongest appeal to poverty-ridden countries. In a few simple words, if we expect democracy to grow in Asia there must be a spread in the ownership of land and an increase in the standard of living of the masses of the people through a system like the point 4.

Preparation for war is essential. We must have sufficient materials and manpower to stop imperialist Russian communism and then see to it that Russia knows we have this power. If we are strong Russia will delay action in the hope that we will someday be weak. In order to remain strong, we must have a positive build up of the ideals in which America was cradled. Our ideals belong not only to us, but to mankind. For others to acquire our ideals insures them and us a protection of a good standard of living. It is essential then for us to resubscribe to the ideals of 1776. Our way of life is dependent not only on subscribing to such ideals, but to extending them. It logically follows that the propaganda budget must be expanded. Exchange students, professors, and outstanding young leaders of their farm groups must be brought over to see our way of life in action. Otherwise, it means constant war.

This is a positive approach. Our ancestors had a positive grasp of religion and economics. I definitely feel if we had spent more money on missionaries we would be spending less today on war. Missionaries were demonstration agents of our way of life.

Let us look beneath the surface of the revolution in China and inquire "what happened, and why?"

Three factors explain the Communist success in China: First, the collapse of the old Confucian social structure; second, Marxian promises; third, the growth of a strong national movement.

The Communists took advantage of the decadence and collapse of a social structure that had been held together by the ethical concepts of China's ancient philosophers Confucius and Mencius, for 2,500 years. The scholar-official class stood at the head of this system. This group served as the guardians of China's cultural past by setting the proper example for the people. It was to embody all the ancient virtues taught by Confucius; filial piety, propriety, justice, and benevolence. The duty of the sovereign, according to Confucian thinking, was exemplary living.

The character of the ruler—

Said Confucius—

is like wind, and the character of the common people is like grass, and the grass bends in the direction of the wind.

The scholar-official assumed dictatorial power, but this power was restrained by strict adherence to the virtuous pattern laid down by the philosophers.

Unfortunately, virtue departed and war lords came in as the old system was discredited as obsolete in an age of science and progressive education. Chinese youth did not realize that science was truth and also the old philosophy sought piety, justice, and benevolence, which are really handmaidens of truth. This group lived on, but without a soul. The termite-infested framework stayed on ready to be toppled by the Communists.

Chiang Kai-shek instituted some reforms, but let us not forget that his political philosophy was Confucian, as was that of his camp followers. He joined the Methodist Church and added ethical teachings found in the Bible to his Confucian list. The outgrowth was the New Life Movement, but China needed more than virtuous dictatorship. It needed complete reform. The possibility of reform was limited under Confucian philosophy as it would mean dismissal of one's loyal supporters, relatives, and friends. Obviously, under the Confucian system, the answer is, "No," for filial piety and loyalty to friends are cardinal virtues. Redemption was the only other recourse which Chiang was unable to effect, so retreat and retreat was the order of the day. Some dismissals came about as well as some redemption.

The Chinese Nationalists are now on the Island of Formosa where they are being aided. Our Government has been discouraged with them, but we have never given them up. We have partially fed them all along.

Now General MacArthur wants us to arm them for an attack on the Chinese mainland. In 1949, however, MacArthur did not have a very exalted opinion of Chiang's army. I was a member of a special delegation to the Far East in September of that year.

"I consider Chiang a highly intelligent leader," MacArthur told us, "but he knows nothing about the art of war. He is surrounded by corrupt officials and generals. His troops are very ineffective and poorly equipped."

Distrust of Chiang's forces was widespread in southeast Asia. Leaders there begged us not to send further equipment to the Chinese Nationalists, unless it was closely supervised. Newspaper stories out of Parkersburg, W. Va., in October 1949, quote me to the effect that the government of Chiang Kai-shek has wasted some $2,100,000,000 in aid from this country. We learned the Chinese Nationalist officials actually have sold some jeeps given them on Guam even before they could be loaded on ships and sent to China.

At the time of our visit General MacArthur advocated the bombing of Chinese cities as a solution to the problems confronting us in Asia. He outlined four things that he considered necessary to save the situation:

First. Declare United States support for anyone opposed to communism.

