Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 82d CONGRESS, FIRST SESSION

SENATE

TUESDAY, AUGUST 14, 1951

(Legislative day of Wednesday, August 1, 1951)

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

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Almighty God, within the sanctuary of our hearts our inmost thoughts and desires are sobered by the immense implications of the commission that is ours. In these days when our very thoughts affect our fellow men, not only here and there but everywhere across the vast expanses of this earth, for today and tomorrow, yea, even the forever, we pause that our hearts might be in tune with Thine. Create within us those insights of loyalty and wisdom that every act will portray those verities and integrities that cannot be shaken. As we depend upon Thee, may there emanate from this historic place such confidence that no days of darkness or conferences of confusion can incite fear in the hearts of men. We pray in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 13, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, August 14, 1951, the President had approved and signed the act (S. 1362) for the relief of Howard Lovell.

MESSAGE FROM THE HOUSE

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

H. R. 4521. An act to amend and extend the Sugar Act of 1948, and for other purposes; and

H. R. 4948. An act to suspend certain import duties on lead.

ENROLLED BILLS SIGNED

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

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

H. R. 3911. An act to provide appropriate lapel buttons for widows, parents, and next of kin of members of the Armed Forces who lost or lose their lives in the Armed Services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

ADJUSTMENT OF COMPENSATION OF CERTAIN EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to provide for adjustment in the compensation of certain employees transferred to the General Services Administration from the Post Office Department pursuant to Reorganization Plan No. 18 effective July 1, 1950, which, with the accompanying paper, was referred to the Committee on Post Office and Civil Service.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. WILLIAMS. Mr. President, I present a petition signed by 164 citizens of New Castle County, Del., praying for the enactment of legislation prohibiting alcoholic beverage advertising over the radio and television, as well as in magazines and newspapers.

I ask that the petition be referred to the Committee on Interstate and Foreign Commerce for consideration.

The PRESIDENT pro tempore. The petition will be received and referred to the Committee on Interstate and Foreign Commerce.

THE GENOCIDE CONVENTION

Mr. McMAHON. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the body of the RECORD at this point in my remarks a telegram addressed to me by the Lithuanian American Council, protesting the delay in the ratification of the Genocide Convention.

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

CHICAGO, ILL., *August 3, 1951.*

Hon. BRIEN McMAHON,
Senator of the United States,
Senate Building:

Our council, representing more than 1,000,000 Americans of Lithuanian descent, appeals to you in this grave hour of distress for our brethren behind the iron curtain, that you may help us in the following matter. Soviet-inspired efforts continue in endeavor to break up Genocide Convention and to include its elements in future code of offenses against peace and security of mankind and in future Covenant of Human Rights. Genocide Convention, which is already binding international law, can be fully applied to genocide in Lithuania and other Soviet-dominated countries, including such acts as breaking up families through deportation and for direct destruction. Article 2 of the Convention deals specifically with deliberate creation of conditions of life calculated to bring about physical destruction of the group. The outrageous Soviet genocidal practice dealing with kidnaping of children is also covered by this Convention. We will be most grateful to you for your early reply in this matter.

LITHUANIAN AMERICAN COUNCIL,
By DR. PIUS GRIGAITIS,
Executive Secretary.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. SMITH of North Carolina, from the Committee on the District of Columbia:

S. 664. A bill to amend section 4 of the act of May 5, 1870, as amended and codified, entitled "An act to provide for the creation of corporations in the District of Columbia by general law," and for other purposes; with an amendment (Rept. No. 633); and

H. R. 3957. A bill to provide that certain functions of the Comptroller of the Currency which relate to building associations organized in, or doing business in, the District of Columbia shall hereafter be performed by the Home Loan Bank Board, and for other purposes; without amendment (Rept. No. 634).

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

S. 1004. A bill to provide for the redemption of District of Columbia tax stamps; without amendment (Rept. No. 635);

S. 532. A bill to authorize the cancellation or settlement of claims of the District of Columbia against the estates of recipients of old-age assistance; with an amendment (Rept. No. 636); and

S. 264. A bill to provide for granting to officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, and the White House and United States Park Police forces compensatory time for working on holidays; with amendments (Rept. No. 637).

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

S. 491. A bill to amend the Boiler Inspection Act of the District of Columbia; with amendments (Rept. No. 638); and

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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; with an amendment (Rept. No. 639).

BILLS INTRODUCED

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

By Mr. FLANDERS:

S. 1999. A bill authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory or possession of the United States, or any political subdivision thereof, to provide that the head of each department or agency of the United States shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding sums from the compensation of employees; to the Committee on Finance.

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

By Mr. CHAVEZ:

S. 2000. A bill to extend national service life insurance benefits to certain members of the Armed Forces who died in combat with the Japanese forces prior to April 20, 1942, or whose deaths are traceable to capture, siege or isolation by such forces; to the Committee on Finance.

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

By Mr. NEELY:

S. 2001. A bill for the relief of Mr. and Mrs. Demetrius John Monoyioudes; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 2002. A bill to provide for the establishment of a food and drug district office at Detroit, Mich.; to the Committee on Labor and Public Welfare.

By Mr. LODGE:

S. 2003. A bill for the relief of Baroness Renee Gordon Weld Durini; to the Committee on the Judiciary.

WITHHOLDING OF CERTAIN STATE TAXES

Mr. FLANDERS. Mr. President, in this morning's Washington Post there appears a news item headed "Treasury bows to Vermont." It is a very interesting news item for a Vermonter to read. Actually, it refers to the Treasury's offer to cooperate with Vermont on the question of the withholding of taxes. A State law of Vermont provides for the withholding of taxes, and agencies of the Federal Government in Vermont have refused to follow the State law, as they have refused to follow similar State laws in Oregon and other States.

However, my office has been in touch with the Treasury Department, and the Department is agreeable to cooperate with the State. An announcement to that effect was made in this morning's Washington Post.

Therefore, I introduce a bill, the purpose of which is to permit the Treasury Department to make arrangements with States for the withholding of taxes by Federal organizations within a State or within subdivisions of a State.

I ask that the bill be appropriately referred.

The bill (S. 1999) authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory, or possession of the United States, or any political subdivision thereof, to provide that the head of each department or agency of the United States shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding sums from the compensation of employees, introduced by Mr. FLANDERS, was received, read twice by its title, and referred to the Committee on Finance.

EXTENSION OF NATIONAL SERVICE LIFE-INSURANCE BENEFITS TO CERTAIN MEMBERS OF ARMED FORCES

Mr. CHAVEZ. Mr. President, I introduce for appropriate reference a bill to extend national service life-insurance benefits to certain members of the Armed Forces who died in combat with the Japanese forces prior to April 20, 1942, or whose deaths are traceable to capture, siege, or isolation by such forces. I ask unanimous consent that the bill, together with an explanatory statement by me be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2000) to extend national service life-insurance benefits to certain members of the Armed Forces who died in combat with the Japanese forces prior to April 20, 1942, or whose deaths are traceable to capture, siege, or isolation by such forces, introduced by Mr. CHAVEZ, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 602 (d) (2) of the National Service Life Insurance Act of 1940, as amended, is hereby amended by substituting a colon for the period at the end thereof and adding the following: "*And provided further*, That if such person, other than a member of the organized military (including guerrilla) forces of the Commonwealth of the Philippines, on or after December 7, 1941, and prior to April 20, 1942, died as the result of combat with, or capture, siege, or isolation by, the Japanese forces, such person shall be deemed to have applied for and to have been granted an aggregate amount of insurance of not less than $10,000 and any additional insurance granted by virtue of this proviso shall be payable in the manner provided by this section."

SEC. 2. Section 602 (d) of the National Service Life Insurance Act of 1940, as amended, is hereby amended by adding the following new subsections:

"(7) Any person in the active service, other than a member of the organized military (including guerrilla) forces of the Commonwealth of the Philippines, who was captured, besieged, or isolated by the Japanese forces on or after December 7, 1941, and prior to April 20, 1942, and died or dies on or after April 20, 1942, from a disability traceable to capture, siege, or isolation by such forces without having in force at the time of such death Government insurance under any act in the aggregate amount of $10,000, shall be deemed to have applied for and to have been granted national service life insurance in an amount which together with any such Government insurance in force at the time of death shall aggregate $10,000 of insurance: *Provided*, That benefits under such insurance shall be payable in the manner and to the persons as stated in subsection (2).

"(8) Notwithstanding the time limitation for filing an application provided in subsection (5), an application for payment of insurance benefits authorized by the last proviso of subsection (2) or by subsection (7) shall be valid if filed in the Veterans' Administration within —— years after the date of death of the insured or the date of this enactment, whichever is later."

The explanatory statement presented by Mr. CHAVEZ is as follows:

EXPLANATORY STATEMENT BY SENATOR CHAVEZ

Under the existing provisions of the National Service Life Insurance Act of 1940, as amended, gratuitous insurance in the maximum amount of $5,000 is authorized in cases of deaths in line of duty between October 8, 1940, and April 20, 1942, where the serviceman died without having in force an aggregate amount of Government insurance of at least $5,000. Section 1 of the bill would increase this maximum amount of gratuitous insurance to $10,000 with respect to those members of our Armed Forces who were killed in combat with the Japanese between December 7, 1941, and April 20, 1942, or who died as the result of capture, siege, or isolation by the Japanese during such period. It is not unreasonable to assume that most if not all of the men who died under these conditions during this period without $10,000 Government insurance would have applied for the maximum coverage if they had had a reasonable and normal opportunity to do so. However, the suddenness of the attack on Pearl Harbor and the swift advance of the enemy on the Philippines, Wake Island, and other areas in the Pacific prevented most of them from making such applications and in many cases where applications may have been made, the records were lost or destroyed.

Section 2 of the bill deals with those servicemen who were taken as prisoners of war, besieged or isolated by the Japanese during the same period of time but who did not die within such period. Many of them have subsequently died of malnutrition, disease, and other results of enemy's abuse and inhuman treatment. Among those living today are many who suffer from these conditions. They have inadequate or no insurance coverage and are unable to meet good health requirements of the standard insurers. The bill would authorize a maximum gratuitous insurance coverage in these cases of $10,000, conditioned, however, upon a finding that the death is traceable to such capture, siege, or isolation by the Japanese. Notwithstanding certain time limitations contained in the present law, applications for insurance authorized by the bill will be valid if filed in the Veterans' Administration within 2 years after the date of death of the insured or the date of the bill's enactment, whichever is later. The provisions of the bill would not extend to members of the organized military (including guerrilla forces) of the Commonwealth of the Philippines.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Finance:

H. R. 4521. An act to amend and extend the Sugar Act of 1948, and for other purposes; and

H. R. 4948. An act to suspend certain import duties on lead.

CIVIL FUNCTIONS APPROPRIATIONS—AMENDMENTS

Mr. MONRONEY submitted an amendment intended to be proposed by him to the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the

fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. CONNALLY submitted amendments intended to be proposed by him to House bill 4386, supra, which were ordered to lie on the table and to be printed.

Mr. JOHNSON of Texas submitted amendments intended to be proposed by him to House bill 4386, supra, which were ordered to lie on the table and to be printed.

REVENUE ACT OF 1951—AMENDMENT

Mr. McMAHON submitted an amendment intended to be proposed by him to the bill (H. R. 4473) to provide revenue, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT OF THE MERCHANT MARINE ACT, 1936—AMENDMENT

Mr. MAGNUSON. Mr. President, Senate bill 241, a bill to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes, is on the calendar. That bill is commonly known as the long-range shipping bill. I have hope that between the consideration of some of the appropriation bills, as they come to the floor of the Senate from the committee, we may have an opportunity to bring up that bill for discussion and vote.

Mr. McKELLAR. Mr. President, I hope the Senator will not present that bill now.

Mr. MAGNUSON. I am not presenting the bill now, but, because the bill is so technical and so complicated and because there is a possibility that we may discuss it soon, on behalf of myself and the Senator from Maryland [Mr. O'CONOR] I ask unanimous consent to submit to Senate bill 241 an amendment in the nature of a substitute, which I now send to the desk and ask to have printed and lie on the table, so that all Senators may know what it is about.

The PRESIDENT pro tempore. Without objection, the amendment will be received and printed, and will lie on the table.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. WILLIAMS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, the following amendment, namely: At the proper place in the bill insert the following:

"SEC. . No funds or contract authorizations made available by this act shall be used for the construction of any structure, work, or other project unless (1) such construction is certified by the Secretary of Defense to be essential to national security, or (2) the construction of such structure work, or other project has been commenced prior to the enactment of this act, and substantial detriment to the interests of the United States will result if the proposed further construction is not carried out."

Mr. WILLIAMS also submitted an amendment intended to be proposed by him to House bill 4386, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

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

AMENDMENT OF MERCHANT MARINE ACT, 1936—PRINTING OF PART 2 OF REPORT NO. 295

Mr. HOLLAND. Mr. President, at the request of the Senator from Washington [Mr. MAGNUSON], I ask unanimous consent to have printed part 2 of Senate Report No. 295, accompanying the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

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

Twenty-five postmasters.

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

Francis F. Healy, to be a member of the District of Columbia Redevelopment Land Agency, vice Edward A. Dent, resigned.

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. HILL:

Address commenting on the lives of five great Americans, broadcast by Senator DOUGLAS, on August 12, 1951, from Station WMAL, Washington, D. C.

Editorial from the New York Times of August 13, 1951, entitled "Strictly But Strictly Phony," relating to the peace message sent to President Truman by Soviet President Shvernik.

By Mr. MARTIN:

Report by him to the people of Pennsylvania on August 13, 1951, broadcast on August 13, 1951, entitled "Happenings In Washington, Program No. 47."

By Mr. McMAHON:

Address entitled "The Power of Choice," delivered by Archibald MacLeish, at the commencement exercises at Radcliffe College, and published in the Atlantic Monthly.

By Mr. PASTORE:

Address entitled "Education and the Productive Citizen," delivered by Dr. Earl J. McGrath, United States Commissioner of Education, on August 10, 1951, at the 1951 commencement exercises of Bryant College, Providence, R. I.

By Mr. MUNDT:

Article entitled "The Forgotten Man," written by William G. Sumner, published in the United States News for November 2, 1936.

By Mr. THYE:

Editorial entitled "An Ironic Fearfulness Is Delaying the Seaway," published in the Minneapolis Star of August 11, 1951, relating to the St. Lawrence Seaway.

Article entitled "Seaway Proponents Strong, But Foes Outmaneuver Them," written by Leo Sonderegger and published in the Minneapolis Star of August 11, 1951.

By Mr. DOUGLAS:

Article entitled "New Law Felt Likely to Force Prices Up," written by Alfred Friendly and published in the Washington Post, relating to price roll-backs and the so-called Capehart amendment.

By MR. SMATHERS:

Article entitled "Pilots To Fly Story of MRA Across Nation," published in the Miami Herald of July 4, 1951, and letter from William M. Wolfarth, mayor of Miami, Fla., to Senator SMATHERS, under date of August 6, 1951, relating to moral rearmament.

By Mr. FREAR:

Statement entitled "The Delaware Memorial Bridge," printed in the souvenir program prepared for the dedication of the bridge on August 15, 1951.

SIXTEENTH ANNIVERSARY OF THE PASSAGE OF THE SOCIAL SECURITY ACT

Mr. LEHMAN. Mr. President, I ask unanimous consent to address the Senate for about 2 minutes.

The PRESIDING OFFICER. Without objection, the Senator from New York may proceed.

Mr. LEHMAN. Mr. President, today, August 14, 1951, is the sixteenth anniversary of the passage of the original Social Security Act. The past 16 years of successful operation of our social security system stand as a tribute to those men who had the foresight and initiative to struggle for and enact the original law. It was signed by our late President, Franklin Delano Roosevelt, on August 16, 1935, in order to provide some measure of protection for the average citizen and his family against poverty-ridden old age.

Of this act, President Roosevelt said, "This law, too, represents a cornerstone in a structure which is being built but is by no means complete." Since its date of enactment it has proven its value. In 1935, some 26,000,000 persons worked in employment covered by the Social Security Act. By 1950, the growth in population and in the number of jobs had increased the social security coverage to 35,000,000. Last year, the Congress demonstrated its belief in and support of the social security program by extending coverage to an additional 10,000,000 persons and substantially increasing its benefits.

In fiscal 1951, some $1,500,000,000 were paid out to beneficiaries of the old age and survivors insurance program to as many as 4,000,000 persons per month. Through June 1951, a total of $4,874,000,000 has been paid out to beneficiaries of the old age and survivors insurance program.

When it is borne in mind that these payments have been made to millions of our aged citizens throughout the Nation and were based on contributions which these same citizens made to a common fund, we can indeed pay grateful tribute to the intelligent foresight of those

legislators and to the national leadership whose efforts led to the enactment of this vital program.

There were many other features in the original Social Security Act, such as the public assistance program with its aid and benefits to the aged, to the blind, and to dependent children, which we have improved wherever possible. I for one, Mr. President, am thankful that the program was started when it was and that ensuing Congresses and administrations have kept the program alive and growing.

For my part I intend to do what I can to carry on this great work, to expand and extend the social security program which plays so large a role in the welfare and the security of this Nation and its people.

Mr. President, I ask unanimous consent to insert at the end of these remarks the historic statement made by the late President Roosevelt when he signed the original Social Security Act on August 14, 1935.

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

PRESIDENTIAL STATEMENT UPON SIGNING THE SOCIAL SECURITY ACT, AUGUST 14, 1935

Today a hope of many years' standing is in large part fulfilled. The civilization of the past hundred years, with its startling industrial changes, has tended more and more to make life insecure. Young people have come to wonder what would be their lot when they came to old age. The man with a job has wondered how long the job would last.

This social-security measure gives at least some protection to 30,000,000 of our citizens who will reap direct benefits through unemployment compensation, through old-age pensions, and through increased services for the protection of children and the prevention of ill health.

We can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life, but we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.

This law, too, represents a cornerstone in a structure which is being built but is by no means complete. It is a structure intended to lessen the force of possible future depressions. It will act as a protection to future administrations against the necessity of going deeply into debt to furnish relief to the needy. The law will flatten out the peaks and valleys of deflation and of inflation. It is, in short, a law that will take care of human needs and at the same time provide for the United States an economic structure of vastly greater soundness.

I congratulate all of you ladies and gentlemen, all of you in the Congress, in the executive departments and all of you who come from private life, and I thank you for your splendid efforts in behalf of this sound, needed, and patriotic legislation.

If the Senate and the House of Representatives in this long and arduous session had done nothing more than pass this bill, the session would be regarded as historic for all time.

THE SITUATION AT WEST POINT

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I sent yesterday to the Secretary of Defense, commenting on the deplorable situation at West Point and calling attention to practices in other institutions where the football problem has been handled and where the honor system has also been handled.

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

AUGUST 13, 1951.

Hon. GEORGE C. MARSHALL,
Secretary of Defense,
The Pentagon, Washington, D. C.

MY DEAR MR. SECRETARY: I know you are as much disturbed as we all are over the sad disclosures of the fall-down of the honor system at West Point. Having had some experience with football and with the honor system during the time of my service at Princeton University, it has occurred to me that it might be helpful to you if I sent you some of my thoughts on the present situation at the Military Academy.

In the first place, I am unalterably opposed to the suggestion that because of this incident football should be abolished. It is my considered judgment that football and other competitive sports are essential parts of the education and training of our young men between the ages of 18 and 25. This is the time of life when the average young man needs the stimulation of wholesome, manly competition with his fellows and any suggestion of eliminating this kind of competition because of possible abuses seems to me to be getting at this subject from the wrong end.

We had this problem at Princeton for many years, and we finally evolved some understanding with our principal rivals, Yale and Harvard, which it seems to me the service academies could well give consideration to. In the first place, we do not permit first-year men, that is freshmen, to play on varsity teams at all. They can have their own freshman-year teams and compete with other freshmen, but we tried to break down the continuity of the so-called professional player by not letting him play the first year with the varsity team. Also, we have a very important rule which is that only 3 years of play on a varsity team is allowed. A boy cannot stay over to take an extra year and continue to play. We have found that these regulations have been successful in preventing the undesirable forms of proselyting, and I think a study of the agreements between such institutions as Yale, Harvard, and Princeton, and also Cornell, Pennsylvania, Dartmouth, Williams, Brown, and the other members of the so-called Ivy League, would be helpful in this connection.

It is my judgment that while the football abuses may have had a bearing on the cheating in examinations because of the high pressure on the football boys to get by, it was not the motivating cause of the trouble. We should seek to keep our fine competitive sports above criticism by reasonable understandings between the competing colleges.

In the second place, with regard to the honor system, I am one of the most enthusiastic supporters of it, but I believe its success depends entirely on the students. At Princeton we have had it for a great many years, and it is interesting to note that it was inaugurated by Woodrow Wilson, who brought it with him from the University of Virginia. We make a great feature of this honor system with our entering classes. Immediately upon a boy entering Princeton, he with his classmates are assembled, and the honor system is explained to them, first by some member of the faculty from the faculty standpoint, and then, and more important, by an upper classman who has the responsibility for seeing that it is effective.

I have been connected with Princeton for many years, both as an undergraduate and as an observer of its activities, and in all that time I have known of only a few violations. When they occur the faculty may not even be advised. The matter is handled by the student committee and when that body finds one of their associates guilty, the offender is quietly told to leave college. The students voluntarily take collective responsibility for the "honor" of the system. No one is called upon to tell on his fellows to the authorities. The boys are the enforcers by their own choice. Reports of violations are made to the elected student supervisors.

Applying these principles to West Point, it seems to me the matter should be put up to the student body. They should be challenged as to whether or not they want a reestablishment of the honor system. It should be made perfectly clear to them that it is up to them to carry through if the system is to succeed.

My own judgment is that attention to the system at West Point has probably been too lax and with too much taken for granted. The boys have gotten into bad habits of doing things they know in their hearts to be wrong and apparently the faculty have condoned those wrongs. It seems to me there should be a full investigation and I hope a complete study can be made of honor systems which have been successful, such as at Princeton and the University of Virginia, and steps should be taken either to reestablish the system at West Point and Annapolis on a sound basis, or the student body should face the fact that they do not want it and cannot enforce it, in which case they would go back to the old monitor system. The latter, of course, would be most unfortunate, but it would be up to the boys themselves to make the decision and assume the responsibility. It is my own judgment that this matter should be decided by the boys themselves.

With regard to the offenders in this instance, it seems to the outside observer that the penalties under all the circumstances are too severe. Apparently many others have been guilty in recent years and it seems hardly just to apply penalties to boys who have confessed where others have gone scot free. But there can be no compromise with the evil of dishonesty in our armed services. These boys must find some way to atone for the wrong they have done if they are to be allowed to associate again with their fellows. This matter should be worked out among the students themselves and the terms on which these boys should be allowed to come back should be determined by the student body.

I do hope these few thoughts will be of help to you in considering the implications of this situation.

With kindest personal regards and best wishes, I remain,

Always cordially yours,

H. ALEXANDER SMITH.

DEATH OF WILLIAM RANDOLPH HEARST

Mr. MALONE. Mr. President, the death today of Mr. William Randolph Hearst at the age of 88 years marks the passing from the journalistic field of a great man, a great American. He was a controversial figure, a man of strong convictions, a man always found on the side of the United States of America, as he saw it. He was a man of great influence, through his approximately 30 newspapers and magazines.

I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a brief statement which I made on March 3, 1947.

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

I think it is only fitting to say that the foundation of the Hearst fortune was laid in Virginia City, Nev., along with that of the MacKays, the Floods, and the Fairs, much of which was used in building up the first great city of San Francisco. George Hearst, father

of William Randolph Hearst, walked into Virginia City in the early days and later made a fortune through investments in mining property located in that city. It has always been a source of admiration to me that in Nevada was made the fortune which led to the founding of the great string of newspapers which today pay perhaps the largest salaries of any that are paid by any newspaper chain. Such salaries are paid to its leading men, its great reporters, and its great editors, such as Clarence Lindner, of San Francisco, and to Dick Berlin, of New York, for example; and while its owner, William Randolph Hearst, has been in the newspaper business for more than half a century, he is still his own best editor. I am a great admirer of that chain of newspapers, not because I always agree with them but because they are fearless and make the people think.

Mr. MALONE. Mr. Hearst's father, George Hearst, served as United States Senator from California from March 23, 1886, to August 4, 1886. Mr. Hearst himself served two terms in the United States Congress, in the Fifty-eighth Congress and the Fifty-ninth Congress, from 1903 to 1907. He is survived by his gracious wife, Mrs. William Randolph Hearst, and five fine sons, William Randolph, George, David, Randolph and John.

CALL OF THE ROLL

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

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

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

Bennett	Hayden	McKellar
Benton	Hendrickson	McMahon
Brewster	Hennings	Millikin
Bridges	Hickenlooper	Monroney
Byrd	Hill	Mundt
Cain	Hoey	Neely
Capehart	Holland	Nixon
Carlson	Humphrey	O'Mahoney
Case	Hunt	Pastore
Chavez	Ives	Robertson
Clements	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kerr	Schoeppel
Douglas	Kilgore	Smathers
Duff	Knowland	Smith, Maine
Dworshak	Lehman	Smith, N. J.
Eastland	Lodge	Smith, N. C.
Ecton	Long	Sparkman
Ellender	Magnuson	Stennis
Ferguson	Malone	Taft
Flanders	Martin	Thye
Frear	Maybank	Underwood
Fulbright	McCarran	Watkins
George	McCarthy	Welker
Gillette	McClellan	Williams
Green	McFarland	

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Michigan [Mr. MOODY], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Nebraska [Mr. BUTLER], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Nebraska [Mr. WHERRY], the Senator from Illinois [Mr. DIRKSEN], the Senator from North Dakota [Mr. LANGER], the Senator from Missouri [Mr. KEM], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Vermont [Mr. AIKEN] and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). A quorum is present.

CIVIL-FUNCTIONS APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Corps of Engineers—Rivers and harbors and flood control," on page 3, line 23, after the word "exceed", to strike out "$1,500,000" and insert "$1,525,000."

The amendment was agreed to.

The next amendment was on page 4, line 12, after the word "aircraft", to strike out the colon and the following additional provisos: "*Provided further*, That, during the current fiscal year, such appropriations shall not be used to start or resume any project for which funds were not allocated for construction in the preceding fiscal year; but this proviso shall not apply to any project for which funds are provided in this act: *Provided further*, That the project known as Buggs Island Reservoir, Va., and N. C., shall hereafter be designated as the John H. Kerr Dam and Reservoir."

The amendment was agreed to.

The next amendment was, under the subhead "Rivers and harbors," on page 5, line 16, after the word "States", to insert "for payment annually of tuition fees of not to exceed 25 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C. 535)."

The amendment was agreed to.

The next amendment was, on page 6, line 3, after the word "Congress", to strike out "$162,860,500" and insert "$213,932,613."

Mr. DOUGLAS. Mr. President, yesterday I submitted an amendment to diminish the total of this committee amendment by $50,300,000. I think I should say by way of clarification that yesterday I had printed in the RECORD at the conclusion of my remarks a description of the specific projects which I thought might, with profit, be eliminated, together with the reasons why I thought they might be eliminated. Although my amendment to the pending committee amendment does not specify which projects should be eliminated, I take it that in the absence of a disclaimer, the material which I have had printed in the CONGRESSIONAL RECORD might serve as a guide. It now seems to me that on the whole the material I submitted should be treated purely for illustrative purposes, and that it would be better for the Senate simply to make the cut in the appropriation and then trust to the Corps of Army Engineers, in consultation with the proper congressional committees to make such reductions in amounts allotted to individual projects as seems proper provided the total cut is fifty and three-tenths millions.