Second. Place 500 planes in the hands of some "war horse" similar to General Chennault.

Third. Give volunteers the right to join such a fighting force without penalty.

Fourth. Assign surplus ships to the Chinese Navy sufficient to blockade and destroy China coastal cities.

The general estimated the cost of bombing the mainland at $10,000,000,000. He said that the bombing would have to be followed up with occupation by American ground troops, at least enough for leadership purposes. Such an occupation, he said, would cost about forty billion.

MacArthur also told us that he did not expect an outbreak in Korea because the Chinese and Russian Communists had it outflanked and could have taken it any time they pleased. Maj. Gen. Charles Willoughby, MacArthur's intelligence chief in Tokyo, assured us that there would be no war in Korea for 2 years. The North Korean attack took place 9 months later.

Though MacArthur and Willoughby called the Chinese Reds "greatly overrated," and said we did not have to worry about them, American military leaders in Seoul held a very different opinion.

We spent 4 days in Seoul with Brig. Gen. W. L. Roberts, Chief of the United States Military Advisory Group to the Republic of Korea. I stayed in his home and had many opportunities to discuss these problems with him. General Roberts expressed grave concern over the situation there. He told us that elements of three North Korean divisions that had been fighting in China for 10 years had just arrived in North Korea.

Further interesting facts came to our attention when we were in Indochina. At the time we were there, the French had 175,000 troops fighting the Communists in Indochina, and the British had 50,000 fighting them in the jungles of Malaya. The French authorities told me that for 5 years prior to our visit, one-half of the graduating class of the French Military Academy had been casualties in the fighting against the Communists. These allies of ours have not shirked from the fighting. Many other countries have now joined them. For the first time in history we now have a truly international army fighting for peace and freedom.

I am deeply concerned over avoiding world war III, and I am positive that the stand of the United States and the United Nations forces in Korea has helped toward that end. I believe that the effort in Korea has kept Indochina, the gateway to southeast Asia's 8,000,000 people, from the Communists. To extend the war to the Chinese mainland would be costly and disastrous.

I have compiled some figures based on defense department records to show what that cost might well be in terms of soldier casualties. They show that the total Japanese casualties in China from the Japanese invasion of China until Pearl Harbor were 176,152. Their casualties, in China only, from Pearl Harbor until the end of World War II were 243,048.

So the total Japanese casualties in China were 419,200. These are only the casualties shown on partial records captured by our Armed Forces. During the entire time, the Japanese kept one and a half million of their best trained troops in China. The war held no conclusion for them, until they were finally driven out.

I have gained the impression from studying the question that Chiang wants his troops to invade the mainland only if he secures logistical support from the United States, as General MacArthur has recommended. He knows full well that if logistical support is provided the United States will be forced into an all-out war to regain China for Chiang.

I wish here to compliment General MacArthur on a good job in Japan. I have done my best here to give you the picture as I have seen it.

I maintain we should not go it alone, but should add our influence and power for a stronger United Nations for world peace.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BURNSIDE. I shall be glad to.

Mr. McCORMACK. The gentleman has made a very valuable contribution by detailing the talks he had abroad with General MacArthur and others, and the gentleman commented that one of the statements made by General MacArthur was that we should furnish 500 planes.

Mr. BURNSIDE. The request was for 500.

Mr. McCORMACK. Yes; to be furnished to whom?

Mr. BURNSIDE. To the Chinese. He asked us first for bomber planes.

Mr. McCORMACK. Was anything said about how those planes would be used?

Mr. BURNSIDE. Those planes would be used in bombing Chinese cities, the thought being that if you knocked out communication centers China would easily fall.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from New York.

Mr. KEATING. The gentleman was a member of what committee at the time General MacArthur made these statements?

Mr. BURNSIDE. The Executive Expenditures Committee.

Mr. KEATING. There were others present?

Mr. BURNSIDE. There were five—Walter Huber, the gentleman from North Carolina [Mr. DEANE], the gentleman from New York [Mr. RIEHLMAN], and the gentleman from South Dakota [Mr. LOVRE], and myself.

Mr. KEATING. Did the gentleman and his committee render a report on its return?

Mr. BURNSIDE. We were very anxious for a report. I, personally, was most anxious to have a report. But I went to the floor leader, to the Speaker, to the national defense officials and I understand the gentleman from North Carolina [Mr. DEANE] went to the President, and it was thought this type of information at that time would be very dangerous to our international relations and I was asked personally not to give the statements out.

Mr. KEATING. Was any report filed at that time?

Mr. BURNSIDE. Yes. Our committee filed a report, but this type of material was not in it because they thought it would be dangerous to our international relations.

Mr. KEATING. None of the material about which the gentleman is telling us today was incorporated in the official report filed at that time?

Mr. BURNSIDE. I would not say none of it was incorporated, but the part that would endanger our international relations was left out.

Mr. KEATING. All of the information with reference to what General MacArthur stated to the gentleman and his committee was not contained in the report?

Mr. BURNSIDE. At that time we thought it would be very bad to put those statements in, since General MacArthur was Commander in Chief of the United Nations forces in the Far East.

Mr. KEATING. These additional statements with reference to his communications to the committee have just been brought to light recently?

Mr. BURNSIDE. Yes. I was asked not to release them.

Mr. KEATING. The gentleman was asked by the committee?

Mr. BURNSIDE. Well, the committee did not want to release them. I had contacted others. I personally contacted the Speaker and the floor leader.

Mr. KEATING. At the time?

Mr. BURNSIDE. When we got back.

Mr. KEATING. And it was at their request that none of this information was given out?

Mr. BURNSIDE. We thought it would be dangerous to give it out, dangerous to our international relations.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Over what period was it that the Japanese lost 400,000 troops or had 400,000 casualties?

Mr. BURNSIDE. That is only a partial record. That is still not an accurate figure because these are the only ones we captured from the Japanese and the Japanese did not send back the whole picture.

Mr. BATES of Massachusetts. That was in the Sino-Japanese War over a period of 10 years?

Mr. BURNSIDE. I broke it down into two parts. The first part was 176,452 and World War II was 243,048 that we know of.

Mr. BATES of Massachusetts. It is over a 10-year period anyway?

Mr. BURNSIDE. Yes.

Mr. BATES of Massachusetts. The gentleman makes the point that because of these tremendous losses in China the United Nations should not go into China?

Mr. BURNSIDE. That is a question to take into consideration and I thought the House would be interested in those figures. I had them compiled. Certainly with Japan very close by it would be much easier for that country, as far as

cost is concerned. That would be one reason why occupation costs would be high in China.

Mr. BATES of Massachusetts. I do not favor invading China; but from the figures the gentleman has given us it appears we have had more casualties in the Korean conflict per year than there were in the Chinese-Japanese War?

Mr. BURNSIDE. Than we did?

Mr. BATES of Massachusetts. Than the Japanese did.

Mr. BURNSIDE. I said that this is only partial. I tried to get the very best figures I could, that were available. I do not know how many there were and I doubt that the Japanese even know how many were lost.

Mr. BATES of Massachusetts. The point I am making is this: We have had some 65,000 casualties in less than 1 year, but over a period of more than 10 years the Japanese only sustained 400,000.

Mr. BURNSIDE. I am not positive whether these were deaths or are casualties.

Mr. KEATING. Mr. Speaker, will the gentleman yield further?

Mr. BURNSIDE. I yield.

Mr. KEATING. What was the date of the gentleman's visit?

Mr. BURNSIDE. In August and September 1949.

Mr. KEATING. 1949?

Mr. BURNSIDE. Yes. We were not involved in any fighting at all.

Mr. KEATING. We were not in any war at all.

Mr. BURNSIDE. That is right.

Mr. KEATING. This was a statement by General MacArthur about what should be done in the future if we should get in a war.

Mr. BURNSIDE. He raised it as a possibility. No; he was advocating it as a possibility of starting a war.

Mr. KEATING. Of starting a war. In other words, he was advocating that our country begin a war; was he?

Mr. BURNSIDE. I guess, from the statement. Would you not say that is what it meant?