So I should like to state, as a part of the legislative record of the debate on this subject, that this is merely a cut in the total amount for rivers and harbors, and the Corps of Engineers will with the help of committees exercise judgment as to which projects are to be eliminated and which projects are to be slowed down.

With that understanding, I hope the debate on the amendment which I submitted yesterday to the committee amendment, and which now lies at the desk, for the examination of all Members of the Senate, may proceed.

The PRESIDING OFFICER. The Chair would like to ask the Senator from Illinois whether he wishes to offer the amendment to the committee amendment.

Mr. DOUGLAS. Yes, I do; I wish to have my amendment to the committee amendment considered as pending.

The PRESIDING OFFICER. The amendment submitted by the Senator from Illinois to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 6, line 3, it is proposed to strike out "$213,932,613" and insert in lieu thereof "$163,632,113."

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Illinois to the committee amendment.

Mr. DOUGLAS. Mr. President, I do not know how long it is necessary to discuss this subject. I discussed it at some length yesterday, when there were not many Senators in the Chamber. We have a somewhat larger group in the Senate today. I hope my colleagues will forgive me if I briefly recapitulate the argument, and I hope we may have a yea-and-nay vote on the question of agreeing to my amendment to the committee amendment.

As I pointed out yesterday, we face not merely the danger of floods of water, but also the danger of a flood of inflation. I may say that my amendment to the committee amendment is directed not to the flood-control features of the pending bill, but to the rivers-and-harbors features of the bill—primarily navigation projects. So any effect upon the control of floods would be very secondary indeed, in connection with the amendment which I have submitted to the committee amendment.

Mr. President, as we consider the individual appropriation bills, it is always necessary to bear in mind the general financial situation of the Government. The Assistant Director of the Bureau of the Budget stated 6 weeks ago that his estimate of expenditures of the Federal Government for the coming year was $68,400,000,000. That may be so, but there are a large number of items which

probably are not included in that figure of $68,400,000,000. For example, one item which probably is not fully included consists of the expenditures for overseas bases, for which the Department of Defense is asking for an added appropriation of about $5,000,000,000. If the construction of overseas bases is carried on at an accelerated rate, as I hope it will be, then the amount which the Department has budgeted in January for this purpose will not be sufficient, and the total will have to be increased by several billion dollars.

Then we have the question of the war in Korea. It is not at all certain what the estimates of the Bureau of the Budget are as respects the war in Korea, and whether the Bureau of the Budget expects the war in Korea to be immediately liquidated. In any event, it is certain that the Bureau of the Budget is not counting on having that war continue, or at least the Bureau of the Budget does not believe extraordinary expenses there will continue, beyond the end of this year.

As I understand, in the estimates of the Bureau of the Budget no allowance is made for extraordinary military expenditures in Korea or in the Far East beyond December 31. We do not know what the future holds. We hope an honorable armistice and peace may be obtained in Korea, but it certainly would be very foolish for us to conclude that that will necessarily follow, and I do not think any of us wants a dishonorable peace or a dishonorable armistice in Korea. There will be large added costs here.

Then we have the question of the expansion of the Air Force. The present budget provides for 95 air groups. A distinguished Member of this body has asked for 150 air groups. The very able chairman of the House Armed Services Committee, Representative VINSON, of Georgia, has asked for 163 air groups. We are probably going to have a much larger expansion of the Air Force than was contemplated in the military budget submitted earlier. That will mean the addition of several billion dollars more.

We know that in the past it has been the practice of most of the Government departments, after they have submitted their estimates for the regular appropriation bills, later to request the enactment of supplemental deficiency appropriation bills. So it seems to me most conservative to estimate that we are headed for expenditures during the coming year of not far from $80,000,000,000. Indeed, the distinguished Chairman of the Senate Committee on Executive Expenditures has estimated that we shall appropriate a total of $90,000,000,000. All of this may not be spent in this fiscal year but we will nevertheless be obligated to carry out these expenditures very quickly.

What revenue does the Government have to set against that? At the existing rate of taxation, the Treasury estimated in January that the yield for the fiscal year 1951–52 would be $55,000,000,000. That is an understatement, both because of the increase in prices and the increase in money incomes, which will augment the volume of tax receipts, and also because there has been an increase in real income since the Treasury made its estimate.

Some weeks ago, as I said yesterday, I made an independent estimate that most probably, at the existing rates of taxes, for the coming fiscal year the Government's income would be $61,000,000,000. I was interested to find that members of the staff of the Joint Committee on the Economic Report, working independently, reached an almost identical estimate, namely, $61,400,000,000.

Therefore, Mr. President, I think it is safe to say that the magnitudes with which we are dealing are somewhere around $80,000,000,000 of expenditures and $61,000,000,000 of receipts.

If the consequent gap of $19,000,000,000 or anything approaching it is to occur, it will mean that a flood of inflation will be let loose upon the American people. A deficit of $19,000,000,000 or even one of $12,000,000,000 or one of $10,000,000,000 cannot be made good by savings out of the income on the part of the American people, at least not in a period prior to a formal declaration of war; and in the main the Treasury will have to get the money by going to the banks and asking the banks to lend it the money.

In the old days, the Treasury used to print new money, printing-press money, or greenbacks, to make good a Government deficit. As a result, as the Civil War evidenced, there would be an increase in the volume of money much greater than the increase in the quantity of goods; and, as a consequence, there would ensue a rise in the price level, and inflation.

Nowadays, however, the Treasury does not resort to the expedient of printing new money. It goes to the banks, and the banks create deposits against which the Treasury can draw. The banks will give to the Government, in return for the bonds which they buy, a checking deposit, against which the Government draws, just as, when a private business man goes to a bank to borrow what he receives is a checking account, against which he draws checks. The banks will increase their loans to the Government in a given ratio to their capital assets, and throughout the banking system of the country there will be a general expansion in the amount of check-book money which is thus created. The Government will then write checks against this money, and the total supply of money, including credit, in relationship to goods, will increase. When more money is put on one side and not appreciably more goods on the other, it is then obvious that the price level, which is the ratio between the quantity of money and credit, on the one hand, to the quantity of goods on the other, will rise; and that, of course, is inflation.

Mr. President, unless we reduce expenditures and increase taxes, we are, in my judgment, headed for a terrific inflation during the coming year. The price level will rise, not by 5 percent or 6 percent, but by 10 percent, 15 percent, and possibly by 20 percent. The flood waters of inflation are already gathering, and the movement is given added impetus every time we pass an appropriation bill on the floor of Congress, because we are appropriating money for which, at present, we do not have in sight the equivalent revenues. The difference will have to be made good by Government borrowing, with all the inflation which that will bring.

Mr. President, in the past year we have already suffered an increase of 9 percent in the cost of living. It has caused a great deal of trouble. It has eaten into the fixed incomes of people. It has diminished the amount which widows and orphans can buy with their annuities or with the bonds which they own. It has made the position of the salaried workers more difficult, because salaries never rise as rapidly as does the cost of living. It has increased labor strife, because wages do not respond so readily to the incease in the cost of living as they might. It has diminished the value of insurance policies. It has diminished the purchasing power of the endowments of our charitable institutions, our colleges, and our universities. Already great trouble has been caused; and if the inflationary movement continues, still more trouble will be caused, with still greater inroads upon the real income of the American people.

Mr. President, if inflation sweeps across the Nation and destroys the middle class, if we become separated into a group of speculators, on the one hand, and a group ground down into a low standard of living, on the other, I shudder for the political future of the United States. It was the inflation in Germany in the early twenties which destroyed the middle class there and roughly separated Germany into groups composed of Fascists, on the one hand, and of Communists, on the other. The political solidarity of this country, in my judgment, depends upon the maintenance of a strong middle class, and every time we act in such a way as to increase the cost of living we loose upon them a flood, not of water but of inflation, which sweeps away their very substance and causes even far greater damage than the floods which recently swept over the plains of Kansas and went down the Kaw River to the Missouri and the Mississippi. So we should consider these two types of flood. We should beware in dealing with one kind of flood that we do not lose sight of another.

Mr. President, I know it is said that the amendment which I have proposed will save only $50,000,000. To me that used to seem a large, absolute amount of money; it still seems to me to be a large amount of money, but I realize it seems to be a small amount of money in comparison with the total budget. It represents only one-sixteenth of 1 percent of an $80,000,000,000 budget. But it happens to be the item which is before us at the moment, and we are beginning to learn that, in dealing with floods, we must not only dam the great rivers but must erect retaining dams in the tributary streams, so that the freshets do not pour down from the small streams into the main current and into the main rivers and sweep away land. Similarly, as we deal with these relatively small rivulets of expenditures, though in the aggregate

they represent hundreds of millions of dollars, we need to realize that, if we do not take action to reduce the appropriations, we are permitting them to swell the great stream of inflation which has already begun. So, if we can put a dam here and save $50,000,000, we are diminishing by that amount the total inflation which bids fair to engulf us.

So, Mr. President, I urge Senators to consider very solemnly this appropriation. The House, when it had this bill under consideration, made total cuts from the budget of about $124,000,000. Then came the Kansas floods. As I said yesterday, I do not wish to oppose, and will not oppose, the building of dams on the rivers of Kansas to check any similar floods, even though another such disastrous one probably will not occur again for a hundred years, but I do say we should not let ourselves be carried off our feet by the occurrence. We should not let the Corps of Army Engineers and their supporters blind our eyes to the still greater danger in the offing, which is inflation as a result of the war and our preparation against Russia.

So, Mr. President, I hope the Senate will take this amendment very seriously. I do not advance it in any criticism of the committee. I know that the committee worked hard and faithfully. I know that in the minds of the committee there was constantly the fear, "If we do not provide this sum, suppose there should be a another flood of catastrophic proportions, we shall be blamed, as some of our colleagues in this body have been blamed for not voting for appropriations to construct dams in Kansas, in view of the flood which has occurred." I give full credit to the committee for being extremely conscientious in the performance of its duties, even though my particular amendment is directed primarily at navigation and not at flood control. But I submit that the Senate still should consider this matter, and realize the still greater danger which is ahead.

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

Mr. DOUGLAS. I am glad to yield for a question.

Mr. ROBERTSON. In connection with the statement of the Senator from Illinois, that some Senators have been criticized for not voting for certain Pick-Sloan dams, I agree with him that we must increase our appropriation for essential flood control, and we must try to prevent recurrence of the very serious flood which occurred recently, although it may not come again with the same velocity in another 100 years. Yet, is it not a fact that all of the Pick-Sloan dams, except one, were above the immediate flood area, and the other one, below the flood area, in the Kansas City area, where the $1,000,000,000 damage occurred?

Mr. DOUGLAS. That is my understanding.

Mr. ROBERTSON. I have seen a very accurate report with the location of those dams laid out on a map, which clearly indicated that in the face of such an unprecedented rainfall occurring within a few days, the Pick-Sloan dams, had all of them been built, would not have prevented the Kansas City flood. This bill provides some money which will be used directly in the affected area. I hope that provision will remain in the bill.

Mr. DOUGLAS. I thank the Senator from Virginia.

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

Mr. DOUGLAS. I should like to clear this up, if I may, first.

Mr. CASE. So would I.

Mr. DOUGLAS. I will yield later to the Senator from South Dakota, but, at the moment, I should like to reply to the Senator from Virginia. I should like to point out that the amendment which I have offered is not directed to the flood-control features of this bill. It is directed to the rivers and harbors section of the bill. The connection of that appropriation with flood control is very dubious indeed. But what I am really doing is seeking to have stricken out appropriations which would be made primarily for navigation.

I should like further to clarify the point that I am not proposing specific reductions. I introduced into the RECORD yesterday material for purely illustrative purposes, and it is the parliamentary understanding that the reduction proposed by me could be allocated by the Corps of Engineers, in consultation with congressional committees who would have remaining $162,000,000 worth of projects which they could carry forward.

Mr. CASE. I desired to comment on what the distinguished Senator from Virginia has said. It is possibly true that some of the local dams would not have had any effect on the flood in the immediate area, but certainly the greatest damage occurred after the Kansas River and the Missouri River came together. It would be incorrect to have the RECORD show that the completion of all the dams included in the Pick-Sloan plan would not have prevented a great deal of the damage which occurred, for certainly when the major dams are constructed in the upper reaches of the Missouri River it will make it possible to stop the excess flow of the Missouri River.

Mr. DOUGLAS. I should like to say to the Senator precisely what I said to the Senator from Virginia, that my amendment does not touch flood control. It is directed to rivers and harbors and navigation.

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

Mr. DOUGLAS. I yield.

Mr. ROBERTSON. I do not question the fact that the rainfall in the area protected by the Garrison Dam or any of the other big dams would have an effect around the Kansas City area. My information is that the excessive rainfall, following a period of unusually heavy rains, occurred below where the dams were located or where others would be built, and therefore it is necessary that there be levees and other flood protection not involved in dam construction.

Mr. CASE. Mr. President, the total plan contemplates a system of regulation whereby the heavy flow of the Missouri River itself can be reduced so that the rains in the lower areas can be accommodated in the channel.

Mr. ROBERTSON. We do not know where the next rainfall will be. It may be in some other area.

Mr. CASE. With reference to the observation which the Senator from Illinois has made that his amendment applies to rivers and harbors and not to flood control, that is, of course, correct. I should like to ask a question or two about his amendment in the light of the illustrative material which he placed in the RECORD yesterday. As I read the RECORD, I noted that the first project, on page 9852 of the RECORD, is the Demopolis lock and dam, in Alabama. The Senator lists what the House proposes, what the Senate committee proposes, and then what the Douglas amendment proposes. I should like to know whether what is proposed would be advisory upon the Corps of Engineers, if not compulsory, if the Douglas amendment were adopted.

Mr. DOUGLAS. I decided to offer it merely as an illustration of how the cut could be made. The Corps of Engineers would have discretion as to how to apply the cut of $50,300,000. Sleeping over it during the night, a proper sense of modesty has come over me, and while I am critical of the Corps of Engineers in many ways, I certainly do not presume to think that I know more about the technical advantages and disadvantages of all those projects that does the Corps of Engineers. I do not quarrel with the Corps so far as its technical knowledge is concerned, but I think that sometimes they suffer from an undue appetite for appropriations. If we can limit the total number of calories which they take in, they can handle the distribution of those calories very well themselves. I want to shut off some of the feed in the trough and limit the diet of the Corps of Engineers by allowing them to distribute the diet as they wish.

Mr. CASE. If the Senator will yield further, the first one of the projects mentioned by the Senator is the Demopolis lock and dam in Alabama, for which the budget proposed $4,500,000. The House allowed $4,000,000, and the Senate committee recommended $4,000,000.

The next line says "Douglas amendment O." If the Douglas amendment is adopted, we should understand that the entire list, beginning with the Demopolis lock and dam, as well as the other tables, is illustrative, and not binding on the Corps of Engineers.

Mr. DOUGLAS. That is correct.

Mr. CASE. The problem of reducing appropriations, of course, is a difficult one. Whenever we become specific, those who feel that their funds are reduced resent it, and when the provision is put in general terms, the Senate is not saying who shall do the cutting, except that it is not to be left to some bureau downtown.

Mr. DOUGLAS. I tried to steer a course between Scylla and Charybdis, between specificity and generalization.

Mr. CASE. That is a pretty difficult course to chart.

Mr. DOUGLAS. But it is a safe course for America.

Mr. CASE. Does the Senator know how much money is available to the Corps of Engineers for rivers and harbors?

Mr. DOUGLAS. I could prepare a tabulation.

Mr. CASE. I was wondering if the $50,000,000 reduction the Senator from Illinois proposes bears any relation to the funds which the Corps has on hand.

Mr. DOUGLAS. It has no direct connection. That is one of the factors taken into consideration.

Mr. CASE. In making a cut it is important to know whether funds are available to carry on the work.

Mr. DOUGLAS. Presumably the Corps of Engineers would take that into account, and it is my proposal that they should. My proposal is that the responsibility be transferred from the Senate to the Corps of Engineers and the Corps would take into consideration the amount of funds available, together with the worthwhileness of the various projects, in determining where the cut of $50,000,000 should be made, but working always in close cooperation with the Senate and House Committee on Appropriations.

Mr. CASE. Experience has shown that there are some years when the Corps of Engineers has unobligated balances, and some years when it has not.

Mr. DOUGLAS. In the Senate hearings, on page 19, it will be found that General Pick stated that the unobligated balance for existing rivers and harbors work amounted to $17,800,000.

Mr. CASE. Seventeen million dollars?

Mr. DOUGLAS. Seventeen million eight hundred thousand dollars, or just about one-third of the cut which I am proposing to make.

Mr. CASE. It occurs to me that if the Corps of Engineers has $17,800,000 available for various projects, that amount could be taken into consideration in deciding on the amount that is to be appropriated.

Mr. DOUGLAS. The Senator from South Dakota takes at least one step out of three along with me. Since the Senator would take one step out of the three, I suggest he take the remaining two steps along with me.

Mr. CASE. The Senator from South Dakota would like to go along with the Senator from Illinois if he could be shown that a $50,000,000 cut could be made and at the same time the work which is in progress could be efficiently carried on. But it is difficult to go along unless it can be shown what the unexpended appropriations are that can be used in addition to the amounts needed for continuing contracts in connection with which there will be severe losses if there are not sufficient funds to fulfill them. If there are not sufficient funds there will be losses in connection with the contracts and losses in connection with the work itself. With different types of excavations there can be losses from erosion of excavated banks or partially excavated banks, and to make a cut in the appropriation stand the test, information as to such conditions really is necessary.

Mr. DOUGLAS. I will say to the Senator from South Dakota that none of the cuts proposed can be made without causing pain. Every time the amount appropriated represents a decrease from the amount requested there are created some unhappy hearts, there are injured the emotions and psyches of certain local communities. But the question is whether the pain that is inflicted is as great as the savings obtained. The trouble is that we are all for economies in general, but when we come to a specific project, then we can always find every reason on earth why economy should not be applied in every instance. The result is there is a great deal of general talk, but no action.

Mr. CASE. The Senator from South Dakota is trying not to contribute to general talk, but is trying to get down to the meat of the matter, and ascertain whether we can make some cuts, and have them stand up, so that the proposed cuts will not result in our being penny wise and pound foolish.

Mr. DOUGLAS. What I say is that a cut of $50,000,000 as proposed by me, is necessary in the public interest, in view of the inflation which threatens us. Probably the Corps of Engineers, in consultation with the House and Senate Committees on Appropriations, are better qualified to allocate the cuts among individual projects than are the committees of the Senate and the House themselves; certainly than the Senator from Illinois. Therefore, in view of all these facts, and in view of the very interesting point the Senator from South Dakota has developed in his questioning, that there is already an unobligated surplus of about $18,000,000 which could be applied, I submit that the cut now proposed of a little more than $50,000,000 is very sensible. True, it will mean some reduction in the rate of construction of projects already begun; but, in view of the world situation, is that so terrible? As a matter of fact, I think, from the hasty computation I have made, it would not mean a reduction of more than 15 percent in the rate of construction of these projects, when we take the unobligated balances into account. Is the slowing down of river work by 15 percent going to cause the heavens to fall?

Mr. CASE. I may say to the Senator from Illinois that a cut of $50,000,000 from the sum of approximately $213,900,000 represents a 25-percent cut.

Mr. DOUGLAS. I was taking into account the unexpended balances.

Mr. CASE. The testimony indicates that there is an unexpended balance of $17,000,000-plus. If the Senator offered an amendment for a cut in the neighborhood of $25,000,000, or a 10-percent cut, which would be approximately the amount of unexpended balances, I would be inclined to support it.

Mr. DOUGLAS. If my present amendment fails of adoption, I may be back with an amendment proposing a $25,000,000 cut if the vote on my pending amendment indicates any possibility of success. But I want to get as great a reduction as is possible because of the seriousness of the general situation.

Mr. CASE. If the Senator from Illinois would present some concrete evidence to show how the proposed cut could be applied without injuring the progress of the work, so we would not be penny-wise and pound-foolish, I could be more inclined to support his proposal.

Mr. DOUGLAS. On Friday last discussion took place on the floor of the Senate in regard to reporting the bill, when not many of us knew what was happening. The speed with which the bill was considered following the report was a violation of the Reorganization Act of 1946, one of whose sponsors, the junior Senator from Oklahoma [Mr. MONRONEY], is now in the Chamber. That congressional reorganization measure provides for a 3-day wait before appropriation bills can be considered.

The Senate has not been acting at such a rapid rate of speed that such a period of delay would greatly slow down the work of Congress. But we are ready to waive that point. We were ready to take up the bill even though some of us had only 3 hours in which to work on the text of the bill. I worked on the text of the bill during the short time we had in which to do so after it was reported, and submitted the amendment, and the illustrative cases which, I want to say, should be treated as purely illustrative, even though I had spent a considerable amount of study on the bill as it had passed the House of Representatives.

The Senator from South Dakota is anticipating that the proposal for a $50,000,000 cut will be defeated, and he wants me then to submit another set of illustrations applying to a $25,000,000 cut, which he expects will also be defeated. I am not so fast a race horse as to be able to run the course necessary to be run in an hour, but I can suggest that from the illustrative cases it can at least be seen how the cut can be allocated. If the Senator will analyze the cases he will find that most of the money covered by the item under consideration is proposed not to be spent for levees, but for navigation purposes. As the result of the Kansas floods the Corps of Army Engineers and its supporters are selling not only their flood-control projects but also their navigation policies to the American people.

Mr. President, I hope the amendment will be adopted, and in order to clear my skirts, I may say that some of the projects which I have shown can be eliminated are located in my own State of Illinois.

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

Mr. DOUGLAS. I yield.

Mr. ROBERTSON. The Senator from Virginia read in the CONGRESSIONAL RECORD this morning the wording of the Senator from Illinois. The Senator stated on the floor just now that he expected, if the cut proposed by him should be adopted, the Corps of Engineers would apply the cut, giving priority to those projects most essential to the national defense effort. But that is not the exact language used in connection with offering the amendment. The amendment, which will become a part of the law, does not so direct. Is the distinguished Senator from Illinois willing to amend his amendment so that the

congressional legal direction will conform to the congressional intent which the Senator has just stated? Will the Senator from Illinois accept such a suggestion?

Mr. DOUGLAS. Yes; just so that the total cut will remain.

Mr. ROBERTSON. Will the Senator change the language to that effect?

Mr. DOUGLAS. I do not know that any change in language is needed, because what we are doing by way of amending the committee amendment is merely a cut in the total amount, with the report merely guiding, not precisely legally controlling, as I see it. All I am seeking to do is to decrease the total amount and allow the Corps of Engineers, as a result of the parliamentary record which we are making, to allocate the cut as they think best. The illustrations I have placed in the RECORD were more or less the suggestions of one Senator, after having spent a great deal of preparatory time, but being somewhat pushed yesterday to get the material into final form.

Mr. ROBERTSON. If the Senator from Illinois will yield further, the Senator from Virginia looked over the list. If he were the Engineering Corps he would adopt some of the recommendations of the Senator from Illinois, but not all of them. The Senator from Virginia wants to know if it is clearly understood, if this amendment should be adopted, that it is the intent of the Congress—just as much so as if we had put it in the report, which is not law, but rather a gentleman's agreement between the Congress and the engineers—that if the total made available is reduced by the sum of $50,000,000, the engineers shall then proceed to give priority to those projects, included in either the House or Senate language, which in the opinion of the engineers are the most essential to our defense effort.

Mr. DOUGLAS. The Senator from Virginia is completely correct.

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

Mr. DOUGLAS. I am very glad to yield to my good friend from Washington.

Mr. MAGNUSON. I notice that the Senator from Illinois, in making suggestions on page 9852 of the RECORD as to the projects which he thought might well be reduced, left out the vitally needed power projects which have been so highly recommended by the committee, by the Defense Production Administration, by the Defense Power Administrator, by the budget, and even by the Department of Defense itself.

Mr. DOUGLAS. As I understand, many of the power projects in the Northwest are in the flood-control section of the bill. This amendment is not directed to the flood-control section, but to the rivers and harbors or navigation section, except for the Dalles and Ice Harbor projects. But I did not include them in this list.

Mr. MAGNUSON. Am I to assume from that, when we are talking about what is the intent of the Douglas amendment, that the Senator from Illinois would suggest to the Army engineers, if the bill were to be reduced by the proposed amount, that they should proceed with the power projects, and effect their savings in the projects suggested? I want the record to be clear.

Mr. DOUGLAS. It is the intent of the amendment to give to the Corps of Army Engineers discretion as to which projects shall be affected by the reduction.

Mr. MAGNUSON. Of course, the Corps of Army Engineers would attempt to ascertain the congressional intent from the debates, from the report, and from the mover of the amendment.

Mr. DOUGLAS. So far as the Senator from Illinois is concerned, in his illustration yesterday he did not include the projects referred to by the Senator from Washington among those to be eliminated. But the Senator from Illinois is a very junior Member of this body, and his opinion is not very controlling in the matter.

Mr. MAGNUSON. Again getting back to the intent, it seemed to the Senator from Illinois, in his hasty perusal of this subject, that these power projects might be the ones which should be given priority. Is that correct?

Mr. DOUGLAS. If the Senator from Washington will look at the RECORD of yesterday, in the first column on page 9852, he will find that the Senator from Illinois expressed himself as believing that the Columbia Basin and the St. Lawrence River embrace the two areas where hydroelectric power can be developed better than in almost any other section, because of the fact that there is a steady flow and a rather precipitous fall of water. Those are the natural elements, so far as hydroelectric power is concerned. I have always been very favorable to the development of power in the Pacific Northwest, because I know of the large amount of water which the Columbia and its tributaries carry, the speed with which the water moves, the sharpness of the fall, and the high canyon walls on either side of the river, which make it possible to build reservoirs with great depth and not too much area. I believe that the Pacific Northwest, lacking coal, has its great asset in water power, and I want to see it developed. At the same time, I personally believe that in this emergency it might be well to have those projects carried on only if they were certified to be necessary in the national defense. Although the interests of my section are not directly and immediately bound up with power projects in the Pacific Northwest, nevertheless, from the standpoint of the national interest, I believe that one of the things that should be done is to develop the potential power resources of the Columbia and the Snake Rivers. There are tremendous resources in the Snake River, in my judgment, which have not yet been fully discovered.

Mr. MAGNUSON. Of course, the Senator is also familiar with the very strong and vigorous testimony on the part of the Department of Defense and the Defense Production Administration, as to the vital necessity, now greater than ever, for power.

Mr. DOUGLAS. Because of the atomic energy plants.

Mr. MAGNUSON. Because of the atomic energy plants, and also aluminum plants.

I believe the Senator is familiar with the fact that the power projects are all reimbursable. If he is not, I must confess that I have not been so persuasive as I might be.

Mr. DOUGLAS. When we come to that point, we touch on one of the great paradoxes in public-works projects, because, as I understand, in the case of a public-power project the Government gets back not only the principal, but the interest. In the case of irrigation projects it gets back the principal without the interest. But in a case in which we keep water off land, particularly in the Mississippi and Missouri Valleys, we get back neither principal nor interest.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. The last is a completely out-of-pocket expense. This is an anomaly in the handling of water resources to which I think the Congress might with profit address itself. I will say that of all the projects, the power projects are most justifiable from the ultimate standpoint of Government stability.