Mr. KEATING. When the gentleman returned from this trip, if one of our Far East commanders was advocating that we start a war, did not the gentleman feel that that was of importance to bring to the attention of the House?

Mr. BURNSIDE. Precisely, I did bring it, and evidently the Joint Chiefs of Staff then so acted that we did not start the war. Orders were so given that one was not started.

Mr. KEATING. In other words, upon the gentleman's return he reported the matter to someone and General MacArthur was called off on starting a war?

Mr. BURNSIDE. I do not know. I merely did what I thought was important and reported to the people that could take proper action.

Mr. KEATING. The gentleman reported it to his committee, of course.

Mr. BURNSIDE. No, we did not take it up with the whole committee. That was not taken up with the whole committee. When a large number of people receive information it does not remain secret. That was taken up directly with the Speaker, and the floor leader, and national defense, and the President of the United States.

Mr. KEATING. The gentleman reported to the Speaker and the floor leader at that time?

Mr. BURNSIDE. At that time.

Mr. KEATING. That MacArthur was advocating starting a war in the Far East?

Mr. BURNSIDE. Well, that was a possibility. You can interpret it. These are the exact quotes. We took notes on that when we left and the gentleman from North Carolina, Congressman DEANE, can substantiate those statements, too.

Mr. KEATING. But the gentleman made no official report nor did his committee in reference to any of these matters?

Mr. BURNSIDE. I think it is official if you report to the leaders in charge of this Government.

Mr. KEATING. I was referring to a report in writing to anyone.

Mr. BURNSIDE. Well, sometimes it is much better not to put things in writing when they directly affect our international relations in such an important question as the one we had at hand.

Mr. KEATING. Sometimes one puts important matters in writing, also.

Mr. BURNSIDE. Well, we have some in writing with the proper people, that is true, but we did not turn it back to the committee. A written statement was presented to the President.

Mr. KEATING. By the gentleman and his committee at that time?

Mr. BURNSIDE. No, not the whole committee. The individuals presented it.

Mr. KEATING. At that time?

Mr. BURNSIDE. At that time.

Mr. KEATING. Did the gentleman participate in the communication which was sent to the President at that time?

Mr. BURNSIDE. Well, certainly the ideas I have given here were taken over by the gentleman from North Carolina, Congressman DEANE, to the President.

Mr. KEATING. At that time?

Mr. BURNSIDE. At that time. I called National Defense at that time. I spoke to the Speaker at that time. I spoke to the floor leader at that time.

Mr. KEATING. Did the gentleman and the gentleman from North Carolina and others or any others prepare any letter or other document which they presented to the President at that time?

Mr. BURNSIDE. The President has the written statement at that time.

Mr. KEATING. Signed by the gentleman?

Mr. BURNSIDE. Signed by the gentleman from North Carolina, Congressman DEANE, but I agreed to the statement.

Mr. KEATING. The gentleman saw it before it was delivered to the President?

Mr. BURNSIDE. Yes; and this statement I have given here is also agreed to by the gentleman from North Carolina, Congressman DEANE.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. If I am not mistaken, it was the President who told the world in the summer of 1950 that we had never been closer to world peace in 5 years. However, it was only a few weeks later that all hell broke out in Korea.

Mr. BURNSIDE. I cannot answer for that.

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 10 minutes.

VETERANS' LEGISLATION

Mr. PERKINS. Mr. Speaker, I take this time to call to the attention of the House the fact that veterans of World War II will soon be deprived of benefits under the GI bill unless the time is extended beyond July 25. Also that all GI benefits should likewise be extended to the Korean veterans.

Any veteran of World War II who desires to undertake a course of education or training under the so-called GI bill of rights must initiate such education or training within 4 years after his discharge, or within 4 years after the termination of war—July 25, 1951—whichever is the later date. This means that any veteran who was discharged before July 25, 1947, must initiate his education or training before July 25, 1951, or he will lose his rights to such education or training.

To my way of thinking this will work a great hardship on many veterans throughout the Nation unless the benefit period is extended. Veterans of World War II returned home from service with many problems. It is true that a great number have been able to take advantage of the educational training afforded under the GI bill. Others on account of sickness, financial difficulties, and such problems as taking care of their children and parents, were not able to follow the course of their neighbor and enter school at an early date. Such circumstances in many instances are changing.

Mr. Speaker, it is only fair that we afford a reasonable opportunity for all veterans of World War II to take full advantage of the GI bill. Under an amendment that I introduced to the GI bill, an eligible veteran would be permitted to initiate a course of education or training within 4 years after his discharge or within 7 years after the termination of the war—July 25, 1951—whichever is the later date. Existing law provides that education or training under the GI bill of rights must be completed within 9 years after the war—July 25, 1956. My amendment would provide that such education or training must be completed by July 25, 1959.

Mr. Speaker, not only should the full benefits of the GI bill be extended for World War II veterans, but those same benefits should be extended to all the Korean veterans. It is true that the Eighty-second Congress recently enacted a law making medical, hospital, burial benefits and compensation or pension benefits available to persons serving in the Armed Forces on or after July 27, 1950—extending to such date as shall be later specified. This does not extend the World War II benefits such as vocational

rehabilitation, education, and training. Government guaranteed loans for housing and business, and readjustment allowances to the Korean veterans.

It is quite clear that persons on duty with the Armed Forces today are serving during a period of armed conflict and should be recognized as more than peacetime veterans. Many persons are being drafted into the Armed Forces from civilian life. They are having their education, training, or business activities interrupted, and are facing the hazards of the field of battle. To compensate for the physical hazards, the Congress recently enacted Public Law 28, but no benefits have been offered as compensation for the interruption of their education, training, or business activities. Certainly these veterans are entitled to the same consideration given the veterans of World War II.

To extend World War II veterans' benefits to the Korean veterans will require several adjustments in the time limitation factors. In order to allow ample time for veterans of Korea to become rehabilitated, and in order that they may take full advantage of these benefits, the limitations concerning application for benefits should be extended by at least 3 years and the period of time within which these benefits may be used should be extended by 3 years. Benefits of any nature will be worthless if their time limitations expire before the veteran is in a position to make use of them. The most equitable extension would be to extend to such date as shall be later specified by Congress.

Mr. Speaker, bills are now pending before the Veterans' Affairs Committee extending the benefits of the GI Bill of Rights to persons who serve on active duty during the period of present hostilities. Thus, persons so serving may become eligible for the same educational benefits, the same home, farm, and business loan benefits, the same assistance in seeking employment after release from active service, and the same readjustment allowances, as were made available for veterans of World War II. I sincerely hope that the House of Representatives will shortly extend the full benefits of the GI bill to the Korean veterans.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think very likely the gentleman has introduced legislation to extend the time for World War II veterans for their education, and I have also introduced a bill which would give the Korean boys the benefits of GI training. Certainly the Korean boys ought to have it and they are pleading for that training.

Mr. PERKINS. Does the gentlewoman from Massachusetts know whether or not her committee is planning hearings on this legislation within the near future?

Mrs. ROGERS of Massachusetts. I do not know. I know that I have asked for hearings, I will say to the gentleman.

Mr. PERKINS. I wish to thank the gentlewoman for her contribution and I wish to state that I have likewise bills pending before the Committee on Veterans' Affairs for that purpose.

EXTENSION OF REMARKS

Mr. BATES of Kentucky asked and was given permission to extend his remarks and include a tribute to Kentucky by Daniel Francis Clancy.

Mr. BURNSIDE asked and was given permission to extend his remarks in two instances and in each include extraneous matter.

Mr. SMITH of Mississippi asked and was given permission to extend his remarks in two instances and in each include extraneous matter.

Mrs. BOSONE asked and was given permission to extend her remarks and include two newspaper articles.

Mr. BREEN asked and given permission to extend his remarks and include certain statements from constituents of his district.

Mr. PRICE asked and was given permission to extend his remarks and include a newspaper article.

Mr. MACHROWICZ asked and was given permission to extend his remarks in two instances and in one include a speech by Brig. Gen. Donald P. Booth on May 19 at the Polish Soldiers Home of New York.