Mr. MAGNUSON. I thank the Senator. I have the feeling that perhaps I have been somewhat persuasive.

Mr. DOUGLAS. The Senator is always persuasive.

Mr. CAIN. Mr. President, will the Senator permit me to ask a question?

Mr. DOUGLAS. Certainly.

Mr. CAIN. What is the nature of the recommended certification of the power projects in question, to which the Senator from Illinois has recently made reference?

Mr. DOUGLAS. A letter from the President or from the Department of Defense.

Mr. MAGNUSON. They may testify to that effect.

Mr. CAIN. I invite the attention of the distinguished Senator from Illinois to the fact that, if I am not mistaken, the Defense Electric Power Administration has strongly recommended every one of these proposed projects as being needed in our defense program.

Mr. MAGNUSON. The chairman of the Munitions Board in the Department of Defense made one of the most vigorous pleas I have ever heard for these power projects. His statement is found on page 1525 of the Senate hearings.

Mr. CAIN. Will my colleague say whether or not he knows of any person who has recommended that these projects be not undertaken at the present time?

Mr. MAGNUSON. My colleague sat in on all the hearings. He was very diligent in his attendance. I listened to many of them. I will say that there is not a single bit of testimony in opposition. As a matter of fact, all the witnesses were quite concerned over the fact that these projects might not go forward.

Mr. CAIN. It seems to be a case, then, in which the two Senators from Washington are acting as interpreters of the committee record for the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I do not wish to prolong this discussion. I

hope very much that my amendment may be adopted.

Let me close on a minor note. I repeat that in the suggestion which I made, I eliminated certain projects in my own State, I am perfectly ready to have the Corps of Engineers cut the Illinois appropriations along with the others. However, I should like to add that I was somewhat interested in the geography of the committee, because, in its listing of Illinois projects, it included as an Illinois project the project for the Falls of St. Anthony in Minnesota. I had always understood that the Falls of St. Anthony were located in St. Paul and Minneapolis.

I have seen maps of the United States as conceived by Bostonians, showing the west coast of the United States only a little way beyond the Hudson River, with Boston and Harvard taking up a large portion of the country. Similarly, I have seen maps of the United States, as conceived by Texans, in which San Antonio is shown with the Isthmus of Panama and El Paso around San Diego. Texarkana is at the Canadian border. I have even seen maps of the United States as conceived by Hollywood, in which Hollywood is cheek-by-jowl with New York.

I wish to say that we in Illinois do not suffer from such delusions of grandeur. We are perfectly willing to have the State of Illinois confined within its geographical boundaries—on the west by the Mississippi River, on the south by the Ohio, on the east by the Wabash and a line running from the confluence of the Wabash with another stream to Lake Michigan, and on the north by a line about 80 miles north of the lower extremity of Lake Michigan.

As I say, this is only a minor note on which to end, but I really got a great deal of amusement from the committee's geography, placing the Falls of St. Anthony in the list of Illinois projects; also in including among the list of Illinois projects a project located on the west side of the Mississippi River at Clinton, Iowa, that very estimable State to the west of Illinois. The project is opposite the town of Fulton, it is true, but it is not in the State of Illinois. The New Cumberland locks and dam in Ohio are listed on page 19 of the committee report as being an Illinois project. Ohio is not yet in Illinois. Greenup locks and dam are in Kentucky. What I am trying to say is that the committee, although very generous, did not provide as much money for projects in Illinois as might be inferred from the kind of geography in which they have indulged. However, whatever the project, and regardless of whether the committee desires to enlarge the boundaries of Illinois, we in Illinois are willing to take our share of the cut. All we ask is a square deal, with no favoritism shown. We do ask, however, for economy.

Mr. CORDON. Mr. President, I find myself in opposition to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for several reasons.

It is difficult to fully present the situation which confronts the Committee on Appropriations in the matter of budget estimates for public works. The item "Public works" includes navigation work, flood-control work, power development, irrigation, domestic water supplies, and other factors. Therefore, the term "rivers and harbors," as a division of the bill, or "flood control," as a division of the bill, is a misnomer.

Projects may be gathered together under these two general headings, but under each of the headings there will be listed projects which have very great value in fields represented by other headings. For example, under the heading "Rivers and harbors" in the bill there is an item of $4,100,000 for the Arkansas River area. It is under the heading of "Rivers and harbors." It is properly there because the major aspects are navigational. However, while they are navigational in the long view of the picture, the most immediate need in that area is for flood control. The item is of greater importance to the State of Arkansas at this minute because of its flood-control factor than because of any aid which would be given to navigation.

It so happens that the river flows down an alluvial valley which lies at a very slight elevation above the sea. It is a river subject to quick flash floods. The committee had before it not only word pictures of the devastation caused by that flooding river, but innumerable photographs, which were even more eloquent of the facts.

The people in that area, who own and operate the most fertile and productive farm land in Arkansas, face a continuing and irreparable loss of their freehold. It is not a matter of a little chewing away of small pieces of land, which one can write off as a loss. In many instances, when the river is in flood, it will cut across narrow necks of its sharp curves and eat into and utterly destroy and take down to the gulf tens of acres and even hundreds of acres of the best agricultural land in that area. It is a loss which cannot be compensated for. It is impossible to put back land that has been washed away. It can mean a complete loss of all they have in the world to a number of families in one season.

This is the situation which faced us in that area. It was accentuated, of course, by the heavy rains of this year. So much so that we had a supplemental estimate made covering bank stabilizations in that area. Bank stabilization will effect two purposes. By holding the banks it will hold the channels, and thus maintain navigation. But beyond that, it will safeguard the fertile land on either side of that wandering and meandering and changing river. Yet that item appears under the heading "Rivers and harbors."

Let us go to the Pacific Northwest. The McNary Dam is included under the heading of "Rivers and harbors." Yet 90 percent of the capital investment in that huge structure will be charged to hydroelectric power. Incidentally, every dollar of it will be repaid to the Federal Treasury with interest, and there will be a very considerable overpayment within the 50-year period. I make the last statement because we have had experience upon which to base it. There is a completed dam on the Columbia River, the Bonneville Dam. It also has its major investment charged to power. We have had an experience of 14 percent of the 50-year period of operation of that dam. At the present time we have facts to which we can refer. In that 14 percent of the 50-year period there has been returned to the Treasury in net revenues 28 percent of the capital investment, or $2 for every $1 required by the pay-out schedule. That is exclusive of interest on the capital investment. So we know what is happening there. We know that the power from these dams is already in demand. We do not have to put on a sales camapign. We need only to give an opportunity to get the power to those who need it. Those dams are included in the rivers and harbors section of the bill. That is also true of Chief Joseph Dam, in the State of Washington, now 3 years under construction.

It is true of Albeni Falls Dam, in Idaho, on the Pend Oreille River, a tributary of the Columbia River, which will be chargeable as an investment to power, and will be reimbursable to the extent of 99½ percent of its total cost, and will generate approximately forty-odd-thousand kilowatts of power itself, but will add, in power downstream, as a result of stream regulation, 265,000 kilowatts of power. That dam appears as a flood-control project. There are others of like character.

Now let us consider other flood-control projects where the same thing occurs, namely, where there is such multiple purpose as in some instances to leave one in doubt as to whether the project should be classified under flood control or should be classified under rivers and harbors.

There is, for instance, the Fort Randall Dam, on the Missouri River, a flood-control project. Below it will be a reregulating dam, known as Gavins Point Dam. The Fort Randall Dam, which will be a great storage reservoir to hold back flood waters, will also be a storage reservoir to regulate water flow in the Missouri River and to maintain a 9-foot navigation channel in that river. The Gavins Point Dam, below the Fort Randall Dam, is absolutely essential if the waters stored in the great dam above it are to achieve the purpose for which the main dam holds them in storage. That regulating dam will permit of continuous power supply which cannot be obtained from the flood-control dam if it is to answer its major purpose of flood control. The Gavins Point Dam will regulate the flow of waters released from the Fort Randall Dam, down the Missouri River, so as to maintain the steady flow necessary for navigational purposes. Yet, both of them appear under flood control.

So, Mr. President, when we consider the amendment submitted by the Senator from Illinois to the committee amendment, we cannot consider it as a proposed cut in appropriations for purely navigational purposes. It is a cut which will reach all types of public works, if it is adopted and applied.

Mr. President, the subcommittee is composed of members who have served on it for several years. Some of its Members came to it from service on the

Appropriations Committee of the House of Representatives. Those of us who serve on the subcommittee have lived with most of these projects. We have recommended the initial appropriations for investigation, the appropriations for the planning, prior to construction, the appropriations for the first construction, and we have recommended the appropriations which have made it possible for an orderly program of construction to be followed.

It is difficult for anyone to stand on the floor of the Senate and present in an intelligible and comprehensive way all the data in the case of the various projects which were under consideration by the committee when these several amounts were recommended for appropriation.

I merely wish to say that the committee had the data, and the committee is familiar, and has been familiar for several years, with the data; and the figures now before the Senate represent the consensus of judgment of the committee as to the amount of money necessary to be appropriated in order to carry on adopted works schedules with reference to progress payments on continuing contracts, and amounts necessary this year to complete the projects which can be completed this year, and the amounts necessary in a very few instances to begin new construction, in each of which cases, Mr. President, the new construction has been recommended as essential as a part of the defense program of the United States.

Mr. McKELLAR. Mr. President, will the Senator yield for a moment?

Mr. CORDON. I am glad to yield.

Mr. McKELLAR. Is it not also true that while the committee was considering these several projects, the committee had before it, for the most part, the Chief of Engineers, the Deputy Chief of Engineers, and also the budget officer and we reached the conclusions shown in this bill after talking with them and having them either in the room with us or occasionally in the adjoining rooms when other matters were brought up; we had their advice and consent to every item in this bill. Does not the Senator agree?

Mr. CORDON. Of course, the Senator from Tennessee is correct.

Mr. President, the committee had the justifications which were prepared by the Corps of Engineers. The committee had access to the printed reports on the hearings on the House side. The committee had before it numerous witnesses, other than the official witnesses who represented the Corps of Engineers.

It may be interesting to Senators to know that there appeared this year before the subcommittee numerous witnesses from various places in the United States, sometimes coming singly or sometimes in groups, to present their cause to the committee. We had 25 Government witnesses. Of course, most of them were from the staff of the Corps of Engineers, but they included members of the Bureau of the Budget; and, among others, they included the Secretary of the Interior, who came before the committee and pleaded for appropriations for the Corps of Engineers. That is unusual. Ninety-seven Members of Congress, individual Senators or Members of the House of Representatives, appeared for different projects throughout the United States, and 189 so-called outside witnesses also appeared.

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

Mr. CORDON. I am glad to yield.

Mr. DOUGLAS. How many taxpayers appeared before the committee?

Mr. CORDON. I think I could assume that all of those who appeared as outside witnesses were taxpayers. None of them appeared to be mendicants.

Mr. DOUGLAS. Were not those who appeared from the outside primarily those who were interested in having specific projects approved?

Mr. CORDON. Of course.

Mr. DOUGLAS. Naturally. Therefore, the testimony which came to the committee was testimony from persons who wanted projects approved. It was not testimony from the great mass of the people who will have to pay the taxes.

Mr. CORDON. Only 189 of the 150,000,000 people of the United States appeared as outside witnesses; that is correct; but the rest of the 150,000,000 had the same door open to them.

Mr. DOUGLAS. Were not all those who appeared persons who were interested in having the projects approved? That is one trouble: Those who favor the projects were always represented, but it is very difficult to have the general public which pays the bills represented.

Mr. CORDON. Mr. President, I shall go part way with my friend, the Senator from Illinois. I think it may be said that those who appeared, to the extent of 189, might be said to be self-interested witnesses. I am quite sure that each of them appeared in behalf of an appropriation from the Treasury for some specific need in his area. Of course, that is so; otherwise they would not have appeared.

From time to time representatives of various organizations have appeared in the interest of cutting the appropriations. When I mentioned the number of witnesses I had in mind that it might be of interest for the Senate to understand something of how the information came to the committee. I think it is of interest to know that 189 persons from various sections of the United States were sufficiently interested in the dangers to their particular areas from the ravages of flood or the shoaling of navigable waters to pay their way to come to Washington and to present their case. That, I think, could properly be classed under the constitutional right of petition. The Government witnesses came almost entirely at the request of the committee. We may say, I suppose, that they came with self-serving declarations. However, we enacted a law which directed them to do certain things; pursuant to it, they have done them, and they have returned to us with the reports which we demanded, and have presented the facts which we asked. So at least I think it would ill become us to condemn them for carrying out the duties we have imposed upon them. Neither can I find in my heart criticism of the citizens of this country who came to Congress with their troubles, asking the Congress for such relief as it might be able to grant.

Mr. CARLSON. Mr. President, will the Senator yield for a question on the point raised by the distinguished Senator from Illinois?

Mr. CORDON. I am happy to yield.

Mr. CARLSON. The Senate Finance Committee is writing a new tax bill, and while I have not checked the records, I would assume that not to exceed 200 people appeared before that committee for the purpose of presenting their views on taxes which will affect 150,000,000 people. There, again, the committee is open, as was the case with the Committee on Appropriations, to hear the people who are interested and concerned. I appreciate that difficulty is met, not only in the case of the Appropriations Committee in connection with the civil-functions bill, but also in the case of the Finance Committee, and of every other committee of the Senate. The story is the same everywhere.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question and a comment?

Mr. CORDON. I yield for a question, and then we will consider the comment.

Mr. DOUGLAS. Is it not true that it is a defect of our whole legislative process and our whole system of committee hearings that those who have a concentrated interest are able to afford the time and the money to come here, or to have representatives here, but that the general public, which ultimately must bear the burden, find that, as they say, "it is not worth their time"? Take, for instance, the pending bill. I believe it calls for an appropriation of approximately $220,000,000 for rivers and harbors.

Mr. CORDON. That is a little high, but it is good enough for the Senator's question.

Mr. DOUGLAS. That amounts to $1.50 per capita for each of the 150,000,000 people of the United States. An average family of five would pay only $7.50; that is, the share of this bill to the average family of five would be only $7.50. The father of a family could scarcely afford to pay his railroad fare and to take the time to come to Washington in order to appear in opposition to the bill.

Mr. CORDON. His loss would not be comparable, let us say, to that of a man who stood in danger of losing his entire farm.

Mr. DOUGLAS. What I desire to point out is that the private interest tends to be represented before our committees, while the confused public interest finds it very difficult. The interest of any one taxpayer is small but of all taxpayers taken together is very large.

Mr. CORDON. That is correct.

Mr. DOUGLAS. The result is that the testimony which committees take, even with the best will in the world—and I am sure the Committee on Appropriations had the best will in the world—tends to be what the lawyers call ex parte testimony, testimony from one side, and therefore, although we greatly respect the members of this committee, the Senator will forgive us if we sprinkle salt upon some of the statements made in

the record, because we know that the testimony upon which the conclusion is certainly based is the testimony of persons who have axes to grind.

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

Mr. CORDON. I will yield in a moment. I desire to advert to the statement of the Senator from Illinois. I agree with my friend that, to a very great extent, we have presentations before our committee which are ex parte, in fact, though the committee is open to any who desire to come. It is very clear, though, that if all came who might be interested, the Senate, as a Senate, would have to shut up shop for any other business, because we would never be able to report a bill. However, I like to indulge a presumption, wild though it may be, that the members of a committee go about their business with some small modicum of judgment; that they seek to inform themselves of the facts; that they themselves are aware of the interest of those who have appeared, and that they attempt to weigh that interest and that testimony. I doubt, Mr. President, that very many bills are presented on the floor of the United States Senate which are motivated either by emotion on the part of committee members or by an illusion or delusion resulting from interested or self-serving testimony. I now yield to the Senator from Minnesota.

Mr. THYE. I thank the Senator for yielding. My only reason for rising was that the very able and distinguished Senator from Illinois was speaking about the faults of our method or system of appropriating funds, and of the committee system. I am not attempting to quote the able and distinguished Senator verbatim, but his statement was to the effect that there was something wrong with our legislative system, with the committee system of recommending appropriations. I merely wanted to ask the distinguished Senator from Illinois what he would advocate with respect to the form of our legislative body, or what he would propose as a substitute for the committee system which we have in the two legislative bodies of the Congress, in the handling of appropriations. That is the question which occurred to me. Knowing the Senator to be an outstanding student, I simply wondered what he would propose to substitute for the legislative system and the committee system in the Congress of the United States.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon permit me to reply to the question of the Senator from Minnesota?

Mr. CORDON. Mr. President, I hope that the Senator from Illinois, at the appropriate time, will advise the Senate with respect to his views on that subject; but I hope that he will not ask for time at this moment in order to do it.

Mr. DOUGLAS. Mr. President, will the Senator yield for one moment, that I may do that?

Mr. CORDON. I should like to keep the argument as germane to the issue as is possible.

Mr. THYE. I regret that I raised the question which the senior Senator from Illinois is not now allowed to answer. I did it in all sincerity. I should like to have the able and distinguished Senator from Illinois give us, from his wisdom and his reservoir of knowledge, some information as to how we might improve our legislative committee system. If the distinguished Senator from Oregon will allow me a few minutes to comment on some of the appropriations and why I supported some of the appropriations recommended in the bill, I shall be most happy to have an opportunity to do so.

Mr. DOUGLAS. I hope that the same courtesy will later be extended to the Senator from Illinois so that he may make a reply to the Senator from Minnesota.

Mr. THYE. Mr. President, we represent States. The people cannot afford to come to Washington to speak for themselves or their communities. Because they cannot afford to come to Washington themselves, we visit them in their respective communities and learn from them what they would like to have, and what they would like to have us endeavor to secure for them.

While we were sitting in the committee the mayor of North Mankato, Minn., came before us and advanced splendid arguments with respect to the general development of a plan to control floods which might strike Mankato in the way in which it was stricken last spring. I flew to Minnesota and went through the flood area in what is called a military duck boat, in order to see the devastation. I saw the destruction of personal property, of water systems, of sewerage systems, and returned and presented the necessity of giving consideration to the situation in Mankato. I have been in northern Minnesota and have seen the devastation wrought by floods. I went there to represent the people to the best of my ability. To the best of my ability I presented a picture of the situation and the need.

Our forefathers were most wise when they conceived our form of government, and I shall do everything in my power to continue it.

I should like to comment upon one flood-control program at Aitkin, Minn. I witnessed the State guard hauling cattle from the floodwaters. Congress appropriated funds to aid the State guard to supply feed to keep alive the cattle which were marooned on little high spots in the flood area. I came to Congress to try to help my people continue as solvent citizens who would not have to go on relief rolls. When I supported the appropriations I was representing the people of that area.

One other project is the upper harbor at Minneapolis. We shall either have to appropriate funds for that project or appropriate a similar amount of money to reestablish a railroad bridge.

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

Mr. CORDON. I yield.

Mr. CAPEHART. While we are sort of confessing why we are supporting certain recommendations in the bill, I want to make a confession, too. I am supporting the recommendations of the committee in order to let the American people get a little money before it is all given away to foreign nations.

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

Mr. CORDON. I yield.

Mr. DOUGLAS. The Senator from Minnesota addressed an inquiry to me as to whether I was attacking the American system of government when I said that at the committee hearings the taxpayers are not generally heard. I was pointing out a difficulty which is inherent in the very structure of things. The simple point is that as to any great issue the individual taxpayer does not think it is worth while to appear at hearings. Anyone who does take up the cause of the taxpayer is labeled "a crank." It is not the fault of the committees. I do not think it is anyone's fault. It is part of the very structure of life. But it should make us somewhat dubious when we have paraded before us the large number of witnesses who have testified. The Senator from Oregon stated that there were 189 witnesses. We inquired into their credentials. They wanted specific appropriations.

The Senator from Minnesota asked me a question which I thought had a tinge of sarcasm attached when he implied that out of my wisdom I would be able to supply the answers. I do not pretend to know all the answers. There are, however, two possible improvements we might make. We might call upon the General Accounting Office to furnish some of their personnel to assist in examining requests for appropriations, because the Bureau of the Budget is the representative of the executive branch. It is the business agent, the walking delegate of the President. We never find the Bureau of the Budget going back on a claim when it is once presented. Thank God, the General Accounting Office is still under the Congress of the United States.

The distinguished senior Senator from Arkansas [Mr. McCLELLAN] has also made a very valuable suggestion, namely, that the Committees on Appropriations establish a joint committee on expenditures similar to that which has been established in connection with taxation, and he would have this committee competently staffed.

I think those are changes which we could make with profit so that the voice of the taxpayer could be heard. There is some question as to who is the forgotten man in this country——

Mr. CORDON. Mr. President, I shall have to ask for the regular order. We must get along with the bill.

Mr. DOUGLAS. I was simply trying to reply to the Senator from Minnesota.

Mr. THYE. Mr. President, I ask the Senator from Oregon if he will yield for one more minute, and I assure him I shall not trespass any further upon his time.

Mr. CORDON. I yield.

Mr. THYE. I feel that I should say to the distinguished Senator from Illinois that I hope that what I have said will not be taken as sarcasm. I did not intend it as sarcasm. I recognize that the Senator has outstanding ability not only to analyze a legislative measure, but to analyze an appropriation bill. I

spoke to the Senator in sincerity when I said that of his ability and his understanding, because I like the views he expresses.

I should like to say further that I am a junior member of the Appropriations Committee. This is my first year on the committee, with the exception of having served as an ex-officio member on the subcommittee dealing with agricultural appropriations in previous years. I will say to the Senator from Illinois that it has been my observation, in the brief time I have served on the Appropriations Committee, that there are some very able members on that committee. There are some members who have excellent ability in ferreting out—if I may use that expression—what is in an appropriation item, and in finding whether excessive funds are requested.

The distinguished Senator from Oregon [Mr. CORDON] has proved to me that he has as much ability to digest an item of proposed appropriation as I have seen displayed by any other Senator in any hearing at which I have had the good fortune to be present in time past. I can name Senator after Senator serving on appropriations subcommittees who have most carefully and efficiently made examination and investigation of proposed items of appropriation penny by penny to determine whether any excessive or unnecessary funds were requested.

It has been most gratifying to me to see the Appropriations Committee at work. It is very clear, from the way the committee has done its work, that its members have knowledge of what was in the requests for appropriations before they finally place their approval on such requests.

I will say again that there is no Member of the Senate who has put forth so much effort on this appropriation item, or made a greater detailed study of it, than has the very able and distinguished Senator from Oregon, who is speaking in defense of the measure which is now before the Senate.

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

Mr. CORDON. I yield for a question; I do not want to be discourteous; but I do desire to stay on the subject.

Mr. DOUGLAS. I appreciate the kindness of the Senator from Minnesota in his remarks, though I am very undeserving of the personal compliment he has paid me. He is very generous and fair.

I also wish to say that I hope the Members of the Senate or of the committee will not regard me as being personally critical of their work. I again wish to pay tribute to the public spirit the members of the committee have shown and the energy and devotion with which they have labored. What I was trying to say, I am afraid very imperfectly, was that the total budgetary situation is so serious that a reduction in the total amount of the bill is absolutely necessary if we are to reduce the danger of national insolvency. That is the whole burden of what I have said.

Mr. CORDON. Mr. President, I appreciate very much the generosity of the Senator from Minnesota in his comments directed to the present speaker, little though I may deserve them.

I wish to say to my friend from Illinois that I am quite sure no member of the committee feels that there is anything personally directed at him in the way of criticism or otherwise in his attempt to do what in his judgment ought to be done with respect to the bill. I feel that not only has the Senator from Illinois a right to proceed as he has proceeded, but that every Member of the Senate has a duty to present to the Senate his views when he feels action may be taken that is not in the best interest of his country.

I wish to say further, Mr. President, that I sincerely believe the Senator from Illinois has rendered a very real service to the people of the United States in the campaign for economy he has carried on on the floor of the Senate. It may seem strange that I should make that statement and then stand here defending this bill. I think both positions are perfectly rational. I think that one may logically occupy both. I, too, would like to see the appropriations cut. I should like to see every dollar that is appropriated in the United States serve the highest purpose it could serve. I should like to see no waste in expenditures, and I have sought in my small way to achieve that result.

However, Mr. President, when I outlined to the Senate something of the data presented before the committee, I called attention to the number of persons in different classes who appeared. At that point the Senator from Illinois reached the conclusion that the report came as a matter of emotion from the committee. He felt that the committee had been unduly influenced by special pleaders, and, of course, he presented his views. But I would have immediately added in the course of my remarks, had it not been for the interruption, which I was happy to have, that despite the showing made by those voluntary witnesses, the committee found it could only in a very few instances aid them by way of the appropriations.

The Appropriations Committee followed the accepted practice of getting the facts with reference to the various projects. The committee acted on the assumption that the President's Bureau of the Budget was discharging its duty and scrutinizing the projects with respect to the amount of money requested in the budget. If anyone doubts that such scrutiny was given, he may satisfy himself by discussing the matter with the staff members who handled the several subject matters. The Senator from Oregon has done that many times, as this morning he took an hour to discuss the matter of personnel amendments with the Director of the Bureau of the Budget.

The committee, however, has to have some basis, some program, for its operation, and when it takes up the public works appropriation bill it has before it, first, the President's budget broken down as to projects. It has the reports from the Corps of Engineers as to projects, the extent of work thereon, what may be expected to be done, why it is necessary to be done, and so forth. The report and the recommendations contained in the bill constitute the sum total of the judgment of the committee after attempting to digest the testimony in the large green volume of hearings.

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

Mr. CORDON. I yield for a question.

Mr. MUNDT. I should like to make a short observation.

Mr. CORDON. I yield to the Senator from South Dakota, although I could lose the floor by doing so for the purpose indicated.

Mr. MUNDT. Mr. President, may we have assurance that the Senator from Oregon will not lose the floor by yielding to me so I may make a short observation?

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Is there objection to the request of the Senator from South Dakota? The Chair hears none, and it is so ordered.

Mr. MUNDT. I merely desire to take this opportunity to congratulate the subcommittee and the full committee on what I consider to be a very splendid and constructive job in reporting the bill to the Senate in the form in which it now appears. I submit that this is a sound bill economy-wise. I submit that it is a better bill from the standpoint of the American economy than the bill which came from the House of Representatives.

I have listened, as I always do, to the senior Senator from Illinois [Mr. DOUGLAS] discussing the impact economically of this particular bill on such problems as the very serious one of inflation which we now confront. I believe, with all due deference to my good friend from Illinois, that in his reasoning in that connection he is looking at the American economic picture out of only one eye. I commend to him the wisdom of using his other eye also as he looks at the American scene from the standpoint of this kind of legislation and its impact upon the long-term economy of America.

It is true that we must economize wherever it is possible to do so. It is true that we are confronted with the perils of inflation. It is true, certainly, that an unbalanced Federal budget is the greatest single contributory factor toward inflation. But it is equally true that in the fight against inflation there are two different approaches which can be made. That is why I suggest that we look at the economic picture squarely out of both eyes before determining, in connection with legislation of this kind, that it may be serviceable in the fight against inflation to try to chisel off a little money here and a little money there, so as to reduce the sum total of the bill.

We can help in the fight against inflation by reducing an appropriation bill of this kind; but I think we can help immeasurably more in the fight against inflation by completing the projects which have been spelled out in this legislation so as, in the first place, to expand the productive capacity of America, because in the long run the fight against inflation will be won if we can expand the productive capacity of America sufficiently, if we can expand

the tax base so as to provide new taxable revenue with which to meet the stupendous Federal charges.

In my opinion, in the long run the fight against inflation is going to be won if we can protect the economy in the great river basins which are now being periodically flooded. As they are flooded their revenue is not available to the Federal Government. As they are flooded, the emergency costs for flood relief become a new burden against the Federal Treasury.

So I feel that the committee has served the economy well, and has brought forth a better bill, from the standpoint of fighting inflation, than the bill sent to the Senate by the House of Representatives.

Each of us must judge the validity of this bill on the basis of how we relate it to the projects with which we are familiar, in our own territory. I know the projects in this bill which are in the State which it is my privilege in part to represent, and with respect to which I have some personal knowledge and acquaintance. It is clearly evident to me that the committee has authorized funds for only those projects which will be highly serviceable in the long-term fight against inflation, by protecting areas which have been flooded and providing an opportunity to expand the tax base for new revenue, thus providing a greater opportunity to develop, in the fight against inflation, the revenue-producing capacity the Nation needs to meet its already stupendous financial burden.

So I congratulate the committee on not doing the expedient thing first, on not looking out of only one eye, on not taking a short-term view, but looking at the colossal financial picture squarely and placing it against the domestic problems which we confront in the field of flood control and public works, and then doing the courageous things necessary to meet the problem in the best economic manner.

Mr. CORDON. Mr. President, I appreciate very much the comments of the Senator from South Dakota, and I thank him for his generous reference to the committee personnel.

Mr. President, a few words more, and I shall close. I could take the items which make up the total amount of rivers-and-harbors appropriations, and I believe I could give from memory the facts with reference to more than 90 percent of them, showing exactly what the situation is in the particular area, and why the committee took the action which it took. I believe that would be idle, Mr. President, because the record is here for those who are sufficiently interested to go into the matter item by item. I regret that all Members of the Senate cannot take the time to advise themselves in that field. I assure Senators—for what my assurance may be worth—that the committee's action was based upon its judgment after receiving testimony that the proposed expenditures are essential under all the present conditions, including the present inflationary situation. The committee has given some thought to that question.

The committee recognizes that among other factors to be considered is the safety of the people of the United States—the safety of their persons as well as of their property. The committee recognizes that the waterways of this country, and particularly of the littoral area, are absolutely essential to the economy of the United States.

The committee has made cuts where it felt it could make them. The greater portion of its increases was in those cases in which projects were under way, and an examination indicated that to appropriate less than the amount recommended would be to lose money and not to save it. Beyond that, the additions were for new projects, which came into the bill after a recommendation from the defense departments involved. They came in as did the funds appropriated earlier for the TVA, where this year $238,000,000 was appropriated to carry forward additional electrical installations. There was abundant testimony as to why that should be done. That was not questioned at the time. The amount in the bill is but a fraction of that, but it is definitely a part of the same program, the same pattern, and for the same purpose.

I trust that the Senate will sustain the committee's position. I invite the attention of Senators to the fact that the conference committee will still have an ordeal ahead of it.

Mr. DOUGLAS. 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:

Bennett	Hayden	McKellar
Benton	Hendrickson	McMahon
Brewster	Hennings	Millikin
Bridges	Hickenlooper	Monroney
Byrd	Hill	Mundt
Cain	Hoey	Neely
Capehart	Holland	Nixon
Carlson	Humphrey	O'Mahoney
Case	Hunt	Pastore
Chavez	Ives	Robertson
Clements	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kerr	Schoeppel
Douglas	Kilgore	Smathers
Duff	Knowland	Smith, Maine
Dworshak	Lehman	Smith, N. J.
Eastland	Lodge	Smith, N. C.
Ecton	Long	Sparkman
Ellender	Magnuson	Stennis
Ferguson	Malone	Taft
Flanders	Martin	Thye
Frear	Maybank	Underwood
Fulbright	McCarran	Watkins
George	McCarthy	Welker
Gillette	McClellan	Williams
Green	McFarland	

The PRESIDING OFFICER. A quorum is present.

Mr. HOLLAND. Mr. President, when the distinguished Senator from Illinois [Mr. DOUGLAS] offered his amendment yesterday he made the following statement:

> Mr. DOUGLAS. Mr. President, I now ask unanimous consent to have printed in the RECORD at this point a table and explanations of how the amendment offered by me would affect various projects.

At the top of the table of projects there appear the words:

> Projects reduced by Douglas amendment to rivers and harbors appropriation item in H. R. 4386.

The amendment offered by the distinguished Senator from Illinois was, of course, directed at a fixed reduction of $50,000,000 in that portion of this well and long-considered bill which has to do with appropriations for rivers and harbors projects.

Mr. President, I am fully aware of the fact that the Senator from Illinois has today stated that his list of projects will not be insisted upon as the specific list which he requires to have applied to the rivers and harbors projects in the bill. Instead, as he has stated, it is an illustration of the kind of things that are done in the bill and of the kind of cuts which he insists should be made because of the importance of such cuts to the national economy.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. It is not that I insist that this type of cuts be made. I urge very strongly that a reduction in the total appropriation is necessary in the interest of national solvency, and that we should turn over to the Corps of Army Engineers, acting with appropriate committees of Congress, the determination as to which projects shall be omitted.

Mr. HOLLAND. I thank the Senator from Illinois. He has today weakened his position by stating that, instead of having directed attention to specific projects which he believes should be reduced in specific amounts, he still insists that the total of his specific amounts is the proper amount of reduction. However, he says that, instead of asking the Senate and the House to assume their constitutional responsibility of applying the $50,000,000 cut to the rivers and harbors projects, he now suggests and would require, under his amended program today, that the total of $50,000,000 be fixed as the amount of reductions, but that to the Corps of Engineers shall be left, in their discretion, the task of applying the cuts anywhere they may see fit to apply them in the total list.

Apparently the distinguished Senator from Illinois is perfectly willing to recognize that there are many important defense items included in the list. Apparently he is willing to leave it to the Corps of Engineers to decide what are important and what are not important projects. Apparently he is not willing to leave it to the judgment of the large subcommittee and the large full committee of the Senate, who have already gone into the subject matter from that point of view with the assistance of the engineers and who have already applied a sizable cut of over $25,000,000 to the entire amount suggested by the Bureau of the Budget.

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

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Florida yield to the Senator from Illinois?

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

Mr. DOUGLAS. Let me say that if the very eminent Senator from Florida disagrees with the proposal to have the

Corps of Engineers allocate the reduction, and if my amendment to the committee amendment is rejected, it is our intention later to offer him an opportunity to vote to have the committee make the reduction, because a motion will be made to recommit the bill with instructions to the committee to make the reduction in the amount of $50,000,000. So we advance this proposal as our first suggestion; but later on the Senator from Florida will have an opportunity, if he cares to take it, to vote to have the committee exercise its power to make the reduction.

Mr. HOLLAND. I thank the Senator.

Mr. President, on the so-called economy suggestions which the Senator from Illinois makes to these necessary projects, most of which have very great defense importance, he always has a group of positions which he takes, beginning yesterday, in this instance, with a proposal that a $50,000,000 cut be applied to the rivers-and-harbors projects, but only as against certain specific rivers-and-harbors projects, and only in certain amounts.

Today, having slept on the matter, the Senator from Illinois, for reasons sufficient to himself—and certainly he does so within his right to consider them as good reasons—has chaged his position; and now he states to the Senate that he wants the same reduction of $50,000,000 to be made, and he thinks the Senate is wise enough, in considering the entire bill, to decide the entire amount of the reduction which can be made in the appropriations for this carefully selected list of projects, which, in carefully approved amounts, have been approved by the Appropriations Committee; but the Senator from Illinois says the Senate lacks the wisdom to divide the cut of $50,000,000 among the various projects. So the distinguished Senator now suggests and insists that instead of carrying out our constitutional duty, we surrender it and delegate it to the Corps of Engineers, believing that by so entrusting it to the Corps of Engineers a better job will be done.

Mr. President, let it be distinctly understood that the Senator from Illinois does not draw upon the wisdom of the Corps of Engineers in any respect whatsoever in fixing the amount of $50,000,000 which he proposes to impose as a cut. Yesterday the Senator from Illinois did not draw upon the wisdom of the Corps of Engineers in proposing to fix the specific projects to which he thought the cut should be applied. However, today the distinguished Senator wishes to delegate to the Corps of Engineers and to repose in the intelligence, judgment, discretion, and patriotism—which is undoubted—of the Corp of Engineers the power, authority, and responsibility of carrying out the constitutional responsibility of the Congress in applying a reduction of $50,000,000, which the Senator from Illinois has snatched from somewhere out of thin air as an appropriate reduction which he believes can properly, in the interest of the national defense of the Nation, be applied to the appropriations for these projects, in total.

I think it hardly necessary to comment on the complete fallacy of the approach followed by the distinguished Senator from Illinois, who would substitute his wisdom for that of the subcommittee and of the full committee of the Senate, composed of some 23 members, who have passed upon this matter. The Senator from Illinois now says that, regardless of any wisdom which may be possessed either by the Corps of Engineers or by the subcommittee or by the full committee, all of whom have special training and experience and special knowledge in regard to the field as a whole and in regard to each project in this field, in order to save the Nation and its economy we must fix the amount of $50,000,000 as the amount of an arbitrary reduction which must be applied to the appropriations for the entire group of projects in the field of rivers and harbors. However, the Senator from Illinois wishes particularly to avoid any responsibility on the part of himself or the Senate in connection with making the decisions as to where that reduction of $50,000,000 shall be applied as between the various projects included in the total number.

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

Mr. HOLLAND. I yield.

Mr. LONG. Does not the change of tactics on the part of the Senator from Illinois rather clearly indicate that he himself already realizes that the projects which he has selected as being unsound or as the ones for which the appropriations should be reduced in the amount of $50,000,000 cannot safely have their appropriations reduced in the interest of the national defense or in the interest of the national economy, and that being unsound, someone else should try to do what the Senator from Illinois himself has not succeeded in doing?

Mr. HOLLAND. I thank the Senator from Louisiana for that suggestion, and I think it is a most excellent one, in view of the situation.

I should like to believe also that the Senator from Illinois has profited by the opportunity he has had to study this matter a little further since he submitted yesterday his amendment to the committee bill; and I should like to believe that the Senator from Illinois has found and has realized how perfectly ridiculous it is to hold, as he did, in the statement which he placed in the RECORD yesterday, that some of these projects are not necessary defense projects and could be postponed from time to time without doing any violence to the defense needs of the Nation.

The Senator from Illinois presupposes the fact that by his rabbit-out-of-the-hat tactic, which he applies not for the first time today, by his wisdom even so impulsively applied, the result will be to bring the country inescapably to a safer solution and a sounder position economically than that which has been attained by the subcommittee after weeks of study and by the full committee, which has carefully passed on the work of the subcommittee, and both of whom have based their judgment on the testimony of representatives of the Corps of Engineers and of many other persons who have very highly specialized knowledge in the field covered by the particular projects.

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

Mr. HOLLAND. I yield to my friend, the distinguished senior Senator from Tennessee.

Mr. McKELLAR. Not only have the subcommittee and the full committee passed on this matter with practical unanimity of opinion—I am not sure whether even one vote was cast in opposition; I believe the vote was practically unanimous—but the Corps of Engineers, represented by General Pick, passed upon this bill, and not upon the amendment proposed by the Senator from Illinois to the committee amendment. The Corps of Engineers has already passed on the bill.

Mr. HOLLAND. I thank the distinguished chairman of the committee.

Mr. President, I say to the Senator from Tennessee that not only has the Senator from Illinois already taken two positions, each quite at variance with the other, and both of them highly impulsive and not based upon sufficient knowledge or study of this intricate problem, but he has also just given warning to the Senate that he has one or more additional positions to which he expects to retreat from step to step or from fox hole to fox hole, if we may use those terms, as he goes toward the ultimate position to which I hope he will be driven by a large majority of the Senate, who I insist are just as patriotic in their approach as is the Senator from Illinois, and many of whom I insist have a great deal keener and fuller knowledge of these particular projects than has the Senator from Illinois, because they have studied these projects and have examined them and have had the advice of the best trained engineers of the Nation, both in the Corps of Engineers and in private life, who have made specialized studies of the particular projects.

So, Mr. President, with all the wisdom which I gladly concede is possessed by the distinguished Senator from Illinois, I suggest to him that no matter how carefully he inserts his hand into the hat from which he hopes to bring forth the rabbit, such an approach cannot possibly be comparable in wisdom to that which is taken by the Corps of Engineers, to which the Senator from Illinois would now turn back a mutilated group of projects and ask them to save what they can out of the whole.

Excluding myself from the statement which I now make, let me say that I do not believe it correct to say that the wisdom of the Senator from Illinois in this particular field could approach that of the members of the subcommittee or of the full committee who have studied this matter for weeks, and many of whom have served on the committee for years, and have carefully studied these projects and have favored and voted for the authorizations in the first place, and then have followed that by voting for

the measures necessary either to carry the projects to completion or to carry them toward completion. Many of them are now near completion, and some of these are the very ones which the distinguished Senator, in his proposal of yesterday, but not in his proposal of today, suggested be cut out. Many of those very projects are continuing in nature; they have existed for many years, and distinguished Members of the Senate have been studying them from year to year, and were studying them long before the distinguished Senator from Illinois became a Member of this body, and long before the Senator from Florida became a Member of this body. No matter how extensive the experience of the Senator from Illinois in other fields may be, no matter how great his detailed knowledge of all the things which affect humanity throughout all the earth may be and certainly I doff the hat to the distinguished Senator for his very great knowledge of human affairs, from pole to pole and from continent to continent—all over the expanse of this earth—even assuming the vast knowledge which he displays with such great modesty, I do not believe that he can claim that his hit-and-miss tactics will bring him to a sounder conclusion than that which has been reached by 22 Members of the Senate—and the Senator from Florida has excluded himself from this large and able committee, for the purpose of using that figure—the conclusion which that committee has reached after days of study, based upon months and years of study and observation in this particiular field.

Mr. President, perhaps it is sound for the distinguished Senator to suggest a delegation of authority in this important matter, so vitally affecting national defense, to an agency which is not a congressional body; but I submit to the distinguished Senator that I do not believe such a suggestion becomes his customary adherence to the highest constitutional standards and to the most impeccable constitutional requirements. It seems to me that he suggests and would now require that those Senators who would agree with him in snatching out of the hat this $50,000,000 savings shall at the same time abdicate their authority and resign their responsibility and say to another agency, "We are going to leave it to you to gather what you can out of this disastrous experience into which we have thrown you, and we are going to hold you responsible for results."

Mr. President, the Senator from Florida does not feel that that is a constitutional attitude, he does not feel that it is a generous attitude, and, in particular, he does not feel that it is a wise attitude. I desire to have the RECORD clearly show what sort of fallacious reasoning has been followed in this vital defense field by our distinguished friend, who, in following the desire for economy, has sometimes gone upon unsafe and unsound terrain, and never was he on more dangerous ground than at this moment, in his present proposal, which he yesterday attempted to pin down to certain specific projects, for reasons which he, himself, placed in the RECORD.

Mr. President, in order that the committee may be fairly treated, in order that those who will vote against the distinguished Senator from Illinois upon his present amendment may be fairly understood, in order that the position of the Corps of Engineers may be comprehended, in order that the essential meaning of the specific projects to which the Senator directed his attention yesterday should more clearly and more fairly appear in the RECORD, the Senator from Florida wishes to make brief mention of three of those projects, being three of the four projects in the State of Florida which, by some means, had been allowed to remain within the rivers and harbors portion of the bill. I may say to the distinguished Senator that they remained in the bill after the opening statement of the senior Senator from Florida, which was adhered to by all other Representatives of our State, in both branches of the Congress, at the time of the hearing. The senior Senator from Florida made the statement, in his appearance before the committee, in which he was joined by all other members of the delegation:

> We are not asking for anything on any project that was not approved by the budget this year. We recognize the fact that these times are critical.

Sometimes it seems that the distinguished Senator from Illinois somehow reaches the conclusion that he alone of all the Members of the Congress has reached the conclusion that we are in critical times which require the practice of economy, and which require the careful scrutiny of any suggestion for the expenditure of public funds. I assure him that that is a fallacy and that it is a myth, and that the other Members of this body, almost without exception—indeed, I hope, without exception—have the same high regard which he has for sound economy, and they have to base their attitude regarding different projects on what they know about the projects and the meaning of the projects to the vital economy of our Nation, and particularly at this time to the defense and the sound security of our Nation.

The statement made by the senior Senator from Florida at the hearing continued:

> We understand that the budget has approved every item for Florida, from the standpoint of its importance in the defense effort, and we want to stand upon the ground that we are not asking for anything other than the budget-approved items, and only on the ground that they are important to the defense effort.

Later, it appeared, one project which does not happen now to be within the bill was withdrawn from the appropriation bill, because the engineers themselves had changed their minds as to the importance of the particular part of the project to the defense effort that was included in the 1952 budget. They so stated to the committee, and that item does not appear in the bill, and the members of the committee would, I am sure, bear out the Senator from Florida in his statement that he would not ask for the restitution of that item, much as he wanted it, unless the engineers themselves were able to state to the committee that it was important in the defense effort. When they failed to make that statement, that particular item went out of the bill, and it still remains out of the bill.

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

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

Mr. McKELLAR. Mr. President, the Senator from Florida did take the position he has indicated. I thought it was a very magnanimous position for him to take. He left it to the engineers; and that, again, proves that we had the engineers at our side to advise us. Yet the Senator from Illinois wants to recommit the bill and have us, as a committee, submit it to the engineers, who have already passed on it, and who have already passed on the very views now being expressed.

Mr. HOLLAND. I thank the distinguished chairman. Mr. President, with reference to the projects which I shall mention briefly, in order that they may be fairly set forth in the RECORD, I desire to quote, in part, first, from the statement made yesterday by the distinguished Senator from Illinois with reference to these projects, and then to quote merely enough of the hearing record, or of the statements by the engineers, or others, to show how very far afield the Senator was in making his analysis and his determination of what those particular projects meant.

The Senator from Florida knows of other projects, in other States, as to which exactly the same point can be made. For instance, there is one in the State of the distinguished Senator from Louisiana, who is on the floor at this time; others could be mentioned at this time. But he is going to confine himself to the projects about which he himself knows, because they have come under his constant observation since he was a boy. He happens to be a native of his State, and he knows something about the geography to which our good friend from Illinois has alluded so pleasantly today; and he would like to bring to bear on the presentation his own personal knowledge of the geography of the region affected, as well as the economic and defense meanings of these projects, confining his statement, so far as the defense phase is concerned, to the verdicts which have been rendered by those who are charged with the responsibility of our national defense.

First, I want to mention briefly the Jim Woodruff Dam. The Senator from Illinois yesterday marked the appropriation for that dam for complete extinction. On page 9852 of the CONGRESSIONAL RECORD of yesterday, the second item appearing in the projects reduced by the Douglas amendment to the rivers and harbors appropriation item in the pending bill is the Jim Woodruff Dam, Fla.; and the Senator from Illinois shows very clearly that in that compilation he aims at the $7,000,000 appropriation which was recommended by the engineers, the $6,300,000 appropriation which was approved by the House, and the similar appropriation of $6,300,000 which is recommended by the Senate

committee, and which the committee placed in the bill.

He marks that for complete extinction, as something which is unnecessary and something which can be safely postponed; and which, so far as the comment of the Senator from Illinois goes, has no defense meaning whatever.

I read from his statement, his full discussion of the project, which is as follows:

> This is an illustration of a power project that in my judgment can be deferred. The budget calls for spending another $7,000,000 on the Jim Woodruff Dam in Florida. The House and Senate committees have recommended $6,300,000 for this item. Florida is not a mountainous country—

I pause to commend the Senator from Illinois on his complete geographic knowledge——

Mr. DOUGLAS. Is the Senator from Illinois wrong in that statement? Is Florida a mountainous State?

Mr. HOLLAND. I am commending the Senator for his erudition.

Mr. DOUGLAS. I am not erudite at all, but I thought the Rocky Mountains were not in the State of Florida.

Mr. HOLLAND. I continue reading from the Senator's statement:

> Power won't be available there for another 2½ years. Would it not perhaps be better to use the $7,000,000 this year for weapons which we need right now? Seven million dollars would pay for two of the huge B-36 bombers, or 46 of the F-80 fighters. It would pay for 58 tanks or 57,000 bazookas or 115,000 rifles. This same amount of money would maintain 1,800 soldiers for a whole year. I think we should carry out these expenditures first, then maybe next year or the year thereafter we could continue the Jim Woodruff project.

Mr. President, in the first place, there is no mention made, and apparently no realization on the part of the distinguished Senator from Illinois, of the fact that this project is under way; that there are hundreds of men there working. The Senator from Florida was there not long ago. Men were working below the level of the water of the Apalachicola River. The shutting down of a project of that kind—and this project is nearly 50-percent completed—would entail such huge losses that no prudent person with any sound knowledge of economics as applied to engineering construction would even suggest such a course if the project were worth while. And this project is vastly worth while.

I would say to the Senator that it is not peculiarly a Florida project. It happens to be about a hundred yards within the line of Florida. It is much more largely a Georgia and Alabama project. It has to do with the damming of the Flint and Chattahoochee Rivers just below their confluence, which brings the dam just barely within the State of Florida. But it happens that those two rivers are of great importance to our two sister States north of us. The dam is one of several projects which have to do with many purposes and the subserving of many fine objectives, all of which are important to our Nation's economy, and particularly important to the economy of the States directly affected. It is of much greater importance to the economy of our two sister States than to the economy of the State of Florida.

But, aside from the general importance of this project as a first step in the development and conservation of the waters of the whole watershed of those great combined rivers, I invite the attention of the distinguished Senator from Illinois to something which he completely overlooked, which, if it were left out of the RECORD, would leave the project in the light of being only another power project in a nonmountainous State and one of such small importance that it could be safely left aside for such period of time as the Nation was in a defense strait-jacket.

Mr. President, this particular item illustrates clearly the complete unsoundness of the method of approach followed by my distinguished friend from Illinois, in that he pictures this particular item as solely and wholly a minor power item. There is not a word in his description of the project about any other purpose or any other objective than the production of a small amount of power. If my distinguished friend had gone to the trouble, which he could easily have done in a very short time, to refer to the hearings held each year since the project has been under way, from the time it was authorized many years ago, he would have found that the power aspect of the project happens to be very small among the total objectives. It is a multipurpose dam of the most important character.

The Senator said something about not wanting to do anything that would deleteriously affect flood control. One of the particular purposes of this dam is flood control. The Apalachicola River which is formed by the junction of the two rivers already named can become a raging torrent at times and it is by far the largest river in the State of Florida in volume of water carried. Instead of being a puny power project, the project has tremendous meaning in terms of the saving of property and the protection of lives as a flood-control project, and not a word has been said by the engineers in any hearing or in any recommendations from the time the project was started which does not clearly show that flood control is one of the principal objectives. There are other objectives which are very worth while. One of them is the guaranteeing of abundant water supplies to such places as the city of Columbus and the city of Atlanta, and Fort Benning, the latter being one of the greatest cities in Georgia since it is the largest encampment in all the armed services.

There was one particular in which the Senator was especially negligent in his statement in the RECORD. I have such great confidence in the frankness and candor of the Senator from Illinois that I would not think for a moment that he would detract from the importance of the project if he had understood that there was a meaning and objective different from the minor one which he stated in the RECORD. One of the greatest objectives is that of navigation, and the construction of a 9-foot channel up to Fort Benning, Ga., which will be of great importance if we get into war. The distinguished Senator did not have to look far for information as to that. If he had just checked the hearings of this year he would have found that thought specifically and clearly set forth half a dozen times. I refer, for instance, to page 723 of the record of the hearing, where, incidentally, the statement of the Senator from Florida appears, although the same statement is made by the engineers in the House hearings, and by various other citizens of highly specialized knowledge besides the engineers themselves.

I quote, however, from page 723. This is information that was possessed by the very Senators who sat upon the committee and who passed their judgment upon the matter and have made their recommendations, and whose recommendations would be nullified by the able Senator from Illinois.

I quote this brief statement:

> This project will provide a large block of power in an area where it is urgently needed to aid the national defense program—

Incidentally, the reason why that power is so needed there, is for national defense—

> and will add an additional transportation facility which will greatly assist in relieving the transportation problem in time of war, particularly for handling supplies for Fort Benning, Ga.

Mr. President, even the most cursory, even the most scanty, even the most fleeting investigation would have disclosed abundantly to the distinguished Senator from Illinois, or to anyone who made the research for him, the nature of the project which he proposes to blot out of the book of his remembrance for this appropriation year, and in which he proposes to shut down the great operation that is under way there now, to the very great loss of the people of the United States. He proposes to cut out that entire appropriation, evidently believing it to be a sort of a minor power project, and not understanding and not stating to the Senate what is a fact, that it is a project of tremendous importance from the standpoint of flood control, and of even greater importance from the standpoint of making the water navigation available on a large scale to Camp Benning, Ga., our largest military installation.

Perhaps we could stop at that point, Mr. President, but I do not think we should do so, because the distinguished Senator from Illinois has so clearly shown his lack of preparation and his lack of understanding of the essential quality of these projects which he proposes to knock out, that I feel the RECORD should show at least as to the three affected Florida projects just exactly what is their nature and meaning, in spite of the way they are described by the distinguished Senator from Illinois.

The next project I mention is the intracoastal waterway from Jacksonville down toward Miami. Perhaps it would be fairer to the Senator from Illinois if I read the whole of his remarks on this point into the RECORD, but they are a bit long, and I simply content myself by stating that they appear on page 9853 of

yesterday's RECORD, and that they show again a complete failure of the Senator to have read the hearings and to have understood in the slightest the meaning of this project from the standpoint of national defense transportation or any of the other principal objectives which are to be served by it.

The Senator said about the project, and I will read a little from his statement:

A channel 8 feet deep by 100 feet wide has been built between the cities of Jacksonville and Miami, Fa., at a cost of approximately $7,250,000.

Mr. President, as a matter of fact this is the southern end of a great intracoastal waterway, beginning at Newark, N. J., and coming down all the coast, of a depth of 12 feet, until it reaches Jacksonville, and which had been continued in part—because that is only part of the authorization—for an 8-foot depth from Jacksonville to Miami some years ago. There is no isolation about this project. It is not a fair statement to speak of it by itself. The Senator later in his statement talks about the southeastern coast, but he fails and never does state in his able description of this project the fact that this couples up with that great intracoastal waterway which goes from the edge of New York Harbor, at Newark, N. J., all the way down our seaboard States until it reaches Jacksonville, and then continues at the lesser depth and width to the city of Miami.

It is now proposed—

Said the Senator from Illinois—

that at an additional cost of $16,750,000 the channel be deepened to 12 feet and widened to 125 feet. Essentially none of the widening had been done prior to the current fiscal year. The sum of $500,000 is available for fiscal year 1951 and $2,350,000 is requested for fiscal year 1952, leaving a remainder of $13,500,000 for subsequent years.

Mr. DOUGLAS. Mr. President, may I ask the Senator from Florida, are these statements not correct?