Mr. TRIMBLE asked and was given permission to extend his remarks and include a letter from a soldier.

Mr. FLOOD asked and was given permission to extend his remarks in two instances and in each include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in three instances.

Mr. WOLVERTON asked and was given permission to extend his remarks and include two speeches delivered at the proceedings of the Panama Canal Society's annual meeting honoring William Howard Taft.

Mr. COLE of New York asked and was given permission to extend his remarks and include an address by the Governor of the State of New York.

Mr. AYRES asked and was given permission to extend his remarks.

Mr. BOW (at the request of Mr. AYRES) was given permission to extend his remarks and include an editorial.

Mr. WOOD of Idaho asked and was given permission to extend his remarks and include a newspaper article.

Mr. SMITH of Wisconsin asked and was given permission to include in his remarks on the India aid bill certain excerpts.

Mr. GEORGE asked and was given permission to extend his remarks and include an editorial from the Parsons (Kans.) Sun.

Mr. SCUDDER asked and was given permission to extend his remarks and include a proclamation by the city of Heraldsburg, Calif., and a newspaper item.

Mr. VAIL asked and was given permission to extend his remarks and include a statement by Tom Moore, the great Irish poet.

Mr. RANKIN asked and was given permission to extend his remarks and include an editorial from the Washington Times-Herald.

Mr. CANNON asked and was given permission to extend his remarks and include an article from the Reader's Digest entitled "The Air-Power Odds Against Us."

Mr. McGUIRE asked and was given permission to extend his remarks and include a statement from Labor.

Mr. HOWELL asked and was given permission to extend his remarks and include an article.

Mr. YORTY asked and was given permission to extend his remarks and include extraneous matter.

Mr. ROGERS of Texas asked and was given permission to extend his remarks and include extraneous matter.

Mr. ZABLOCKI asked and was given permission to extend his remarks in two instances and in one to include extraneous matter.

Mr. ADDONIZIO (at the request of Mr. PRIEST) was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BECKWORTH (at the request of Mr. PRIEST) was given permission to extend his remarks and include extraneous matter.

Mrs. HARDEN asked and was given permission to extend her remarks and include two addresses by Hon. CHARLES HALLECK, at Tulsa, Okla., May 11 and 12.

Mr. HOFFMAN of Michigan (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include a newspaper editorial.

Mr. VAN ZANDT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. SHAFER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. WHARTON asked and was given permission to extend his remarks.

Mr. FULTON asked and was given permission to revise and extend his remarks and include a speech delivered in the city of Pittsburgh by Mr. Robert W. Hansen.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include a statement by the Zionist Council and an editorial on the Huleh Marshes appearing in the New York Times.

Mr. ROONEY asked and was given permission to extend his remarks and include an editorial from the Brooklyn Eagle.

BILLS PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2685. An act to authorize the Administrator of Veterans' Affairs to reconvey to Tuskegee Institute a tract of land in Macon County, Ala.; and

H. R. 3587. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 24, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

466. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of Defense, transmitting a draft of legislation entitled "To authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi," was taken from the Speaker's table, referred to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CLEMENTE: Committee on Armed Services. H. R. 385. A bill to direct the Secretary of the Army to convey certain land to the village of Highland Falls, N. Y., with amendment (Rept. No. 492). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON of California: Committee on Armed Services. H. J. Res. 67. Joint resolution to provide that the first Navy supercarrier shall be named the *James V. Forrestal*, with amendment (Rept. No. 494). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE of New York: Committee on Armed Services. H. R. 3573. A bill to authorize the attendance of the United States Marine Band at the celebration of the three hundredth anniversary of the settling of New Castle, Del., to be held in New Castle, Del., on June 16, 1951, with amendment (Rept. No. 495). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. Con. Res. 26. Concurrent resolution favoring the suspension of deportation of certain aliens, without amendment (Rept. No. 491). Referred to the Committee of the Whole House.