Mr. HOLLAND. These statements are correct, and I want to give the Senator from Illinois credit for all the partially true statements he has made, and that is all that can be said, in absolute candor about his statements, that they are partly true. It is that to which the Senator from Florida is calling attention. The Senator from Florida is not in any sense questioning the desire of the Senator from Illinois to tell the whole truth, and do a completely candid job, but he is calling attention to the lack of preparedness, and the lack of analysis, and the lack of understanding by a single Senator, not a member of the committee, who comes in here overnight and makes a proposal in black and white which, if it were allowed to stand unchallenged, would blast the meaning, would blast the understanding of these particular projects in the minds of tens of thousands of good citizens of this Nation who will read the words of the apostle of economy, the distinguished Senator from Illinois, and will believe them to be meticulously accurate, when, sad to relate, they are only partially true, and it is that to which I am calling attention at this time.

I continue to read:

The 12-foot channel in the waterway will constitute a continuation of the existing 12-foot intracoastal waterway along the South Atlantic Coast.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. A minute ago the Senator from Florida reproached the Senator from Illinois for not making it clear that this was a continuation. Now in this part of the statement it is made clear that it is a continuation. I wonder what the criticism of the Senator from Florida is of the statement.

Mr. HOLLAND. The Senator from Florida has already said very clearly that the Senator from Illinois would add later in his statement that this did pertain to the southeastern area, but he never vouchsafed to the Senate and never appeared to have in his own mind the understanding of the fact that this is more than a southeastern enterprise. This is an Atlantic coast enterprise extending all the way down from Newark, N. J., to the city of Miami, Fla., and even beyond that, at a lesser depth, to the city of Key West.

Mr. DOUGLAS. I may say to the Senator from Florida that the Atlantic coast is a somewhat vague term. There is quite a ways along the Atlantic coast north of Newark, N. J., and it is to that area that I apply the term "north Atlantic coast," and to the rest of the area the term "south Atlantic coast."

Mr. HOLLAND. I appreciate the comments of the Senator, and they may be considered as corrective, or at least interpretive, and I so consider them. The point the Senator from Florida has made is first, that the project as described here is largely a Florida project from Jacksonville to Miami, and that the Senator from Illinois speaks of a small channel existing there, whereas as a matter of fact this is nothing but an uncompleted part of a great channel extending from Newark, N. J., and completed down to the mouth of the St. Johns River, and which, under the guidance of the Corps of Engineers it is recommended be continued, not to Miami, at this time I may say to the distinguished Senator. If the Senator from Illinois will bear with me, I should like to put in the RECORD what the RECORD shows otherwise, in other places, if the distinguished Senator from Illinois had simply cared or taken the trouble to find it.

Mr. DOUGLAS. Will the Senator read the next sentence in my statement?

Mr. HOLLAND. I shall be glad to.

Mr. DOUGLAS. The Senator has said I am viewing it purely as a local Florida problem. If the Senator will read the next sentence, he will find that I made no such statement.

Mr. HOLLAND. I read:

The agency states that the completion of the authorized project is essential to the economy of the entire eastern seaboard.

Mr. DOUGLAS. I took those facts into consideration.

Mr. HOLLAND. The Senator from Illinois never said that the intracoastal waterway extends up the entire eastern seaboard, and he never made a statement that even gives that implication, but he did go so far as to say in one place that it does have meaning to the entire eastern seaboard.

The fact is—and let us have this clear in the RECORD, because I am sure the Senator wants the truth to be in the RECORD, and I have stated that only a part of the truth is in the RECORD. This is the southern end of a great intracoastal waterway designed to extend from Newark, N. J., to Key West, Fla., and in maximum depth to Miami, Fla., and, incidentally, designed eventually to connect all the way around Florida with that great intercoastal waterway that now runs from the mouth of the Rio Grande to Apalachee Bay in west Florida, and that this particular project must be pictured in its clear perspective, as a continuation in the size that it now exists from St. Johns River in Florida all the way back to Newark, N. J., in that same size down to Miami, which has become an important terminal in its own right.

But, Mr. President, if the distinguished Senator had made even a cursory check of the record, he would have found that nobody is planning to extend this channel at this time and under these critical defense conditions all the way to Miami. He would have found out, if he had gone into the record, that this is what happened:

Last year, prior to the breaking out of the Korean episode, the engineers entirely omitted any work on this particular channel from the budget which they offered for the fiscal year 1951. After the Korean war had broken out, after the House had passed the bill, after the bill was being considered in the committee so ably headed by the Senator from Tennessee [Mr. MCKELLAR], the committee sent for the engineers and said, "The change in this whole situation because of the outbreak of the Korean war and the intensifying of the defense effort is something that may have tremendous implications on our system of maritime waterways. We want you to study the whole picture and make any suggestions which you see fit to make as to items which have now become important from the defense standpoint, in view of the changed picture."

I hope the Senator from Illinois will give attention to this, because I am going to give the full truth about this matter, which apparently has escaped him up to this time.

The Corps of Engineers, reporting back to the committee headed by the distinguished Senator from Tennessee, submitted to that committee a list of projects, of which this was one, which they said had assumed very great defense significance in view of the changed situation. They requested—even though it was not in the budget—that the committee in its wisdom place in the appropriation $500,000 as a first item to begin the widening and deepening of this channel, not to Miami, though eventually, of course, any widening and deep-

ening done in the upper reaches of the waterway will subtract from the remaining distance to Miami.

The engineers said, "Our Nation has established an important agency down on the Banana River, the guided missile base, and we very badly need additional transportation means leading to that base. For that reason we are asking that $500,000 be placed in this project and transferred from somewhere else, in order that a vital defense effort may be immediately initiated. We think that is all we can use in this year."

The distinguished Senator from Illinois will remember that we were late in our appropriations last year. The engineers felt that that $500,000 would be all they could usefully employ in the beginning of the extension of this canal at its full depth and full width, not to Miami at that time, but down the Banana River to the guided missile base at Cocoa, Fla. So if the Senator had studied the record this year he would find that again the engineers and the commanding officers who represent our Nation in commanding that cooperative effort, which is not either Air Force, Navy, or Army, though it happens to be under the direction of the Air Force, are operating a guided missile base at the only place in the continental United States, apparently, where they can find a shooting gallery of some three of four thousand miles in length, over relatively safe waters which can be observed from islands on one side or the other over a large part of the route.

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

Mr. HOLLAND. I shall be glad to yield in a moment.

If the Senator had gone to the trouble—and, personally, the Senator from Florida does not think it would have been a great amount of trouble—he would have found that, appearing before the two committees, the committee of the House and the committee of the Senate, those charged with the defense of our Nation made it clear that they wanted this project to go ahead rapidly, not because they hoped ultimately to reach Miami—though they do, of course. This canal is of great value throughout its entire course from the standpoint of commerce in ordinary times, but the objective which our defense agencies are shooting at for the time being is Cocoa, opposite the Banana River guided-missile base. There is no question that this project has very great defense significance. If it has not, then the engineers have not told us the facts—and I know they have. If it has not, General Richardson, the commanding officer, has not told us the facts about the matter—and I know he has. If it has not, Mr. Koehler, the Assistant Secretary, has not told us the facts about the matter—and I know that he has. I am very sure that those charged with the defense of our Nation have meticulously told us exactly the truth, and that the truth is as just stated.

This project would not have been reached for some time in the future, so far as its ordinary peacetime commercial value is concerned, but it was put into the construction phase last year at the insistence of the defense authorities. After they had made up the budget without this project in it, the Korean war broke in their faces. They insisted that $500,000 be placed in the appropriation bill. They followed it this year with a request for $2,350,000 to continue this important defense project and activity—because it is just that—as far down as the city of Cocoa, Fla.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. If the Senator from Florida would continue with my statement, he would find that I mentioned the interest of the Department of the Air Force in this project, but I raised the question as to why the goods which move to Cocoa and the Banana River could not move on the existing 8-foot channel by barge. I am not quite certain of the precise location of Cocoa and the Banana River, but I did raise the question as to why the goods could not move on the existing 8-foot channel by barge. I am not an authority on bananas or cocoa, but there is an 8-foot channel already there. There are barges which can operate, and it would seem to me that the goods could move in the existing 8-foot channel.

Mr. HOLLAND. I shall be glad to give the distinguished Senator the statement given by the Engineers. Their statement was that most of the articles moving to the guided-missile base did not originate at Jacksonville at all, but originated far up the Atlantic Seaboard, at the place of manufacture of the various commodities which would move to the guided-missile base. They said that it was a useless, expensive, and wasteful proposal to use a 12-foot barge down to Jacksonville, and then have to go through the process of unloading and reloading the articles from the larger barges to the smaller barges for transfer down to the guided-missile base.

Mr. DOUGLAS. Mr. President, may I reply to the Senator?

Mr. HOLLAND. I shall be happy to yield in a moment, if the Senator will allow me to complete this statement.

It seems to the Senator from Florida that that is the essence of good common sense and good business judgment. The Senator hopes that there still remains some essence of good common sense and good business judgment in the handling of the important business of the Nation, particularly in the field of defense.

If we should follow the course of cutting off the 12-foot channel at Jacksonville, and not continuing it down to the guided-missile base, or to an island close to the base, from which the goods can be very easily transported to the base, and if we should neglect and ignore the advice, suggestions, and insistent recommendations of the Engineers and others who are charged with our defense, I should feel that we were not practicing the good common sense, the good horse sense, which I hope the Senate will continue to display in the making of decisions of this kind.

I do not find fault with the defense officers. I commend them when they come in and say that it is wasteful and ridiculous to transport goods from Chester, Pa., Philadelphia, Pa., Newark, N. J., Wilmington, Del., or Baltimore, Md., all the way down to Jacksonville in 12-foot barges and then have to unload and reload the goods in a harbor where there is not too much room for unloading and reloading because tremendous activities are under way there now. Unloading the goods at Jacksonville and transshipping them involves wasting a distance of some 28 miles up the river to Jacksonville and down again, and reloading the goods on smaller barges for the remaining distance.

Perhaps that is the kind of economics which appeal to the Senator from Illinois. But it did not appeal to the Corps of Engineers, and it did not appeal to the military officers who were guiding us in our defense. It did not appeal to the military officers in the Cabinet. It did not appeal to Senators on the subcommittee or on the full committee. On the contrary, we thought it was good, sound, common sense to go along with the Engineers on a matter which they said was vitally important to the defense effort.

The Senator from Florida wanted all the facts to be in the RECORD. He wanted to make it very clear that the Florida delegation did not even insist last year upon this particular project, because then, as this year, we were insisting on standing by the budget, and we asked only for defense items. This item first appeared, after an absence of a good many years, in the appropriation bill of last year, exactly as has been related to the Senator from Illinois, to the Senate, and to the public in the statement which has just been made by the senior Senator from Florida.

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

Mr. HOLLAND. I yield to my colleague.

Mr. SMATHERS. Does not my distinguished colleague note some inconsistency on the part of the senior Senator from Illinois when he suggests that he wants to recommit the bill to the committee for the advice of the Department of Defense and the Corps of Army Engineers, and yet, when they make their recommendations for an appropriation of more than $2,000,000 he wants to set his own opinion even above the opinion of those to whom he later wants to send the bill?

Mr. HOLLAND. I thank my colleague. I think his point is well made. It bears out the methods which have been followed. It bears out the statement of the senior Senator from Florida as to the methods which have been followed by the senior Senator from Illinois in his approach in this particular amendment to the various piecemeal problems which are collected within its scope. The problems have not been studied out. Apparently his judgment must be considered to be controlling and must be accepted in place of the judgment of the Corps of Engineers, the Department of Defense, and the subcommittee and full

committee of the Committee on Appropriations, excluding again the senior Senator from Florida, who is speaking.

Mr. DOUGLAS. Mr. President, does the Senator from Florida wish to correct a statement so as to bring it in clear conformity with the facts?

Mr. HOLLAND. The Senator from Florida will be only too glad to permit the Senator from Illinois to make corrective statements. The Senator from Florida is interested in the full truth, and that is why he has been occupying some time on the floor of the Senate. No matter how well intentioned the statement made yesterday by the distinguished Senator from Illinois may have been, it nevertheless showed a lack of understanding and comprehension of the projects involved.

The Senator from Florida was not willing to have that partial statement as to these projects remain unchallenged in the RECORD. Unfortunately there are some people who think that every time anyone gets up on the floor of the Senate and makes a play for economy he is bound to be right. There is no falser method of approaching a problem than to assume that every attempt in the name of economy is safe, sound, and right. The Senator from Florida is taking occasion to show in the RECORD at this time that the attempt in the name of economy by the distinguished Senator from Illinois is based upon a failure on his part to analyze, understand, or correctly interpret the meaning of projects which are vital to the national defense and whose meanings transcend to the utmost degree the very small meanings assigned to them in the statement made yesterday by my friend the distinguished Senator from Illinois [Mr. DOUGLAS].

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. Is it my understanding that the Senator from Florida says there are two types of economy, namely, the justifiable type of economy, which affects someone else, and the unjustifiable type of economy, which affects one's own State?

Mr. HOLLAND. The Senator from Florida is not in the position of having taken that ground. The Senator from Florida has appeared for the last 2 years, since the defense effort got to be so pressing, not only before his own committee in the Senate and he was not a member of the committee until this year—but also before the similar committee in the body at the other end of the Capitol. The Senator from Illinois will find in the RECORD the statement made by the Senator from Florida that he wanted nothing for his State which would not live up to the severest criterion of its meaning to the defense effort.

He has realized for a long time that the Senator from Illinois and everyone else who stands for economy is right and righteous in support of such position. That does not mean, however, that every position taken by the Senator from Illinois or anyone else in the name of economy is a sound position. The Senator from Florida is taking occasion to point out that the Senator from Illinois could not have gone more fully astray than he has at this time in making his shotgun approach to a series of projects which have been carefully combed over and from which the useless ones have been eliminated by the Corps of Engineers, the House committee, or the Senate committee. Of course, I mean that in the case of both the subcommittee and the full committee. The Senator from Florida is pointing out what to him is so evident, namely, that it is a completely unsound procedure to simply snatch an arbitrary economy figure out of the air, as the Senator from Illinois has done. The $50,000,000 figure is his own conception. Certainly no one else will admit parenthood of that $50,000,000.

Mr. DOUGLAS. Is it not a fact——

Mr. HOLLAND. I shall yield in a moment. The Senator from Illinois has snatched the figure out of the air. He has divided the figure among certain projects. Sleeping on it last night, and perhaps reading a little more fully on the subject, he realized today how weak his posititon was. Consequently he rushed into the Senate this morning and, on being recognized, he rushed into the RECORD an explanation to the effect that he has changed his mind and that he does not want that $50,000,000 saving to be applied to specific projects. He wants to save that amount of money, but he does not apply it to any project specifically. He just wants to save $50,000,000 out of the bill. Such an effort is highly commendable insofar as it concerns a desire to save money. However, it is highly ridiculous, highly foolish, and certainly a disservice to the Nation to apply it to projects in such a way as to cripple the defensive strength of this Nation. That is the point which the Senator from Florida is making. Now I yield to the Senator from Illinois.

Mr. DOUGLAS. Do I understand that the defensive strength of the United States will be vastly crippled if we do not substitute a 12-foot channel for an 8-foot channel to Cocoa and Banana?

Mr. HOLLAND. The Senator from Illinois, of course, seeks to reduce the matter to an absurdity. The cutting off of no one project will destroy the power of Uncle Sam. However, when we nibble a bit of strength from here, there, and elsewhere—the Senator from Illinois, insofar as his amendment is concerned, took a good big, luscious bite in many places out of the defensive strength of our Nation—one wonders whether the careless approach which is being suggested by the Senator from Illinois with respect to the projects represents sound information and understanding upon which proper cuts can be based.

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

Mr. HOLLAND. I yield.

Mr. LONG. Would not the question of the Senator from Illinois suggest that the $50,000,000 which he has in mind is the amount with which we are going to defend our Nation? Is it not true that we have in mind spending about $70,000,000,000 in the defense of our Nation? It was suggested that the amount recommended for the Jim Woodruff Dam would pay for 40 jet planes. Actually we will buy many thousands of jet planes. Certainly we should spend our defense money as best we can. However, these amounts will contribute to defense in line with the entire picture.

Mr. HOLLAND. The Senator is correct. Again, for fear that the Senator from Florida may be misunderstood, he states, as he has stated already, that by no means does he impugn the motives, truthfulness, decency, and essential integrity of the Senator from Illinois. However, the Senator from Florida feels that the Senator from Illinois has in this matter jumped off a springboard into a pool which he thought was deep, safe, and sound, but which, as a matter of fact, had no depth.

Mr. DOUGLAS. I am sure I dived into a pool of pitch.

Mr. HOLLAND. If he continues with that sort of performance he may break his valuable neck. The Senator from Florida does not want that very regrettable thing to happen to the Senator from Illinois.

The Senator from Florida has followed the Senator from Illinois, not once but many times, in his efforts at economy. Whenever he believes that the Senator from Illinois is leading the way soundly and sanely, the Senator from Florida will follow him and others, and has himself led in certain directions which have approached economy soundly. However, the Senator from Florida will not use the word "economy" as a shibboleth so important that it will cause him to sacrifice important values to this Nation, which ought not to be sacrificed at any time, particularly in this critical time.

The Senator from Florida has yet to make his strongest illustration of the complete unsoundness of the approach made by the Senator from Illinois as directed to the three projects in the State of Florida, to which he shall now address himself.

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

Mr. HOLLAND. If the Senator from Illinois will permit me to go along I shall be glad to yield to him later.

Mr. DOUGLAS. I should like to put some information in the RECORD to complete the study with reference to Cocoa and Banana.

Mr. HOLLAND. The Senator from Florida would like to go ahead with his discussion of the Jacksonville port. It is the crowning absurdity from the standpoint of the methods employed in this particular matter by his friend, the Senator from Illinois.

Mr. President, here is an illustration of what happens when one man, with good motives, excellent background, and wonderful patriotic experience, a man who is pretty well venerated by many of us and by many persons outside the Senate as well, substitutes his impulsive, horseback judgment, based simply on a powerful desire for economy, for the sound judgment and careful, meticulous, and painstaking approach which has been followed through the regular processes of the Senate and the Congress as a whole in connection with this matter.

Mr. DOUGLAS. Mr. President, will the Senator yield to me for a moment?

Mr. HOLLAND. I ask the Senator to wait a moment, please.

Mr. DOUGLAS. This is a very important point.

Mr. HOLLAND. All the points the Senator from Illinois makes are important, but I should like to make my point now.

Mr. DOUGLAS. I am sure the Senator from Florida has given a misconception on this point.

Mr. HOLLAND. I shall be glad to yield in a moment, but I am speaking now of what I have just characterized as the crowning absurdity of the meat-ax approach which has been employed by the Senator from Illinois in this particular amendment to the committee bill, and that crowning absurdity is in its application to the Port of Jacksonville, Fla.

Mr. President, the reason why I have borne down on the three Florida projects which yesterday were mentioned and described—although so incompletely—by the Senator from Illinois is that I know more about those projects. I know enough about many other projects to know that there are others similarly of tremendous importance to the defense effort which have not been understood by the Senator from Illinois or else he would not have made the proposal which he made yesterday.

First, let me give a bird's-eye view of the Port of Jacksonville, Fla. It is something over 20 miles up the St. Johns River from the Atlantic Ocean. In addition to being our great port of entry in the northern part of Florida, serving not only a large part of our State, but also the southern part of Georgia, it has become a tremendously important port in the defense effort. I tell no secret when I state for the RECORD the fact that some 700 or 800 vessels, every one of which is important to our Nation and its defensive strength, are stationed at Green Cove Springs, a short distance above Jacksonville, on the St. Johns River. Those vessels are located there in the mothball fleet. The shipyards for their maintenance and repair are at Jacksonville, at the port there.

In addition, the carrier nest and training station is located there. Formerly it was a great naval air training station, but now it is a carrier station, where the crews and squadrons and groups which are to be carried on our huge flattops are organized, trained, and gotten ready, and are berthed when the carriers bring them home. It is a tremendous base of very great importance to the Nation. It is located on the St. Johns River, just a few miles above Jacksonville, and I would say it is at about the outer limits of what would be regarded as the Port of Jacksonville.

The naval refueling base, just now nearing completion, is located at the mouth of the St. Johns River, at what used to be called Mayport, formerly a little village there. It is a most important base, because there is no other facility like it, south of Norfolk, where our large carriers and other large naval vessels can be refueled. So the Navy has developed it as a great refueling base.

A large oil storage base has just been installed at Jacksonville, at the port itself, on the opposite side of the river from the refueling base. It is only a part of the defense activities there; I have not even attempted to picture all the defense activities which center at that great port. From the defense point of view, it is one of the vital ports on the eastern coast of the Nation. All Senators may not know it, but the people who live there and those who serve there in the various services know it, and those who advise the committee know it; and they told us about it, and assured us that this work must be done promptly in the defense of the Nation.

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

Mr. HOLLAND. Not now, for I am not quite through. I hope the Senator from Illinois will let me finish, because I am trying to paint a beautiful picture for his edification, and I hope he will see it in its entirety, in order that he will realize the depths of misconception to which he has fallen, and from which I hope he may emerge when I have completed my remarks.

Mr. President, for those great naval vessels it is necessary to deepen the channel to the ocean and across the bar, so that the large carriers and other naval vessels can come to the refueling base. Therefore, it is also necessary to deepen the whole channel to approximately 34 feet, so that the Navy tankers can come up the St. Johns River and can discharge their cargoes at the naval refueling base, which now is nearing completion, if it is not already completed, on the outskirts of Jacksonville.

Although the Senator from Illinois has other things to do—and he is one of the most diligent Members of the Senate in carrying out his tasks so well, and I am frequently amazed at the grasp he has of so many matters—yet I wish his grasp in this particular field had been sounder. However, since it is not, although it is somewhat embarrassing to me to have to point it out, I think the Senator from Illinois himself would want the RECORD to be so amended as to state the full truth, because the Senator from Illinois has fought, bled, and died in the service of his country——

Mr. DOUGLAS. I have not died yet.

Mr. HOLLAND. And I know he loves his country to the very depths of his being. I give credit to the Senator from Illinois for being one of the finest Members of this body. If anything I have said indicates any other feeling on my part toward him, I ask that I may be forgiven, for I do feel that he is one of the outstanding Members of this body.

Last year this program was set up and a certain amount of money was appropriated to get it started. Unfortunately, our position, instead of improving, became more acute from the standpoint of national defense. It became necessary to hasten this work. So the Navy, together with the engineers, said, 'We have to have certain projects completed by the first of September or the middle of September, in order that this great port may function to serve our Nation in its defensive need."

So they asked and secured approval from the Bureau of the Budget, from the Corps of Engineers, and from everyone else who must give approval, to divert money appropriated for other projects, in cases in which the funds were not being used at the moment, or where the need for the funds had not yet been reached, so as to be able to do three things: first, to rush to completion the Dames Point cut-off, which was begun last year and is reaching completion; second, to continue that cut down to the bar, at a depth of 34 feet; third, to cut the bar itself and open the channel into the open Atlantic to the greater depth now required.

The refueling base at Mayport was about to be completed, but at that time it was not possible to take the larger ships to that refueling base when they needed refueling. The large oil base was about to be finished at Jacksonville, with its tanks ready for use, but the channel was not deep enough to permit the tankers to reach the base and deliver oil to it.

So it is most unfortunate that our distinguished friend, the Senator from Illinois, did not go to the trouble of inquiring a little about this matter, because he could have found out about it so easily. If he had even addressed an inquiry to his friend from Florida, the Senator from Illinois could have obtained in 30 seconds the information that these projects are already under way and are nearing completion, and must be completed and delivered by about September 15, and the entire amount of money voted by the Senate committee for these purposes must be utilized and expended and paid out at that time—by about September 15, 1 month from now—in order to secure the completion of those projects.

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

Mr. HOLLAND. Not just now, Mr. President, for I wish to make the picture completely clear; I wish to make it clear that two of those projects were handled by contract, one by an extension of an old contract, and one by a new contract; and the engineers themselves had to move in their own equipment, because of the speed required, because of the emergency which existed there, to do the work at the bar, and the engineering equipment has been used 24 hours a day, while we in Congress have been debating and dawdling over this matter, which pertains to the defense of the Nation. All during this time the engineers have been using their equipment, and are working there rain or shine, day and night, in an effort to complete these projects, which must be completed by the 15th of September.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. Is the Senator from Florida implying that it is a whimsical and ill-founded idea of the Senator from Illinois that this cut should be made in the funds for the Jacksonville project?

Mr. HOLLAND. I am not only implying it, but I am saying that the cut would be completely illogical and would leave the engineers under the necessity of diverting money from other appropriations, for projects elsewhere, in order to pay for the completion of these three

projects, which now are under way, and nearly complete. I say that no one who wants to see each project stand upon its own bottom, no one who wants to see fair treatment given to all communities in our Nation, wants to see that kind of handling of vital defense matters.

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

Mr. HOLLAND. I will yield in a moment.

Mr. DOUGLAS. But the question is needed now in order to complete the thought.

Mr. HOLLAND. I yield.

Mr. DOUGLAS. Is it not a fact that, so far from this being a unique proposal on the part of the Senator from Illinois, it was proposed by the House Committee on Appropriations, and approved by the entire body of the House? Is the Senator from Florida saying that the entire membership of our sister Chamber is composed of whimsical persons, who move without knowledge of the facts, or that the Senator from Illinois is proposing that, in respect to this project, we should adhere to the House figures?

Mr. HOLLAND. The Senator from Florida is not interested in making any charges whatever against those who serve in the sister body. The Senator from Florida feels that it is within his right and that it is his duty to call attention to what is about to be done; and he calls attention to the fact that this particular bill was approved by the House many months ago, and upon the basis of a hearing held months before that; whereas now the Senator from Florida is trying to give the facts to the Senator from Illinois and to his other brethren in the Senate, those facts which have already been heard meticulously by the committee headed by the Senator from Tennessee, which committee has recommended and reported this matter as it is, as a matter necessitous in the defense of our Nation, which the Senator from Illinois, in his whimsy, to borrow a word from him, would wipe out simply by a few words, simply because he has not understood that the defense of our Nation is involved. It is that statement which the Senator from Florida is trying to make clear for the record.

Mr. DOUGLAS. Does the Senator from Florida mean that the House of Representatives was not concerned with the defense of our Nation? I think that is a very grave charge to make against our sister body.

Mr. HOLLAND. The Senator from Illinois is the one who is injecting that idea and those words. The Senator from Florida has made it completely clear that the House had to proceed in the light of the facts as they then appeared. Possibly no one made these points on the floor of the House. I do not know whether anyone then present in the House knew what the facts were.

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

Mr. HOLLAND. I ask the Senator to allow me to conclude my answer. I have already called attention to the fact that the RECORD in the House was made months ago, and that the action of the House was taken months ago. Certainly the Senator from Florida wants to be charitable to all, including his friend from Illinois, but, looking at the activities of the body at the other end of the Capitol, he feels very sure that they did not correctly understand the facts which he has now recited, and which are even more true now than they were then, because things have been moving with tremendous speed since that time. The Senator from Florida has made this point for one reason, and one only, to call attention to the ridiculous effect of the change proposed upon an impulsive desire to save some money, to accomplish economy in a field where the one suggesting that economy does not understand what has happened, and has not gone to the trouble to find out what the facts are. All the Senator from Florida has done has been to call attention to the facts, and he feels very sure that when this matter goes to conference those who represent the legislative body at the other end of the Capitol will want very badly to know what the actual facts are as of now, so far as the defensive condition of our Nation is concerned. He is not afraid of their attitude. He is not afraid of the attitude of the Senator from Illinois, because he believes the Senator from Illinois has exactly the same idea the Senator from Florida entertains, namely, that when a vital defense matter is presented, we should meet the challenge.

The Senator from Florida believes from the depth of his heart that when the Senator from Illinois understands perfectly the effect of what he proposes to do with reference to the port of Jacksonville, he will be the first one to recede from that position, as he partially receded from it since yesterday. He suggested the application to this particular bill of a huge cut, whereas, today, withdrawing in part, he says, "No, let us impose a $50,000,000 cut, and let the engineers decide where to make it." So that the Senator from Florida is not throwing mud pies at anyone, particularly not at his friend from Illinois. He is calling attention to an inescapable fact that, if the proposed cut were carried out in the very way suggested by the Senator from Illinois, such act would be a real disservice to our Nation from the standpoint of safeguarding the Nation in this defense period.

Mr. SMATHERS. Mr. President, will my colleague yield?

Mr. HOLLAND. I yield to my colleague.

Mr. SMATHERS. I may say to my distinguished colleague, and for the sake of the RECORD, that, in my humble way, I had intended to attempt to oppose the amendment of the Senator from Illinois, but my able and distinguished colleague, a man born in our State, who as the senior Senator from Illinois has found out, has been intimately associated with every one of these projects, having seen them given birth, in some instances, when he was governor, has this afternoon completely exposed the unsoundness of the amendment proposed by the distinguished Senator from Illinois regarding these specific items. I agree that the Senator from Illinois is to be commended upon pursuing his efforts in behalf of economy; but as stated the word "economy" in and of itself is not sacred nor always desirable. There are some projects upon which economy should not be practiced and my able colleague has done a marvelous job pointing out three such projects in this debate. I wish to associate myself with all the remarks he has made, and to state to the senior Senator from Illinois that, immediately before I came to the Senate, I was given some advice by my aged father, whom I love and whom I respect very much, which I would like to pass along to him. He said, "Do not always be carried away with your general convictions, but, my young man, remember when you do start something, 'look before you leap'." I thank the Senator.

Mr. HOLLAND. I warmly thank my distinguished colleague.

Now, Mr. President, in order that this point may be made completely clear in the RECORD, I should like to have the indulgence of the Senate for a few more moments, to insert in the RECORD two brief quotations from the record of the hearings before the Senate Civil Functions Subcommittee on this point, which were available to my friend from Illinois, and which so clearly show that the situation is exactly as I have described it; though he would have to go to the engineers, themselves, and to the testimony of the engineers, themselves, for the much greater detail which is in their testimony. But, first, to quote from the statement of the Senator from Florida, made before the Civil Functions Subcommittee, at page 726:

> The defense installations in the Jacksonville area rely heavily on the port facilities and it is highly essential that these improvements be completed as quickly as possible.
>
> The Corps of Engineers have been exceedingly diligent and cooperative on this project. At the request of the Department of the Navy they made available sufficient funds to allow the work to continue after appropriated funds were exhausted in February of this year.

Mr. President, at any time since February of this year, the facts which I have recited here could have been discovered easily if any serious or even passably serious effort had been made to get at the facts. I continued:

> The projects are now moving swiftly to completion and it is my understanding that they will be finished in fiscal 1952 and that the entire budget estimate will be required to pay for the work now under construction.

Mr. President, I next read, from the same page, 726, one paragraph from the letter written by Mr. John T. Koehler, Assistant Secretary of the Navy, to one of my colleagues, Hon. CHARLES E. BENNETT, a Member of the House of Representatives from the Jacksonville district. The Senator will find the paragraph from which I quote as the fourth paragraph of the letter. This is the Department of the Navy, officially talking to the Congress, under date of June 30, of this year:

> We have advised the Chief of Engineers that pier construction and dredging at the terminal will be completed on or about Sep-

tember 15, 1951, and we have requested that the dredging in the St. Johns River between the terminal and the mouth of the river be completed on or before that date, so that T-2 tankers can be accommodated.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. Is it not true that according to the Chief of Engineers in 1949, of the 585 inbound steamers only 6 had drafts over 30 feet, and that only 76 vessels drew over 28 feet, so that apparently the harbor now has a depth of over 30 feet, and is able to accommodate virtually all the vessels that have been coming into it?

Mr. HOLLAND. Mr. President, my distinguished friend insists on refusing to recognize the imperative defense values in this matter. In a preceding paragraph in this same letter it is stated:

T-2 tankers, fully loaded, have a draft of 32 feet. The project proposed by the Army engineers provides for increasing the existing depth of water in the river to a depth of 34 feet.

The latter paragraph, which I have already read, made it very clear that these tankers from Louisiana or Texas—that is where they generally come from—want to go through to the place where the storage facilities exist. They told the authorities so in a letter which appears as a part of the printed record, where even the most casual research would have made the facts clear, as they are.

I am simply placing the facts in the RECORD because I know my friend from Illinois would insist on the inclusion of all the facts so far as they are known. For anyone to take the position that the money should not be appropriated would be to take the position that the contracts, which will be completed next month, will not be paid out, but that, instead, funds must be transferred from other projects.

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

Mr. HOLLAND. I yield.

Mr. McFARLAND. I simply wished to ask the Senator if he thinks we can come to a vote on this amendment this evening.

Mr. HOLLAND. The Senator from Florida is ready to complete his remarks.

Mr. McFARLAND. I did not want to interrupt, but I am receiving inquiries.

Mr. HOLLAND. I am sorry if I have taken more time than I should, but I felt it was highly important, and I still feel so, that the actual facts relating to the carelessness involved in this broad-ax economy method should be in the RECORD so that there could be some recognition of the painstaking study made by committees, the Corps of Engineers, and specialists who have so well served us and whose recommendations are in accord with the facts, while those facts would be so abysmally ignored by the amendment offered by the Senator from Illinois.

Mr. McFARLAND. I do not want the Senator to misunderstand me. I think he has made a good case. He has shown it would be false economy to make the suggested cut.

Mr. HOLLAND. I thank the distinguished majority leader. I think that conclusion is inescapable.

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

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

Mr. LONG. I assume the Senator from Illinois knows that in order to have efficient operation of a ship, to be able to steer it, a 3-foot drag is needed beneath the ship in the channel. If a ship draws 32 feet, 35 feet is needed in order to have sufficient control over it. When the Senator from Illinois points out that only six ships came into the harbor which could not leave fully loaded, he simply pointed out the obvious fact that if the channel is so shallow that the ship cannot be loaded there and leave with the load, there is no point in bringing a ship to that harbor.

Mr. HOLLAND. The important thing is the defense importance of the port of Jacksonville. That importance has been recognized by the skilled servants of our Nation who have gone to some pains to set out those facts as well as their conclusions in the printed record, which record has somehow entirely escaped the notice of the distinguished Senator from Illinois who with his broad-ax approach would ignore the fact that Jacksonville is a great defense port. The Senator from Illinois has in mind only ordinary maritime trade and traffic in and out of Jacksonville. The Senator has failed to understand that at Jacksonville, Fla., there is one of our most vital defense ports insofar as the Atlantic seaboard is concerned. The Senator from Florida hopes that the Senator from Illinois will discover the port of Jacksonville as a defense port and will so recognize it in the future.

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

Mr. HOLLAND. I yield.

Mr. DOUGLAS. If the port is so important, why does not the Senator want to have a 40-foot channel there which would permit the great battleships to go up the harbor?

Mr. HOLLAND. Mr. President, the Senator from Illinois ignores the fact that the defense effort desires to do a certain job at a certain place. The job they want to do at Jacksonville does not require a 40-foot channel clear up to the city. They would be wasting money if they put a 40-foot channel there. I hope that at some time in the future we may have a 40-foot channel so that some of the largest leviathans of the deep can come in. We want the tankers to come in to discharge their cargoes, and we would also permit the flat-tops to come in and enter to the refueling base nearer the mouth of the river.

Mr. President, I apologize for having taken overlong in this discussion, but I feel that such an approach to this problem as suggested by the Senator from Illinois at any time would be foolish, expensive economy of the most uneconomical sort and that such an approach is unthinkable in times of critical defense emergency, and particularly when the needs of the defense effort have been so clearly pointed out to us by those whom our Nation has trained so they can wisely advise us.

I yield the floor.

Mr. McKELLAR. Mr. President, I think we have discussed this amendment long enough, and I ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

Mr. DOUGLAS. 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:

Bennett	Hayden	McKellar
Benton	Hendrickson	McMahon
Brewster	Hennings	Millikin
Bridges	Hickenlooper	Monroney
Byrd	Hill	Mundt
Cain	Hoey	Neely
Capehart	Holland	Nixon
Carlson	Humphrey	O'Mahoney
Case	Hunt	Pastore
Chavez	Ives	Robertson
Clements	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kerr	Schoeppel
Douglas	Kilgore	Smathers
Duff	Knowland	Smith, Maine
Dworshak	Lehman	Smith, N. J.
Eastland	Lodge	Smith, N. C.
Ecton	Long	Sparkman
Ellender	Magnuson	Stennis
Ferguson	Malone	Taft
Flanders	Martin	Thye
Frear	Maybank	Underwood
Fulbright	McCarran	Welker
George	McCarthy	Williams
Gillette	McClellan	
Green	McFarland	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 6, line 3.

Mr. DOUGLAS. Mr. President, when I offered this amendment to save $50,000,000 I did not expect to win any popularity contest by it; and I have not been disappointed in my expectations. Every time a Senator makes a proposal to save money he arouses a great deal of local opposition, sectional opposition, and group opposition. So, as I say, the amendment was not offered for the purpose of winning friends, although I did hope that it might have some influence with those who believe there must be some retrenchment in the interest of national solvency.

Yesterday I submitted a detailed list of the projects which I thought might be eliminated or reduced, so that $50,000,000 could be saved. I did that because if one takes a global figure, without any supporting evidence, he always exposes himself to the charge that he is "talking through his hat" that he does not know what he is talking about, and that he does not have the details upon which he can support his position.

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

Mr. DOUGLAS. I shall be glad to yield in a moment. I am coming to a conclusion, and I should like to reach it before I yield.

That was the reason why yesterday I submitted a list of specific projects, based

in large part, although not wholly, upon the action of the House Appropriations Committee and of the House, which went into this question very seriously indeed.

Now, when I have changed my method and have proposed a cut of $50,000,000, to be administered by the Corps of Engineers in consultation with congressional committees, the claim is made that by so doing I am proposing that Congress abdicate its legislative function. In other words, when one gives the details he hits individuals too hard. Then when he suggests a general cut, and proposes to allow the administrative authority to carry it into effect, it is said that he advocates abdicating the legislative function of Congress.. In other words, a Senator who proposes reductions is always either too hot or too cold, either too young or too old, either too short or too tall. He is never exactly right.

It is the old "shell" game, in which the taxpayer always looks for the pea of economy and the very efficient dealers at the county fair always have the pea underneath another shell. The poor taxpayer grabs for the pea, and he finds that it has moved somewhere else.

If Senators do not like that illustration, drawn from the county fair, let me choose one drawn from parlor games. It is the old game of "Button, button, who's got the button?" The button is always somewhere else. It always eludes the taxpayer.

All I am proposing is that, in view of the national emergency, in view of the threatened deficit of $19,000,000,000, we could at least save $50,000,000 in this particular bill.

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

Mr. DOUGLAS. I am glad to yield to my good friend from Louisiana, who is one of the ablest and most charming gentlemen in this body.

Mr. LONG. The very able and earnest Senator from Illinois stated that he presented certain projects as evidence of the manner in which the bill could be reduced.

Mr. DOUGLAS. Yes.

Mr. LONG. I believe the Senator from Illinois has been somewhat unfair to those who have differed with him. Senators speak for their own States, with which they are most familiar. They say that certain projects are necessary. The Senator from Illinois says, "Here is an item which is not needed at all," when actually the Navy has said, with respect to this particular project, that it is immensely important to the national defense that it be constructed immediately. Does the Senator think as much of his supporting evidence after hearing the Senator from Florida [Mr. HOLLAND] as he did originally?

Mr. DOUGLAS. With all due modesty, I think the supporting evidence of the Senator from Illinois should at least be considered by the Senate as illustrative of the manner in which a wiser body, such as the Corps of Engineers or the committee itself, could make reductions.

I have been insistent, not so much upon individual cuts as upon the necessity for a general cut, and the indication that some of these projects are dispensable.

Mr. LONG. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. LONG. I assume that the Senator knows, as the Senator from Florida very well pointed out, that with regard to the three projects in the State of Florida, all three of them are needed for national defense. The Senator from Illinois has made a clean sweep by advocating that projects in that State needed for national defense be eliminated.

Mr. DOUGLAS. All this is a matter of relativity. I suppose that there are very few projects which are submitted that do not have some good features. Most projects have some good features. The question is, How much shall we pay for the whistle? What happens in connection with every appropriation bill is that we consider the individual project, and then, finding that it has some merit, we decide that we must appropriate for it.

Similarly, we might turn loose an 8-year-old child with a Sears, Roebuck catalog. Everything in a Sears, Roebuck catalog is good. I make that statement not in flattery of one of the greatest industries in my State, but as a statement of fact. A Sears, Roebuck catalog contains marvelous things.

I well remember when my young daughter was given a Sears, Roebuck catalog. Immediately she began pointing to every page and saying, "'I want that." My wife and I made a very hasty calculation, and we found that in the space of 5 minutes my daughter had run up a hypothetical bill of $5,000. I hope the Senate will not resemble my 8-year-old daughter and be carried away with the desire to say, "I want that, because it is good."

We must cut our expenditures according to our resources; and our resources are not unlimited. That is something which is very hard for us to get through our heads, because we have had an expanding economy and have been able to do what we wanted to do. Now we are up against a very tough struggle. We must pull in here and there in order to carry through the program of military preparedness.

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

Mr. DOUGLAS. I yield.

Mr. LONG. The Senator says that some people want everything. However, as I understand, the projects about which he has been speaking are the ones which in his opinion are not needed. Yet when he comes to select the projects which are not needed he selects projects which the military have certified to be absolutely essential to national defense—projects such as a harbor for aircraft carriers, and things of that sort.

Mr. DOUGLAS. I may say that Government officials and heads of departments, including heads of military units are patriotic men and technically competent. However, they do not seem to have a sufficient sense of the value of a dollar. They do not seem to have any consciousness that the resources of the United States are limited.

The Senator from Florida has been an extremely good salesman. I can well understand why his State has honored him as it has. He is an extraordinarily good salesman. He has done a magnificent job on the floor of the Senate. He took some shots at me. I enjoyed them. They were very pleasant, indeed. However, I should like to say that we do not only need salesmenship but we also need sales resistance, so that we can button up our pants pockets and not lose all our spare change.

Mr. President, if I had listened much longer to the Senator from Florida I would have been tempted to give him the National Treasury. Incidentally, I noticed how many projects in the past years have gone to the State of Florida, no doubt under the persuasive influence of the present senior Senator from Florida and possibly his predecessor.

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

Mr. DOUGLAS. Yes.

Mr. LONG. I am sure the Senator from Illinois wants to be completely fair by admitting that the Senator from Florida has voted many times for a large number of reductions in the national budget.

Mr. DOUGLAS. Oh, yes. As a matter of fact, I got the idea for administrative cuts from a very eminent teacher. When I first came to this body it was my privilege to sit opposite a very eminent and affable gentleman, who sat where the junior Senator from Kentucky is now sitting. I revered him, and I listened to his discussions from week to week on the floor of the Senate. I was filled with admiration, and wanted to model myself on him.

I remember one day, when I was in the great throes of deciding whether to join the economy bloc, the then junior Senator from Michigan [Mr. FERGUSON] offered an amendment which provided for a 5-percent cut in the total appropriations for the Labor Department and the Federal Security Agency, with the understanding that the cuts would be apportioned among the services by the Secretary of Labor and the Administrator of the Federal Security Administration. I was in some doubt as to what I should do. I did not wish to abandon what some asserted was the position of the Democratic Party and vote for a reduction in expenditures. I did not wish to turn my back upon causes for which I myself had labored for some time and which were very close to my heart and there was great doubt in my mind about the wisdom of permitting agency heads to allocate reductions. I had a great struggle, both as to whether I should vote for the reduction and how the reduction should be made.

Then my very good friend, who was sitting next to me, rose and made a very eloquent speech. I should like to quote from it. It appears in the CONGRESSIONAL RECORD, volume 95, part 4, page 5232. In

supporting the movement for a 5-percent cut, to be apportioned by the administrative authorities, the eminent Senator spoke as follows:

> I think we would be following the correct course to place in the hands of the administrators of agencies who supervise the conduct of the activities covered by this appropriation bill the task of making reductions between the point of no reduction in some cases and a maximum reduction of 20 percent in other cases, so as to bring about a reduction on the whole of 5 percent in the items which are not entirely excluded from cuts of any sort.

Mr. President, that so impressed me that I not only joined the economy bloc, but I subscribed to the methods of this most eloquent friend of mine sitting opposite me. That eloquent friend was none other than the then junior Senator and now the senior Senator from Florida [Mr. HOLLAND], who is now saying that this is not the right method for me to adopt in making such a cut as is proposed.

Mr. President, I hope that this example of my holding to the principle which he enunciated will enable him, once the teacher but perhaps now the pupil, to come back into the paths of virtue and join the economy bloc of our party and of this Senate in the proposed $50,000,000 cut.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 6, line 3.

Several Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Michigan [Mr. MOODY], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER], is paired on this vote with the Senator from Maryland [Mr. O'CONOR]. If present and voting, the Senator from Tennessee would vote "nay," and the Senator from Maryland would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Nebraska [Mr. WHERRY], the Senator from Missouri [Mr. KEM], the Senator from North Dakota [Mr. LANGER] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

If present and voting, the Senator from Nebraska [Mr. WHERRY] would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

The Senator from Maryland [Mr. BUTLER] who is necessarily absent is paired with the Senator from North Dakota [Mr. YOUNG] who is absent by leave of the Senate. If present and voting, the Senator from Maryland would vote "yea," and the Senator from North Dakota would vote "nay."

The Senator from Utah [Mr. WATKINS] is detained on official business. If present and voting, the Senator from Utah would vote "yea."

The Senator from Illinois [Mr. DIRKSEN] is absent on official business. If present and voting, the Senator from Illinois would vote "yea."

The result was announced—yeas 28, nays 48, as follows:

YEAS—28

Bennett	Hickenlooper	Pastore
Benton	Hoey	Robertson
Brewster	Hunt	Saltonstall
Bridges	Ives	Smith, Maine
Byrd	Knowland	Smith, N. J.
Douglas	Lodge	Smith, N. C.
Ferguson	McCarthy	Taft
Flanders	McMahon	Williams
Frear	Nixon	
Hendrickson	O'Mahoney	

NAYS—48

Cain	Green	McCarran
Capehart	Hayden	McClellan
Carlson	Hennings	McFarland
Case	Hill	McKellar
Chavez	Holland	Millikin
Clements	Humphrey	Monroney
Connally	Johnson, Tex.	Mundt
Cordon	Johnston, S. C.	Neely
Duff	Kerr	Russell
Dworshak	Kilgore	Schoeppel
Eastland	Lehman	Smathers
Ecton	Long	Sparkman
Ellender	Magnuson	Stennis
Fulbright	Malone	Thye
George	Martin	Underwood
Gillette	Maybank	Welker

NOT VOTING—20

Aiken	Johnson, Colo.	O'Conor
Anderson	Kefauver	Tobey
Bricker	Kem	Watkins
Butler, Md.	Langer	Wherry
Butler, Nebr.	Moody	Wiley
Dirksen	Morse	Young
Jenner	Murray	

So Mr. DOUGLAS' amendment to the committee amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I have an amendment which I wish to submit to a section of the bill which has not yet been reached.

The PRESIDING OFFICER. The amendment of the Senator from Texas is not in order at this time.

Mr. FERGUSON. Mr. President, on behalf of myself and the senior Senator from New Hampshire [Mr. BRIDGES], I offer a motion which I send to the desk and ask to have stated.

Mr. McKELLAR. Mr. President, will my friend permit us to vote on the various amendments first?

Mr. FERGUSON. It will not take long to dispose of this motion; and if it is agreed to, it will solve the entire problem.

Mr. McKELLAR. If I thought it would solve the entire problem, I would be delighted.

Mr. FERGUSON. It will solve the entire problem if it is agreed to, for then there will be no need for the Senate to vote on the remaining amendments at this time.

The PRESIDING OFFICER. The Chair understands that the motion submitted by the Senator from Michigan, for himself and the Senator from New Hampshire, is a motion to recommit; and it will be stated at this time.

The CHIEF CLERK. Mr. FERGUSON on behalf of himself and Mr. BRIDGES, moves that House bill 4386 be recommitted to the Senate Committee on Appropriations, with instructions to reduce the appropriations for rivers and harbors and flood-control works by a total sum of $50,000,000.

The PRESIDING OFFICER. The question is on agreeing to the motion submitted by the Senator from Michigan on behalf of himself and the Senator from New Hampshire.

Mr. FERGUSON. Mr. President, there is such a large attendance of Senators at the moment that it will not take many minutes for us to dispose of this motion. By this motion we are attempting to do what the Senator from Illinois was attempting to do in relation to one item. He was attempting to have a reduction of $50,000,000 made in the appropriations for the one item of rivers and harbors. The Senator from New Hampshire [Mr. BRIDGES] and I seek to have a reduction of $50,000,000 not merely in the appropriations for rivers and harbors, but in all the appropriations carried in the entire bill. Therefore, the manner in which we would make the $50,000,000 reduction is different from the manner in which the Senator from Illinois was attempting to bring about a similar reduction. He attempted to indicate on the floor of the Senate where he would advise the engineers to make the cut. The Senator from Michigan knows how hard the committee has worked on this program. It is the function of the Senate to do the cutting. When this bill is returned to the Appropriations Committee, the subcommittee will be able to sit down with the Engineers, obtain their advice, and then cut $50,000,000 from an increase of $122,000,000, which was placed in the bill over and above the House figure. I am satisfied that the subcommittee can do it without destroying the bill.

The Senator from Michigan has no desire at all to destroy flood-control or rivers-and-harbors projects. He went with the committee which visited the areas in Kansas and Missouri which had been devastated by the recent flood, and also down the Mississippi River. He is familiar with the items for those areas. He does not believe that those particular items should be cut. The projects should go forward to completion. But the Senator from Michigan believes that there are other items in this bill in which reductions could well be made. For example, the item for rivers and harbors, alone, is $213,932,613; and for general flood control, alone, $334,711,600. The general emergency fund carries an item of $10,000,000. This year, as a supplement, we appropriated $25,000,000 to that same fund, which at that time had a carry-over. For the Mississippi River, alone, for flood controls, there is an item of $61,000,000, while the emergency fund

for the Mississippi River is $500,000. The item for the Sacramento River, in California alone, is $1,000,000. The total of the appropriations for public works is $621,160,213. The balance of $16,134,000 includes cemeterial expenses and the item for the Canal Zone Government. The cut of $50,000,000 proposed in the motion to recommit would come from the entire bill.

Mr. President, when we passed last year's appropriation bill, we, in effect, told the President in section 1214 of the General Appropriations Act to make a $550,000,000 reduction. The President took $51,000,000 from the rivers and harbors appropriations, and I learned of no instance in which it effected a destruction of the program, because he did it with the advice of the engineers. The committee will have the benefit of the same kind of advice.

There are certain new projects. Votes were taken in the committee with reference to cutting certain of the projects. The vote was not unanimous, but as a result of the vote cuts were not made.

Mr. BRIDGES and Mr. McKELLAR addressed the Chair.

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

Mr. FERGUSON. I yield first to the Senator from New Hampshire, after which I shall yield to the Senator from Tennessee.

Mr. BRIDGES. I should like to point out to the Senate that the approach taken by the Senator from Michigan and the Senator from New Hampshire in authoring this amendment was proposed in the committee. There has been some criticism at various times, when amendments have been proposed because they have not been proposed previously in committee. As the Senator from Michigan will recall, there were three recorded votes in the committee. One was to cut $60,000,000 from the bill; the second was to cut 10 percent from the fund, leaving 90 percent of the budget estimate; and the third was to eliminate the four new projects, which were listed and described. The matter was discussed at some length in the committee and there was a thorough understanding of what we were attempting to do. Therefore, in proposing this amendment, we are appealing to the Senate as a whole to carry out substantially what we attempted to do in the committee, but upon which we were defeated. Is that not a correct statement?

Mr. FERGUSON. That is correct. I now yield to the distinguished chairman of the committee.

Mr. McKELLAR. The Senator from Michigan will recall that, of the votes which were taken in the committee, one was, I believe, 18 to 4; the other, 18 to 3. That is the way it was decided in committee. The committee worked hard on the pending bill for months. In view of the thorough study made of the bill by the committee, why should the bill be recommitted? We shall have to work out these matters with the House. Why does the Senator wish to recommit the bill, when, as the Senator from New Hampshire himself indicated, the committee is overwhelmingly opposed to the proposal which he makes?

Mr. FERGUSON. I realize that the committee worked hard upon this bill. I realize, also, that it is not a pleasurable task to try to save the taxpayers some money and still make appropriations for projects which are essential. It has been stated how the committee stood; but, after all, it is the Senate of the United States which has the responsibility of passing this bill and, while it may be discouraging to some, after a defeat in the committee, to carry the fight to the floor, we feel that it is our solemn obligation, as trustees of the taxpayers' money, to allow this question to be presented to the entire Senate of the United States. While, naturally, if we lose, we shall be discouraged, yet we will at least have performed our function in allowing the whole Senate to pass upon this matter.

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

Mr. FERGUSON. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I may have misunderstood the Senator from Michigan, but in his remarks a few moments ago, I thought I understood him to say he did not favor the elimination of any of the projects on the Missouri and Kansas Rivers, where the recent flood occurred.

Mr. FERGUSON. That is correct.

Mr. McCLELLAN. But for the recent flood, would the Senator have favored eliminating those items?

Mr. FERGUSON. No.

Mr. McCLELLAN. Then why does the Senator favor the elimination of other projects which are similarly designed to prevent floods?

Mr. FERGUSON. The Senator from Michigan feels that, in the Missouri Valley, the items which have been mentioned are not items which the facts demonstrate should be started at this particular time.

Mr. McCLELLAN. Is it now indicated that other projects, which had been first included and then eliminated, should have been started and finished long ago, in order to have prevented the very flood in question?

Mr. FERGUSON. The Senator from Michigan is not asking the Senate to reduce on the floor the appropriations contained in the bill, and he knows that there was strong objection by Senators who felt that the bill could not be cut on the floor. All one needs do is to look at the bill to observe that it has been prepared in such a manner that it is practically impossible to make a cut on the floor of either House. Why? Because numerous items for rivers and harbors are lumped into one appropriation, and in flood-control appropriation there are lumped numerous items, regarding some of which I read the figures. What does that mean? It means that the report alone is the guide, and I say it is the only guide, to those who are going to spend the money, as to the projects which should be cut. That is why the Senator from Michigan asks that the bill be recommitted in order that the committee, which has expert advice available and which has labored long and hard upon this bill, may do this work for the Senate. He feels that it is the proper way to do it.