Mr. RIVERS: Committee on Armed Services. H. R. 1834. A bill for the relief of Florence Grace Pond Whitehill; without amendment (Rept. No. 493). 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. MILLS:

H. R. 4229. A bill to provide that the antitrust laws shall not apply to organized professional sports enterprises; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 4230. A bill to provide that the antitrust laws shall not apply to organized professional sports enterprises; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 4231. A bill to provide that the antitrust laws shall not apply to organized professional sports enterprises; to the Committee on the Judiciary.

By Mr. BENNETT of Michigan:

H. R. 4232. A bill to provide additional income tax relief for supporting blind or aged dependents; to the Committee on Ways and Means.

By Mr. ELLIOTT:

H. R. 4233. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FUGATE:

H. R. 4234. A bill to amend the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

By Mr. MACHROWICZ:

H. R. 4235. A bill to amend the Federal Employees' Compensation Act to extend coverage to certain persons engaged in civil defense; to the Committee on Education and Labor.

By Mr. FERNANDEZ:

H. R. 4236. A bill to stabilize the economy of dependent residents of New Mexico using certain lands of the United States known as the North Laboto and El Pueblo tracts, originally purchased from relief program funds, and now administered under agreement by the Carson and Santa Fe National Forests, to effect permanent transfer of these lands, and for other purposes; to the Committee on Agriculture.

By Mr. MACHROWICZ:

H. R. 4237. A bill to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ADDONIZIO:

H. R. 4238. 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. BENTSEN:

H. R. 4239. A bill to direct the Secretary of the Army to reestablish and correct the boundaries of the Quincy National Cemetery by the exchange of Government-owned lands in the Quincy-Graceland Cemetery, Quincy, Ill.; to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD:

H. R. 4240. A bill to clarify the provisions of section 315 of the Communications Act of 1934, relating to the use of broadcasting facilities by candidates for public office; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 4241. A bill to confer jurisdiction upon the United States Court of Claims with respect to claims against the United States of certain employees of the Bureau of Prisons, Department of Justice; to the Committee on the Judiciary.

By Mr. PRIEST:

H. R. 4242. A bill to amend section 801 (d) of the Federal Food, Drug, and Cosmetic Act, as amended, in relation to exports; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS:

H. R. 4243. A bill to preserve the primary military functions of the Barksdale Air Force Base bombing and gunnery range and to provide for payment to the city of Shreveport, La., of proceeds from leasing of oil, gas, or other mineral deposits within said Air Force base bombing and gunnery range, and for other purposes; 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. HALLECK:

H. R. 4244. A bill for the relief of Herta Anna Maria Kottulinsky von Kottulin; to the Committee on the Judiciary.

By Mr. HORAN:

H. R. 4245. A bill for the relief of former Capt. Charles W. Reid; to the Committee on Armed Services.

By Mr. JENISON:

H. R. 4246. A bill for the relief of Mrs. Maude M. Wright and Mrs. Maxine Roberts, formerly Mrs. Maxine Mills; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4247. A bill for the relief of Louise Peters Lewis; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 4248. A bill for the relief of Dr. John Lu; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 4249. A bill for the relief of Sigmund Spitz and Gertrude Spitz; to the Committee on the Judiciary.

H. R. 4250. A bill for the relief of Ruben George Varga and Mrs. Ilona Varga; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

297. The SPEAKER presented a petition of Mrs. Arthur Raabe, secretary, Queensboro Federation of Mothers' Clubs, Inc., Brooklyn, N. Y., petitioning consideration of their resolution with reference to urging that legislation be passed to guard against the smuggling of narcotics into the United States; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 24, 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:

Our Father God, in this quiet moment we would be conscious that Thou art nearer than breathing, nearer than hands or feet. Help us to put into the common round of daily life the awareness of Thy presence and the reality of eternal values. Forgive us that at times we are so dull of heart that burning bushes beside our path leave us unmoved and that in a world so full of Thy beauty we are so blind. In a day great with crisis and freighted with destiny for all the earth, save us from the unpardonable sin of making the hopes of the despairing world the pawns of partisan politics. In faith and confidence may we commit our ways unto Thee. Grant us a clearer vision of Thy way and Thy will and renewed courage to follow the gleam in this confusing hour. Amen.