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

Mr. FERGUSON. I yield.

Mr. CORDON. I am in sympathy with the Senator from Michigan in what he seeks to do, but I take exception to the statement that the bill was prepared in the way it now comes to the Senate for the purpose of preventing the reaching of any item in it. I am sure the Senator from Michigan did not quite mean what his words indicated. He will recall that the itemized appropriations have not been in order in the United States Senate for a generation or two, that the regular procedure, not only with this bill but with every appropriation bill, is to appropriate for a function with only a report to give guidance as to the division or apportionment of the total appropriation among the objects within the given function classification. I am sure the Senator will agree with me.

Mr. FERGUSON. I agree with the Senator from Oregon. This bill comes from the House in its present shape, and we have taken up only certain items. If what the Senator from Oregon has indicated to the Senate is correct, we would not single out the Mississippi River and say that $61,000,000 was appropriated for that stream. Why do we not pick out every river and appropriate so much money for each river, and then we can determine how much money should be appropriated for each purpose?

Mr. CORDON. The Mississippi operation is in a separate authorization bill, as is the Sacramento River, and they have been carried in that way for a long time, and properly so, because we go back to another statute for a justification.

Mr. McKELLAR. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Tennessee.

Mr. McKELLAR. With reference to the statement that the bill was prepared for the purpose of having it passed, I recall two or three distinguished Senators who voted against projects for their own States.

Mr. FERGUSON. There is no doubt about that.

Mr. McKELLAR. The committee has not been doing wrong.

Mr. FERGUSON. No, but the committee does not prepare the bill.

Mr. McKELLAR. I know it does not prepare it, but that is not what the Senator said. I understood him to say that it was prepared so as to be passed as drawn. The Senator should withdraw his statement because, as I have stated, Senators on his own side voted against provisions in the bill which would have benefited their own State. The bill was not prepared as is indicated. It was prepared honestly, fairly, and justly, as the committee should do it.

Mr. FERGUSON. The Senator from Tennessee misunderstands my remarks entirely. The Senator from Michigan has faith in the committee, which is the reason why he wants to send the bill back to the committee. The Senate committee did not prepare this bill. It is in the shape in which it came from

the House. The Budget Director is the one who really prepares the bill.

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

Mr. FERGUSON. I yield.

Mr. CHAVEZ. Is it not a fact that while it is true that the House sent the bill to the Senate, according to parliamentary practice, it was referred to the Senate Committee on Appropriations?

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. And the Committee on Appropriations went into the bill.

Mr. FERGUSON. Item by item. There is no doubt about it.

Mr. CHAVEZ. And heard justifications, heard witnesses, and counted noses.

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. And the average vote was 18 to 4. Is that not also correct?

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. In addition to the fact that it is denominated a House bill, the Senate cannot originate an appropriation bill. So what is the complaint about the Senate committees acting on the bill which the House sent to the Senate?

Mr. FERGUSON. I am not complaining about the bill; I am complaining about the form of it, and explaining why it should be returned to the committee so that the committee can do the cutting.

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

Mr. FERGUSON. I yield.

Mr. CASE. Is it not a fact that the bill is in identical form with the form which has been used for 10 or 15 years?

Mr. FERGUSON. About 8½ years, as the Senator from Michigan remembers. But that does not change the situation.

Mr. CASE. No; but is it not a fact that it has been customary in both the House and the Senate, if a change is made from the budget figures, to have a table either in the report or in the hearings, and to expect that table to be compelling in the expenditure of the funds by the Chief of Engineers?

Mr. FERGUSON. The report is advisory to the Chief of Engineers. The Senator from Michigan has already stated that.

Mr. CASE. What the Senator from Michigan is seeking to do is to have the Senate committee give the advice to the engineers as to where the $50,000,000 cut in the total might be made.

Mr. FERGUSON. That is correct. I know from experience on the Appropriations Committee that the subcommittee and the committee as a whole will seek the advice of the engineers, and if the bill is recommitted it will be returned to the floor of the Senate with $50,000,000 removed from the bill, on the advice of the engineers and particular Senators conscious of where they believe the cut should be made, and the report will so show.

Mr. CASE. The essential difference between this $50,000,000 proposal and the proposal in the amendment offered by the Senator from Illinois is twofold: First, that it does not apply solely to rivers and harbors——

Mr. FERGUSON. It applies to the whole bill.

Mr. CASE. The other respect is that it would be a matter of a committee of the Senate making a recommendation, rather than leaving it exclusively to the engineers.

Mr. FERGUSON. That is exactly the difference.

Mr. CASE. As I heard the amendment read, I thought it applied to rivers, harbors, and flood control. The Senator from Michigan has just said it applies to the entire bill. Would it include the items for the Panama Canal?

Mr. FERGUSON. It would cover the whole bill.

Mr. CASE. Perhaps that point should be definitely checked. It occurs to me that if the bill should go back to the committee, the committee could take a portion of the saving out of the Panama Canal money. But as I heard the amendment read, I did not so understand it.

Mr. FERGUSON. The motion provides that the bill (H. R. 4386) be recommitted to the Senate Committee on Appropriations with instructions to reduce all appropriations for rivers, harbors, and flood-control works up to a total of $50,000,000. The Senator from Michigan feels that it would cover the items set forth on page 2 of the report, and he will ask to modify his motion so as to cover the whole appropriation.

Mr. CASE. The whole of the bill.

Mr. FERGUSON. So the committee will have complete latitude for reduction.

Mr. CASE. It seems to me that would be consistent with what the Senator has said in describing the effect of his amendment, because, after all, there is $11,668,000 in the bill for the Panama Canal.

Mr. FERGUSON. Yes. The Senator from Michigan wishes to cover the whole of the bill.

Mr. CASE. Mr. President, will the Senator yield to me for one further question?

Mr. FERGUSON. I yield.

Mr. CASE. In my colloquy with the distinguished Senator from Illinois [Mr. DOUGLAS] earlier in the afternoon it developed that there were unobligated balances of $17,800,000 which the Corps of Engineers reported they had in rivers and harbors fund as of the 30th of June. By reference to the hearings, I noticed that there were $37,000,000 in unobligated balances in the flood-control fund. Does the Senator have any information as to the present availability of those moneys or as to their applicability so far as projects are concerned? There were approximately $55,000,000 in unobligated balances at the close of the last fiscal year.

Mr. FERGUSON. I will try to obtain the information for the Senator.

Mr. CASE. I may say that in raising the question I have in mind this thought. If the Senate committee in proposing a total expenditure of $637,000,000 was proposing a work program based upon a consideration of the labor available, and a consideration of materials available, and a consideration of a work program to be accomplished, then I should like to know whether or not they took into consideration the $17,000,000-plus in the rivers and harbors fund and the $37,000,000 in the flood-control fund of unobligated balances, and expected the $55,000,000 to be expended on the program in addition to the $637,000,000, or whether the program was considered as a year's program for civil-functions projects for which $637,000,000 is to be appropriated are we to look to the use of the unobligated balances as a means of accomplishing the $50,000,000 cut which the Senator is suggesting.

Mr. FERGUSON. I refer to page 19 of the hearings. The following statement appears on that page:

> The estimated unobligated balances for "Rivers and harbors and flood control, general," as of June 30, 1951, are:
>
> Maintenance and improvement of existing river and harbor works, $17,800,000.
>
> Flood control, general, $37,600,000.

I would have to ask the chairman of the committee about it, but the Senator from Michigan was of the opinion that the committee did not consider the amount of the carryover. That is not taken into account when we look at the budget estimate. We were dealing with the estimate. As shown in the report, the estimates indicate the amount of money required. In the next year there will be a carryover of a similar amount, or even more.

Mr. CASE. There have been years when the Appropriations Committees have had available to them tables which would show the unobligated balances, and a breakdown on each individual project work proposal, to show the amount of unobligated balances on the particular project, the work program, and a breakdown of the amount of money needed for each phase of each project. By consideration of those tables it has been possible, in years gone by, to make savings in the work program by taking cognizance of the carry-over which was unobligated.

Mr. FERGUSON. The Senator from Michigan will apprise the Senator from South Dakota that since the Eightieth Congress we have not received such tables.

Mr. CASE. Should the Senator's amendment be adopted, and the bill recommitted, it seems to me the committee would be warranted in asking the Corps of Army Engineers to give the committee such tables.

Mr. FERGUSON. The committee could ask for such tables, and I am sure they would be of aid to them.

Mr. President, I now modify the motion which I have sent to the desk so as to read:

> I move that the bill (H. R. 4386) be recommitted to the Senate Committee on Appropriations with instructions to reduce the appropriations for rivers and harbors and flood control works and civil functions, Department of the Army, by a total sum of $50,000,000.

That would make the motion all-inclusive.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the motion of the Senator from Michigan to recommit, as modified.

Mr. FERGUSON. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Michigan [Mr. MOODY], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Tennessee would vote "nay," and the Senator from Utah would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Nebraska [Mr. WHERRY], the Senator from Missouri [Mr. KEM], the Senator from North Dakota [Mr. LANGER] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

If present and voting, the Senator from Nebraska [Mr. WHERRY] would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

The Senator from Maryland [Mr. BUTLER] who is necessarily absent is paired with the Senator from North Dakota [Mr. YOUNG] who is absent by leave of the Senate. If present and voting, the Senator from Maryland would vote "yea," and the Senator from North Dakota would vote "nay."

The Senator from Utah [Mr. WATKINS] who is detained on official business is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Utah would vote "yea," and the Senator from Tennessee would vote "nay."

The Senator from Illinois [Mr. DIRKSEN] is absent on official business. If present and voting, the Senator from Illinois would vote "yea."

The result was announced—yeas 28, nays 48, as follows:

YEAS—28

Bennett	Frear	Pastore
Benton	Hendrickson	Robertson
Brewster	Hickenlooper	Saltonstall
Bridges	Hunt	Smith, Maine
Byrd	Ives	Smith, N. J.
Case	Lodge	Smith, N. C.
Douglas	McCarthy	Taft
Dworshak	McMahon	Williams
Ferguson	Monroney	
Flanders	Nixon	

NAYS—48

Cain	Fulbright	Johnston, S. C.
Capehart	George	Kerr
Carlson	Gillette	Kilgore
Chavez	Green	Knowland
Clements	Hayden	Lehman
Connolly	Hennings	Long
Cordon	Hill	Magnuson
Duff	Hoey	Malone
Eastland	Holland	Martin
Ecton	Humphrey	Maybank
Ellender	Johnson, Tex.	McCarran
McClellan	Neely	Sparkman
McFarland	O'Mahoney	Stennis
McKellar	Russell	Thye
Millikin	Schoeppel	Underwood
Mundt	Smathers	Welker

NOT VOTING—20

Aiken	Johnson, Colo.	O'Conor
Anderson	Kefauver	Tobey
Bricker	Kem	Watkins
Butler, Md.	Langer	Wherry
Butler, Nebr.	Moody	Wiley
Dirksen	Morse	Young
Jenner	Murray	

So Mr. FERGUSON's motion to recommit was rejected.

Mr. MARTIN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Pennsylvania will be stated.

The CHIEF CLERK. On page 6, line 3, in the committee amendment, it is proposed to strike out "$213,932,613" and insert in lieu thereof $233,932,613."

On page 7, before the period in line 3, it is proposed to insert a colon and the following: *"Provided further*, That $20-000,000 of the amount herein appropriated shall be available for deepening the channel of the Delaware River from Philadelphia to Trenton to a depth of 40 feet: *Provided further*, That no funds shall be expended for carrying out the project referred to in the foregoing proviso unless the Secretary of Defense, the Chief of Engineers, and the Director of Defense Mobilization certify that such project is critical, urgent, and immediately needed in the interest of national defense."

The PRESIDING OFFICER. Without objection, the two amendments will be considered together.

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

Mr. MARTIN. I yield.

Mr. McKELLAR. Is there a budget estimate for this project? Is it authorized?

Mr. MARTIN. I do not think it has been authorized, but the total estimate of the cost is about $60,000,000; $20,-000,000 would be all that could be used during the year. I should like to make a brief explanation of the amendment.

Mr. President, one of the most important developments in the industrial mobilization of the United States for defense has been the decision of the steel producers to undertake a tremendous expansion of steel capacity to meet the Nation's military and civilian needs.

There is now under construction along the upper Delaware River near Morrisville and opposite Trenton, N. J., the largest single expansion project ever undertaken by any steel company in the history of our country.

The new steel plant, when completed, will represent an investment of $400,000,-000. All of it will be furnished by private enterprise. No Government funds will enter into its construction.

It will be the center of a great new industrial area which will have a profound influence on the national economy. Many other industries have been attracted into the area, particularly those engaged in steel processing and fabricating.

This new plant will cover 3,800 acres and will have an annual steel capacity of 1,800,000 tons.

It will include docks for the receipt of ocean-borne foreign ore from Venezuela and other newly developed sources in order to conserve the dwindling reserve of high-grade American ores. It is planned to have giant ore carriers unload directly at these docks, and finished steel products for the domestic markets as well as for export, will be shipped directly from the plant.

In order for this new plant to operate at the rate of production required for the highest contribution to national defense it is urgent that the Delaware River channel be deepened so as to accommodate the largest ore carriers bringing foreign ore to the works.

A 40-foot channel in the Delaware River now extends from Delaware Bay to the Philadelphia Navy Yard and a 37-foot channel extends north to Allegheny Avenue, Philadelphia. From that point to Delair Bridge there is a channel depth of 28 feet and a 25-foot channel continues to Trenton.

The purpose of my amendments is to authorize the deepening of the river to establish a channel to Trenton of sufficient depth to accommodate vessels drawing 35 feet of water. This has the complete endorsement of shipping and industrial interests and is supported by representatives of Pennsylvania and New Jersey municipalities.

The amendments specifically require that before any part of the proposed appropriation for this purpose can be spent, it would have to be certified by the Secretary of Defense, the Chief of Army Engineers, and the Director of Defense Mobilization that the project is critical, urgent, and immediately needed in the interest of national defense.

Mr. McMAHON. Mr. President, do the pending amendments, offered by the Senator from Pennsylvania, provide for $20,000,000 for deepening the channel of the Delaware River from Philadelphia to Trenton?

Mr. MARTIN. That is correct.

Mr. McMAHON. Mr. President, the United States Steel Corp. is developing a new plant at Trenton. The $20,000,000 would constitute a direct subsidy to the United States Steel Corp. They have had several subsidies from the United States Treasury, notably the one at Provo, Utah, where, for 25 or 30 cents on the dollar, they bought a plant which had been erected at a cost of more than $200,000,000. They are against subsidies except when they are getting something for themselves. I should like to see some contribution made by the United States Steel Corp., which, according to financial reports, is doing pretty well, what with tax amortization certificates and the rate of steel production. I think we had better wait and have the proposal considered by a committee, in order to find out how much of the $20,-000,000 ought to be put up by the United States Steel Corp. and how much of it ought to be put up by the taxpayers of the country. I oppose the amendment.

Mr. CHAVEZ. Of course, I do not know what the facts are. The area involved is not in any way connected with the area I in part represent, except that it is in the United States. I happen to have had an opportunity less than 10 days ago to visit that portion of the Delaware River. Irrespective of which particular company or industry is to be benefited, there is no question whatever in my mind that the work should be done. Whether it should be started now, as proposed by the Senator from Pennsylvania is another matter. The Delaware River is possibly as important a water resource from the standpoint of the national defense and from an economic standpoint as any in the country.

The Delaware River from Philadelphia to the Atlantic Ocean now carries practically as much commerce as is carried on any other river of the country. If the proposed project is adopted, eventually, if not now, we can make the Delaware River as useful for world commerce from Philadelphia to Trenton as it is from Philadelphia to the Atlantic Ocean.

I am not speaking now about helping the United States Steel Corp. or any other steel company. I am speaking of resources which belong to the people of the United States. As we observe the industries on the river south from Philadelphia we can visualize the potential which lies between Philadelphia and Trenton.

I do not know whether the Senate should pass on the question now. It is my understanding that there is not even budget approval of the item. I know it is legislation on an appropriation bill. I am talking generally of what I believe would be a great project.

Mr. TAFT. Mr. President, I merely wish to call attention to the fact that we presented to the Committee on Appropriations a case for the improvement of the Cuyahoga River at Cleveland Harbor. The committee allowed $1,000,000. The proposal was to improve the Cuyahoga River, so as to increase the capacity of the port of Cleveland about 100 percent. It would have practical relation to the national defense. It would involve improvements which would directly affect the steel plants on the river. I believe there are three steel companies located on the river. They are doubling their capacity. In order to get the full use of the steel an additional appropriation for the improvement of the Cuyahoga River is needed. The difficulty was, however, that we did not have a budget estimate. We still hope to get one.

Mr. President, if a project of this sort is to be included in the pending bill I certainly feel that the Cuyahoga River ought to be included.

I did not intend to present the matter at this time. If we get a budget estimate, I intend to bring it to the attention of the committee, perhaps by way of consideration of a deficiency bill.

Mr. McKELLAR. I merely wish to say to the Senator from Ohio that the Senate committee recommended $1,000,000 for the Cuyahoga River.

Mr. TAFT. One million dollars for a project involving $15,000,000 will not get us very far while war is going on, and it will not do any immediate good for the improvement that is going ahead. I do not blame the committee, because the Bureau of the Budget has not presented an estimate. I am suggesting that if we are going into unbudgeted items the Cuyahoga River is entitled to every consideration.

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

Mr. McKELLAR. I yield.

Mr. KNOWLAND. I should like to say, in support of what the chairman of the committee has stated, that the House allowed nothing for the item. The Senate committee restored the full $1,000,000 budget estimate. In the period of time I have served on the Committee on Appropriations I have never heard a better presentation made of a project than was made by Representatives and Senators, as well as local people who testified before the committee, in justifying the project and in tying it in with national defense. If they make to the Bureau of the Budget the same type of presentation that they made to the committee, it seems to me that the Bureau of the Budget will be negligent if it does not submit an increased estimate to either a supplemental appropriation bill or to the next appropriation bill.

Mr. McKELLAR. Mr. President, I know the Senator will agree with me when I say that I thought and the committee thought that we were doing exactly what was wanted by those who made such a splendid presentation of the matter. We voted for the $1,000,000, the amount of the budget estimate. We could not vote for an increased amount without violating the rule. That is why the item of $1,000,000 is carried in this bill for the project.

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

Mr. McKELLAR. I yield.

Mr. KNOWLAND. I think the committee fully understood that those who appeared before the committee, including the Senator from Ohio, believed that a much larger amount should be provided.

Mr. McKELLAR. Yes.

Mr. KNOWLAND. As a matter of fact, I think they justified the appropriation of a much larger amount. In spite of the rule under which we operate, we feel that we are justified in having an appropriation larger than the amount of the budget estimate made. If such a presentation is made and if a new budget estimate is brought in, that matter will certainly have the sympathetic consideration of the committee, I am sure.

Mr. McKELLAR. It certainly will, if a new budget estimate is produced.

Mr. President, I have had this matter looked up. The Department says that the report on it, namely, the Delaware River proposal, will not be submitted until the fall of 1951. I read from the memorandum I have on this matter:

> In view of the fact that the report on this investigation will not be submitted until the fall of 1951, it is not known whether a favorable recommendation will be made with regard to extending the 40-foot channel depth. Upon receipt of the Division and District Engineers' report, it will be reviewed by the Board of Engineers for Rivers and Harbors and the Chief of Engineers prior to submission to Congress, with recommendations regarding the desirability of modifying the existing project for the Delaware River between Philadelphia and Trenton, and between Philadelphia and the sea.

So, Mr. President, the amendments submitted by the Senator from Pennsylvania cannot be added to this bill.

However, I wish to say to the Senator from Pennsylvania, for whom I have a very affectionate regard, personally, and for whom I have the greatest respect in every way, that if he will make application for a budget estimate, I am sure he will receive it, and then the item can be attached to a later bill. Judging from the information I had, I thought the project was quite a worthy one.

Therefore, Mr. President, I make the point of order against the amendments of the Senator from Pennsylvania.

The PRESIDING OFFICER. Against the amendments submitted by the Senator from Pennsylvania, one to the committee amendment and one to the bill itself, the point of order has been made that they are not in order.

The Chair sustains the point of order against the amendments, inasmuch as they are in violation of paragraph 1 of rule XVI.

Mr. MARTIN. Mr. President, I apologize for taking the time of the Senate to reply to the distinguished Senator from Connecticut [Mr. McMAHON]. Let me say that there are already on the Pennsylvania side of the Delaware River 100 new industries which will be able to use this channel when it is completed. I do not know how many new industries are located on the New Jersey side of the river. However, this project will add so much to the productivity of the Nation that I felt that it was proper to present these amendments. Of course, I understand that the amendments are ruled out of order. However, I wished to make this explanation to the Members of the Senate. The project, when completed, will be of benefit not alone to the United States Steel Corp., but it will also be of benefit to at least 100 new industries or groups on the Pennsylvania side of the Delaware River, north of the city of Philadelphia.

Mr. McMAHON. Mr. President, I am sure the Senator from Pennsylvania knows that there has been nothing personal at all in my remarks in regard to this proposal.

Mr. MARTIN. Of course, I know that.

Mr. McMAHON. I wanted this question to be considered on the basis of ascertaining whether the United States Steel Corp., which has invested $200,000,000 in the defense development there, should in all justice pay some part of the cost of deepening the channel. That is why I think the point of order was well made by the chairman of the committee, so that that matter can be considered.

I wish to say to the Senator from Pennsylvania that I do not doubt that the deepening of the channel will result in more commerce to the sea and more help to the people of the State and of the area and of the Nation. However, I think it is time for us to determine whether the United States Steel Corp. should make a fair contribution to the cost of deepening the channel, because that corporation located its plant there and, in so doing, must have taken into consideration the fact that a deeper channel would be required.

Mr. McFARLAND. Mr. President, I have consulted with the senior Senator from Tennessee [Mr. McKELLAR] and with other Senators, and I do not believe we can complete action on the bill today, within a reasonable hour.

Some Senators have been kind enough to postpone the making of speeches which they wish to make, in order not to interrupt the consideration of this bill.

Therefore, Mr. President, with the consent of the distinguished Senator from Tennessee, we shall postpone the further consideration of the bill until tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON obtained the floor.

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

Mr. CARLSON. I yield.

Mr. MAGNUSON. Mr. President, the civil functions appropriation bill contains provision for several power projects in the Pacific Northwest. Without discussing those projects at this time, I wish to express my appreciation to the members of the committee for the very serious consideration they have given those projects. The justification for them has been so well stated by the Chairman of the Munitions Board, in the Department of Defense, Mr. John Small, that I ask unanimous consent to have his statement in justification of the projects printed at this point in the RECORD.

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

Senator YOUNG. Insofar as cost of electricity is concerned, you are now subsidizing aluminum production in several plants in the East, I think one or two in New York, as a result of the higher cost?

Mr. SMALL. Yes; we are taking that in the Government stockpile, because of the high cost.

I might add that quite a number of the projects which I talked about here in this statement were recommended by Mr. Forrestal back in 1948; the same individual projects that we are talking about now, he recommended them.

The Munitions Board has been pounding away at these particular projects since 1947, 1948, and 1949, up to now. So we have a very sincere and real interest in it, and we recommend them to your support.

Thank you, sir.

Chairman McKELLAR. Very much obliged, sir.

Mr. SMALL. Thank you.

(The prepared statement of Mr. Small is as follows:)

"STATEMENT BY JOHN D. SMALL, CHAIRMAN, MUNITIONS BOARD, DEPARTMENT OF DEFENSE

"The Munitions Board's staff has for some time been increasingly apprehensive about the adequacy of electric power for defense purposes in various parts of the country.

"Power supplies in both the Pacific Northwest and in the Southeast have been inadequate and have been the subjects of continuous scrutiny and attention by the electric power utilities of those two regions and by the Government departments involved.

"The problem is particularly serious in the Pacific Northwest because there is very little fuel of any kind produced in the area. Approximately 85 percent of the electric power used comes from hydroelectric plants, which, of course, depend on the amount of water available and the portion of it which can be stored and controlled and used as needed. There has been a continual shortage of electric power in the Pacific Northwest since production of aluminum was begun there as a defense measure in the early days of World War II.

"Surveys made by the Energy and Utilities Division of the National Security Resources Board indicated shortages through 1952 and those by the Defense Electric Power Administration and the Edison Electric Institute have indicated that shortages will continue in that area, under average water conditions, until at least 1953. The surveys have not projected requirements beyond 1953 but the indications are that shortages will continue until 1955 or 1956, at which time some of the large projects now under construction will be far enough along so that they can increase considerably the supply of energy. At present approximately 50 percent of the new aluminum produced in this country is made in the Pacific Northwest.

"Because enough electric power is not available in the Northwest, only a portion of the additional aluminum and magnesium production capacity which is needed can be added there. It has been necessary to build large aluminum reduction plants in the South-Central part of the country and to provide them with electric energy generated by means of eight gas-fired steam plants or gas-diesel internal combustion engine-driven direct-current generators.

"It is somewhat difficult to estimate an electric power shortage because generation and use take place simultaneously, but if 350,000 kilowatts of power were available in the Pacific Northwest, it would be put to use immediately and, within a year, the area could absorb an additional supply of about 650,000 kilowatts, or a total of approximately 1,000,000 kilowatts. In short, if a million kilowatts were to be made available there now, the industrial plant to use it would undoubtedly be built quickly and would absorb that amount of power.

"The House eliminated from the corps of engineers civil works budget, fiscal year 1952, all funds for the Albeni[1] Falls project for which $10,000,000 had been requested. We recommend that this item be reinstated completely because the storage facilities which could have been completed by August 1952 would add 100,000 kilowatts of firm power to the Grand Coulee project and the 42,000 kilowatts of power from Albeni Falls, which would have been available in 1954, would be a valuable addition to the Northwest power supply.

"The reduction by the House in funds for McNary Dam from $42,900,000 to $36,000,000 will result in the delay of a year and instead of power being on the line in December 1953 it will not be available until December 1954 unless funds to the extent of about $6,900,000 are restored. The power is badly needed—the 140,000 kilowatts which will be available initially could, if it were put to work, aid in production of all kinds of goods in the area and the 1-year's revenue from this part of the project would amount to approximately $2,400,000.

"The House did not allow the $18,000,000 requested for the initiation of the construction of The Dalles[2] project nor did it allow the $4,000,000 requested for the beginning of construction of Ice Harbor Dam. The Dalles was scheduled to furnish 140,000 kilowatts of power by 1956 and 980,000 kilowatts by November 1959 and Ice Harbor is scheduled to have two of its three 65,000-kilowatt units in service in December 1955. These plants are in the area which serve the Hanford project. Power demands in this area are increasing so rapidly that power shortages are retarding normal load growth and industrial developments. We recommend the restoration of $18,000,000 for The Dalles and $4,000,000 for commencing construction on Ice Harbor.

"If we do not initiate construction of new projects, the very rapid load growth in this area will, in a short time, result in a new and larger gap between demand and supply. If we then again start constructing plants, there will be an inevitable delay of 5 or 6 years during which period the area will again be constantly hampered by shortage of electric power. We request that appropriations be approved which will enable the start of construction on both projects.

"The reduction made in appropriations for Lookout Point Reservoir from the $16,333,000 requested to $15,000,000 is a comparatively small one, but is very important. It would postpone the completion of Dexter Dam, which is part of the Lookout Point project, by 1 year. Its completion is necessary to control surges in the river which would be caused by the large flow of water from Lookout Point—which is designed to be operated primarily as a peaking-load plant. Consequently, if Dexter Dam is delayed for a year, Lookout Point powerhouse cannot be used in its proper function for a year. Lack of Dexter reregulating dam will result in a loss of generating capacity at both plants because Lookout Point will have to let the water go down stream at almost the same rate at which it flows into the reservoir. Operating Lookout Point in this manner will also prevent it from fulfilling its function in the flood-control plan, which is the primary function of the Middle Fork-Willamette system of reservoirs.

"Another project which should be started is Old Hickory Lock and Dam in Tennessee and we recommend inclusion of the $8,000,000 asked by the corps to begin work on this job. The power demands of this area are increasing at a very rapid rate due not only to the unusually large load growth in this area but also to the extra demands of the defense effort. The output from Old Hickory will be fed into the TVA system and if appropriations are made, the first unit could be put into operation in March 1954 with the balance—75,000 kilowatts—to be added in 1955. We need every bit of power we can get in this area and I hope that this $8,000,000 request will be granted.

"In the southeastern part of the country the high rate of economic growth and development has brought greatly increased demands for electric power and energy. Requirements of this section for power have increased at a more rapid rate than in any other part of the United States. Added to these unusual increases are very large individual loads brought about solely by the defense emergency. These loads include approximately 1,000,000 kilowatts for the Atomic Energy Commission at Paducah, Ky., large increases at the Arnold engineering development center at Tullahoma, Tenn., and at the Atomic Engineering Commission's new project in South Carolina. Many other large loads of industrial character have been put into this area recently. New military loads in the Southeast will also be new increments which were not planned for until recently.

"Up-to-date estimates by the Defense Electric Power Administration indicate that, under average water conditions, the Southeast will have no margin available for additional

[1] Pronounced "Albany."

[2] Pronounced "Dells."

loads until after 1953. The date when this area can be expected to be able to meet the increased demands is problematical but it will probably be in satisfactory condition by the end of 1955.

"Projects which will bring in new power in the shortest time in critical areas should be pushed to completion as rapidly as possible. Electric power is one of the most important means by which we multiply our human strength. There is no substitute for it and our entire industrial effort is dependent on it."

FEDERAL FLOOD INSURANCE

Mr. CARLSON. Mr. President, yesterday, during the debate on H. R. 436, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, I discussed at some length the economic loss suffered by our citizens.

The States of Kansas and Missouri have suffered recently one of the most destructive floods in the Nation's history. It is estimated that the total damage in these two States will be well over $1,000,000,000.

This staggering economic loss will be felt not only by the people of Kansas and Missouri for decades to come, but its impact has already been felt in the Nation.

At a meeting of the Emergency Flood Conference called by the Missouri River States Association, held at Kansas City, Mo., on July 25, 1951, several resolutions were adopted.

One of the resolutions, proposed by the chairman of the resolutions committee, Mayor Z. R. Hook, and adopted unanimously, contained the following section concerning flood-damage insurance:

Be it further resolved, That we earnestly recommend the immediate establishment of federally sponsored flood protective insurance to be available at practical and reasonable cost to home owners, farmers, and all commercial institutions owning property in the flood plains of navigable rivers and their tributaries under the jurisdiction and control of the Federal Government. We believe this is imperatively essential to the prompt rehabilitation of the economic solvency of the flood-stricken valleys of Kansas, Missouri, Oklahoma, and Arkansas.

The conference also adopted, as a part of the conference resolutions, the following additional section, which requests that the program of flood-damage insurance be made retroactive to apply to the present flood crisis. This section of the resolution reads as follows:

We believe that the provision of additional credit to flood sufferers is not an adequate answer to their essential needs and that within sound limitations the Federal flood-insurance program suggested in another resolution should be given retroactive effect.

It was my privilege to attend the Kansas City conference and hear the discussion on Federal flood control.

Mr. President, at the conference, the Honorable John Gage, former mayor of Kansas City, Mo., made some very pertinent remarks in regard to the need for flood insurance. Mr. Gage has, since the meeting, made a study of the flood-insurance problem; and I believe that study will be most helpful.

On my return to Washington, I requested the Legislative Reference Service of the Library of Congress to compile for me any information which might be available on this subject.

In checking the recent flood losses in our area, I find that it is estimated that only from twenty-five to fifty million dollars of the total flood damage, or not more than 5 percent, was covered by insurance.

There are very few companies that write insurance which covers flood damages. It can be stated that, generally speaking, flood insurance is not available.

It is my hope that the private insurance industry of the Nation will be able to provide a program for underwriting flood insurance.

I was encouraged to note that a committee has been appointed in Kansas City to cooperate with the national association of insurance executives, with a view of determining a course in this matter.

I was glad to note that Harry Darby, former United States Senator from Kansas, was made chairman of the committee. Other members of the committee are Robert L. Stewart, of R. B. Jones Inc.; and Luther Slinkard, CIO area director.

This committee, I am sure, will explore every possible phase of a flood-insurance program.

It will no doubt be argued that the Federal Government has established several precedents for the operation of Federal insurance.

It can be argued with justification that there is a major interest in protecting our citizens from these disastrous losses. The citizens who lost their homes and all their earthly possession should have some protection from this hazard. Many of these citizens labored through the years in building their homes and accumulating their worldly possessions. To have these wiped out without the provision of insurance is something that must concern every citizen.

Personally, I doubt the advisability of the retroactive provision that is mentioned in the resolution as adopted by the emergency flood conference. It seems to me that it would be better in this instance to have Congress vote direct grants, rather than get into that type of program.

The information given to me by the Legislative Reference Service is of such general interest that I ask unanimous consent to have it placed in the CONGRESSIONAL RECORD at this point.

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

FEDERAL FLOOD INSURANCE

I. STATEMENT OF THE PROBLEM

(*a*) *Introduction*

Flood damage in the United States during the last quarter century has amounted to an annual average of almost $150,000,000.[1] A very small part of the loss has been covered by insurance. For example, it has been stated that less than 1 percent of the industrial plants damaged by water in Kansas City during the flood of July 1951 carried flood insurance.[2] The principal reason for the lack of insurance coverage is that flood insurance is not generally available in the areas where floods constitute a substantial hazard.[3] An additional reason for the lack of flood-insurance protection is that many of the floods, especially the more disastrous ones, have occurred at least in part in areas where the population had only a very vague idea of the likelihood of their being visited by flood. The chances are that even if flood insurance were available in such places at quite low rates (and it probably has been available to them because of the small danger of flood) they would not have availed themselves of it in the past and are unlikely to avail themselves of it in the future.

(*b*) *Public relief*

Relief for flood sufferers has been available on an emergency basis, but there has been nothing approaching full indemnification for losses suffered. Relief has been provided in the past through appropriations of Federal, State, and local governments, Red Cross assistance, and other help made available through voluntary contributions. Legislation enacted by Congress in 1950 authorizes $5,000,000 to be made available to the President for Federal assistance to State and local governments in alleviation of flood and other disaster damage.[4] In addition, the Reconstruction Finance Corporation has authority to make certain disaster loans, but the total for floods may not exceed $40,000,000. Farmers may also secure flood loans from the Farmers Home Administration. But all of these available reliefs are very meager in comparison with the need. Nothing currently available serves in any substantial way to restore the economic and financial situation prevailing prior to a flood.

The question to be considered in this review is to determine whether any program of Federal flood insurance is feasible. First, let us examine wry flood insurance is not currently available through private companies.

(*c*) *Private companies and flood insurance*

It was indicated above that flood insurance was generally not available in the flood areas. Some companies do write flood insurance but the total business is very small. During 1942, at least 28 companies wrote either straight flood insurance or rain and flood insurance in combination.[5] Notwithstanding this fact, insurance textbooks state quite categorically that flood insurance is

[1] Official figures of the Weather Bureau place the average loss for the years 1924–49 at $110,000,000. The flood of July 1951 would have the effect of raising the average to nearly $150,000,000.

[2] See advertisement of the McLaughlin Co. in Washington Post, August 2, 1951.

[3] Some flood insurance is available in areas not subject to frequent flooding, but the great bulk of property in areas subject to floods at intervals is not, and cannot, be covered by insurance because it is not available. The hazard is considered so serious as to render it uninsurable. Flood insurance is available as a separate coverage for some types of property, is included in various all-risk transportation policies, and policies covering damage to automobiles. In addition, some farm crops are protected under the Federal Crop Insurance Corp. which is currently conducting operations on a quite local and experimental basis.

[4] Public Law 875, approved September 30, 1950.

[5] This information is derived from an examination of the Fire and Marine edition of Charco Charts for 1943. Only 7 of the 28 companies had flood insurance premium receipts in excess of $1,000. For only one company did such receipts amount to 1 percent of premiums from all sources. The breakdown of this type of information in other later available reports does not permit a picking out of those companies writing flood insurance.

not available. One of them tracing the story since the 1920's said:

"In 1920 two or three companies undertook to write flood insurance and within a few years thereafter the number of companies in the field had increased to some 8 or 10. However, by 1930 they had all discontinued the class. The difficulty in successfully underwriting the insurance lay in the fact that a sufficient spread of liability could not be secured as there was little demand for the coverage except on risks seriously exposed to the floodwaters of rivers that were known to overflow at intervals, and even then the tendency on the part of the owners of exposed properties was to wait until flood stages were imminent before attempting to purchase the insurance." [6]

Another reason assigned for the absence of private insurance companies in the flood-insurance business has been the insufficient reinsurance market." [7]

(d) Possible Federal role

The question now is: Should the Federal Government undertake to write flood insurance? There are numerous precedents for the operation of Federal insurance,[8] and undoubtedly a corporation could be set up to conduct the business of flood insurance. Whether or not the business could be conducted on a financially sound basis may be open to question unless the Federal Government would have certain advantages over private companies in writing the insurance. It appears that there would be both advantages and disadvantages. Among the advantages would be the fact of Nation-wide coverage and the widest possible dispersal of risk. In addition there would be the fact that a very high loss rate in the early years or in a single area would not be as fatal to the Federal Government as to individual companies. A further fact to be pointed out below is that the Federal Government would be in a better position to bring pressure on persons who should take out flood insurance but would otherwise fail to do so. Against the idea of Federal flood insurance, is the fact that the Government itself would be handling all contacts with the insuring public. This would mean that it would have to build up a very substantial service organization and would thus incur an overhead largely in duplication of existing private insurance facilities. It would seem to be much more desirable, if possible, to utilize the mechanics of the existing insurance business and thus have the service of thousands of agents already serving potential clients.

An alternative to direct Federal operation would be the assumption by the Federal Government of the role of reinsurer, a role which it performed with respect to war damage insurance during World War II. Such an arrangement would preserve the efficiency of operation of private carriers and yet make available the greater financial resources of the Federal Government in emergencies such as that presented by the flood of July 1951. The Federal Government could, for example, assume responsibility for a certain percentage of each loss in exchange of course for a proportionate part of the premiums received, minus a percentage for commission and other expenses. There would be substantially the Nation-wide coverage and the same available pressure which could be brought on people who should take out insurance. It will be recalled from the earlier quoted statement that one of the reasons for the nonavailability of flood insurance generally was the lack of a reinsurance market. It may be that the Federal Government could provide this. The handling of the reinsurance would be mechanically fairly simple and would require but a comparatively small staff.

Still another possibility would be for the Federal Government in cases where a flood reached disaster proportions to assume the entire risk over and above a specified total. This would be allotted to the various carriers in proportion to their respective losses to assist them in meeting their obligations to their clients.

(e) Experience of other countries

No instance has come to attention of any government maintained or supported flood insurance in the United States or in Canada, but there are some examples of State systems in a few European countries. A study published in 1938 [9] gives brief reference to State flood insurance for houses in Norway, plus other plans in operation during the 1930's in Bulgaria, Italy, and Soviet Russia. In at least Bulgaria and Italy the insurance program was subsidized through additional land taxes. At the time of the preparation of this report nothing has been discovered as to the postwar fate of these systems.

II. ISSUES TO BE FACED

(a) Introduction

Aside from the important political question of whether or not the Federal Government should or should not enter this field of activity, there are numerous technical and policy problems that must be considered in determining the desirability of any flood insurance program. Included are such problems as what risks should be covered and whether they should receive full coverage, how to get people who should be covered actually to take out insurance, and how to fix rates.

(b) Risks to be covered

A number of policy questions to be answered will be only briefly noted here. For example, one question to be settled is a definition of what property is to be covered and against what hazards? For example, will coverage extend to damage from backing up of sewers or surface water from heavy rainfalls? Will coverage extend to both residential and industrial or commercial property? Will personalty as well as realty be protected? Will coverage be extended to loss of service or loss of business as well as physical losses?

(c) Amount of insurance to be paid

Should insurance be allowed to the full value of the property or should it be granted for only a specified fraction of the full value of the property? There would seem to be some reason to limit recoveries to perhaps 70 or 80 percent of the value of the property insured. This follows from the fact that there should be some discouragement to persons in entering flood areas. Presumably there is some sort of calculated risk in moving into the flood area and the person so moving in should be made to bear part of that risk especially if the country at large has to assume any share of the total loss. Limited recovery also would assume some importance in case personal property should be granted insurance. The obvious reason is to cause the insured to help reduce his own loss wherever possible. For example, it will be recognized that the family that makes little or no effort to save its property when there is ample opportunity to do so should not be entitled to full recovery.

Another aspect of limited recovery might revolve around the premium rate plan, but discussion of this will be reserved for the subsequent discussion on rates.

(d) Importance of wide geographical coverage

Essential to the success of any program of flood insurance will be a wide geographical coverage. The danger is that the demand for insurance will be concentrated in the areas of more than usual flood hazard. Persons in areas only remotely subject to flood or in areas where there has never been a flood would be disinclined to seek flood insurance, even though there is a potential danger. The result would probably be that the rate would then necessarily be so high that not even those in danger would take it. One way to secure a large participation in the program would be to induce banks, building and loan associations and other mortgage lenders in potential flood areas to make loans only when flood insurance is taken out. Federal housing and credit agencies could also help. Perhaps quite as fundamental is the warning that no Federal aid will be forthcoming to those persons who suffer flood damage who have failed to take out insurance. In other words, the Government itself should not undermine the success of the insurance program by offering help to persons who have shown no willingness to take proper steps for preserving their own financial strength and resources.

Policies should perhaps also be so written that no payments thereon will be made unless the insurance has been in effect for a specified length of time. In other words, insurance should not be available to the persons who do not seek it until a few hours before a flood is expected to submerge their property. On the other hand, there should be no right of rebate or cancellation a few days after the flood danger is passed. These two points are frequently cited in the texts as reasons for the failure of private companies to provide policies.

In seeking widespread coverage, however, the availability of insurance should not provide an instrument leading people to move to the flood area. This has been one of the problems that the Federal Crop Insurance Corporation has had to face and it has taken the position that flood insurance should not be available on any terms for certain frequently flooded areas. In other words, flood insurance should not make potentially dangerous areas more attractive.

(e) Rate fixing

The fixing of rates will undoubtedly present one of the greatest problems connected with flood insurance. At least this will be true if a financially sound system of flood insurance is to be insisted upon.[10] There is the very great danger that rates will of necessity be so high in the areas of frequent flooding that property holders will prefer to take a chance. There is also the likelihood that if rates could be kept low enough to induce

[6] Lawrence S. Meyers, The Manufacturer and Insurance (1948, p. 84).

[7] Alfred Manes, Insurance: Facts and Problems (1938), p. 163.

[8] Examples are: Deposits in banks and building and loan associations, housing mortgage loans, vessel mortgage loans, vessel war risk insurance, reinsurance against war damage, insurance of military personnel, and the various retirement schemes for civil-service employees, railroad employees, and general retirement insurance for the aged, and finally crop insurance.

[9] Alfred Manes, Insurance: Facts and Problems, pp. 159–160.

[10] This has been assumed for purposes of this discussion. Of course the technical problems would be greatly lessened if no premiums or inadequate premiums were to be charged. There may be some merit, however, in the idea of the Federal Government assuming full responsibility for reimbursing everybody who suffers a flood loss. It may in the long run be quite as cheap as attempting to build dams and levees and other flood works in all the potential areas of the United States where it is possible to have a flood. However, any such plan would offer tremendous inducement to many to locate themselves in flood areas. It seems clear that some "no insurance zone" would have to be set.

people in such areas to take insurance this fact alone would be sufficient to encourage others to establish themselves in the flood area. As previously pointed out, the Federal Crop Insurance Corporation has encountered this problem. Presumably the first effort at rate fixing should be to establish rates in proportion to the risk faced.

If premiums are set in accordance with the risk faced this would quite definitely knock out the idea of a flat rate available to all. It seems clear that a flat rate high enough to make the system financially sound would undoubtedly be so high that property subject to slight risk would go uninsured while property in hazardous locations would seek the insurance because the premium would be low proportionately to the risk. The flat rate would be an open invitation to move into the hazardous area. This in itself would be socially and economically undesirable and would ultimately result in flood claims far in excess of premiums collected.

A variant of flat-rate system would be one which, though charging the same rate to all, would limit the amount of insurance payment to be collected on any policy in some proportion to the number of years the policy had been held. In this way there would be only the problem of fixing a single rate which would be charged to everybody—applied of course in proportion to the amount of insurance taken—and the amount of insurance payment would be limited to (say) 10 percent of the insured value for each year coverage had been in effect. Thus if a flood occurred in the first year recovery would be limited to 10 percent. If the flood occurred in the ninth year, then 90 percent recovery would be allowed. This would present problems in psychology that are perhaps unanswerable but it can be understood that many would scoff at the idea of a system which would pay only 10 percent. They might prefer to depend on relief.[11]

Still another variant might be to set a flat rate but allow premium rebates for each year in which no flood occurred. This might permit 100 percent recovery for a loss no matter when it happened. It would be a kind of experience-rating system common to unemployment compensation insurance. But here again we would run into the problem of getting people to take out insurance at the very high initial rate which would have to be exacted. Where floods were of rare occurrence, the prospect of reduced premiums in later years would hardly overcome the initial resistance to the high rate.

Finally we come to what appears the most logical approach, namely, to fix premium charges in proportion to the risk. We know enough of the history of floods to work out actuarial tables for many areas, although there are many other areas for which the task would be more difficult. Setting premium rates on the basis of risk might have the effect of calling attention to property owners of the hazards they face and serve to influence them in vacating potentially dangerous areas. However, there will be tremendous resistance against removal and the lure of a present attraction will tend to make fuzzy the recollections of the past and the probabilities yet to be fulfilled.

[11] One writer in discussing the effects of relief grants, comparatively small though they have been in relation to the total damage, had the following to say: "On the whole, public relief policy helps to freeze present occupance, to encourage further encroachment, and to obscure the differences in factors of advantage and disadvantage between the flood plain and nearby areas. If no relief were to be given, flood sufferers would be inclined after every flood to consider whether or not the advantages of the flood plain outweighed the disadvantages of the flood hazard. Business and residential occupance which did not find strong advantages in their locations would find it hard to compete with similar occupance outside of the flood plain, and there would be an impetus to finding a more favorable location elsewhere. To the extent that public relief softens flood losses by individuals, those differences in location are effaced." Gilbert F. White, Human Adjustment to Floods (1945) p. 199.

III. CONCLUSION

It is to be noted that in spite of the problems to be faced, the two students whose works have been examined who have inquired into the desirability of flood insurance—though in both cases flood insurance per se was a minor part of the whole inquiry—concluded that flood insurance was pbobably practical. One said:

"Insurance against flood losses has failed under private management in the United States, but it is a measure which probably would be practicable if national coverage and guaranties against catastrophic losses were to be provided during the early years of operation. Once in operation, it would allow systematic indemnification of losses, and an inspection service which would promote the adoption in unprotected areas of emergency measures and of structural and land use readjustments."

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, and it was signed by the President pro tempore.

ACCOMPLISHMENTS OF SUPREME HEADQUARTERS, ALLIED POWERS IN EUROPE

Mr. LODGE. Mr. President, upon returning from the recent trip to Europe which I took as a member of the Committee on Foreign Relations, I made an initial report, and stated that I would have a further report to make later. Because I did not visit all the places which the other members of the committee visited, I said that I would report entirely on my study of the accomplishments of Supreme Headquarters, Allied Powers in Europe. I understand the Senate has received or soon will receive a comprehensive and useful report on the various countries visited by the committee.

Today, therefore, I intend to read and insert in the RECORD a series of questions which I put to General Gruenther, Chief of Staff for General Eisenhower, during the several days that I spent at the Eisenhower headquarters, together with General Gruenther's answers. These questions bear largely on the most vital single point in this whole contemplation, which is the extent of the effort which the North Atlantic Treaty countries are making. Although the bill further implementing the North Atlantic Treaty is not before the Senate at the present time, it is pending in the Foreign Relations Committee and the Armed Services Committee, and it is a project of such magnitude, concerning which there is so much misapprehension, that I considered it of value to get this information into the CONGRESSIONAL RECORD now, so that Senators who are not members of those committees can begin familiarizing themselves with some of these basic facts.

Broadly speaking, General Gruenther demonstrates that the North Atlantic Treaty countries are currently doing just about as much toward making military progress as their collective capacity permits them to do. But running through General Gruenther's testimony is also the very strong conviction that there is room for great improvement in the future in Europe and that the whole purpose of United States military aid is to see that this improvement takes place.

Another undercurrent which is clear in the whole testimony is that all that is expected in Western Europe is a substantial effort by the United States for a brief period of time, whereas the European effort, which started a little more slowly, will become much greater, and will last much longer.

Any substantial reduction in the amount for military aid, as General Gruenther makes clear in this testimony, will not only reduce the number of divisions but the number of air squadrons. I believe a 50-percent cut would mean a reduction of 14 divisions, which is very substantial, and would mean a reduction of approximately 25 air squadrons, which is also very substantial.

Furthermore, Mr. President, it should be said for the nations of Europe that, with economies which are much poorer than ours, they have drafted their manpower and organized their industry on the basis of the American contribution; and if the American contribution fails to come, then the extremely successful job which General Eisenhower has done in persuading these countries to get started will be very greatly jeopardized.

Let me say, Mr. President, that all of these statements have been cleared from the standpoint of military security. In view of this fact, I think it is remarkable how much information is contained. In fact the only important omission concerns actual strength of military units which, very obviously, should not be made public.

The first question I asked General Gruenther was this:

What amount of effort is going into the military build-up of the European countries and what has been the military progress in land, sea, and air forces? What commitments and actual preparations for the future have been made?

In other words, this is a question which asks what has been done, and what are the firm commitments for the future? I shall read the entire answer to that question, then I shall ask unanimous consent, when I have done that, to put the remainder of the questions and answers in the RECORD. But I should like to read this answer, because it goes to the very heart of the matter:

General GRUENTHER. In evaluating the effort that is being displayed, four principal

things must be examined: governmental action deciding or programing the forces to be raised; budgetary action to finance new equipment and to support forces in being; action to bring manpower into service and provide training; initiation of production, procurement, and issue of needed equipment. To evaluate progress being made we must look at each of these to see what improvements have occurred and we must also look at the pay-off results—organized, effective, combat-ready forces in the field.

The United States has been giving an acceleration to this whole process by providing four things: moral leadership and support; technical advice, both industrial and military; economic aid necessary to enable these countries to make a full economic effort to rearm while maintaining a tolerable standard of living; and military end-item aid to provide screened deficiency items required to bring major combat units into being according to the planned time phasing.

Utilizing the standards indicated above and evaluating the aggregate European effort as a whole, we obtain a picture about as follows:

(a) In terms of military budgets, there has been an over-all increase of 75 percent over the past year. These countries have now come up to 95 percent of the target figure they should, on the basis of present United States estimates of their economic capability try to meet during the coming year, according to the preliminary targets proposed by the United States.

(b) In terms of length of conscription period, there has been an average increase of 35 percent since June a year ago. All countries except Portugal have increased their terms of service in the last year. We regard 24 months as the figure that should normally be met. In Denmark and Norway their special military problems make possible shorter initial terms of service, with annual call-ups for refresher training. Over-all, as a weighted average, the European countries are at 77 percent of the 24 months figure.

(c) In terms of munitions production, the information has been pretty hard to pin down, but it seems to indicate that there has been an increase of 70 percent over-all and that the present total target for the coming year is at about 80 percent of what our United States agencies here would like to see the countries try to meet as a preliminary objective for next year.

Mr. BREWSTER. Mr. President, will the Senator from Massachusetts permit an interruption?

Mr. LODGE. I yield.

Mr. BREWSTER. It is a fact, is it not, that it was estimated that Western Europe could produce $5,000,000,000 worth of war material, and that they planned to produce $2,500,000,000? I think those are the figures shown in the report of the committee, substantiated by our figures. Is that correct?

Mr. LODGE. I am reading General Gruenther's statement. General Gruenther's statement is that there has been an increase of 70 percent over all, and that the present estimate, therefore, for the coming year, is about 80 percent. He says it is the target.

Mr. BREWSTER. Eighty percent of what?

Mr. LODGE. Eighty percent of what United States agencies would like to see the countries try to meet as a preliminary objective for next year.

Mr. BREWSTER. I do not know whether that is incompatible with the estimate that they could produce $5,000,000,000. It may be we said that economically they should produce $3,750,000,000, as I believe, and that they produced $2,500,000,000. But their capacity is $5,000,000,000.

My only reason for bringing that up is that I do not want someone to introduce a discordant note. Of course, I think the American people are entitled to know what the capacities of the European countries are, and to know what problems are presented. I did not mean, however, to interrupt the course of thought of the Senator.

Mr. LODGE. Oh, not at all; I am glad to have the Senator interrupt.

Continuing General Gruenther's answer:

(d) In terms of military units (for example, divisions) there has been an over-all increase in number of units and numbers of men assigned to such units of some 40 percent in the last year. Of course, many of the last formed of these are at low levels of training and equipment. This is what the MDAP aid is intended to help to alleviate. In terms of numbers of formed units, disregarding present state of training and equipment, we are now at about one-half of what we would like to see under our defense plan in the forces that would be immediately available to meet an enemy attack. The present situation is one in which the speed of shipment of military equipment to fill their screened deficiencies is one of the chief factors directly governing the rate at which these formed units become combat effective.

(e) In terms of the effectiveness of the military units, these have been doubled or trebled in their effectivenss. It is hard to say mathematically what remains to be done, but it is probably a fair statement that they are reaching one-half to two-thirds of the effectiveness we hope to see them attain through improved training, completion of their equipping, etc. Here again the rate is directly dependent on the rate of delivery of equipment.

(f) In terms of preparedness to command and employ the forces that have been brought into being effectively, it is safe to say that the organization of this headquarters and other elements of the command, and the assignment of forces, have already increased the fighting potential of these units manyfold. We are well on our way toward further increases as we develop integrated and unified plans and command organizations. The command structure has been created and is now being developed. This includes the Commander in Chief, Allied Forces, Northern Europe (Admiral Brind) with his subordinate air, land, and naval commands; a similar set-up in the south under Admiral Carney, with air, land, and naval commands; and in the center, a land commander in chief, General Juin, an air commander in chief, General Norstad, and a naval flag officer, Admiral Jaujard.

(g) In terms of over-all organization of the national military establishments of the European countries for the administration, basic training, and support of combat units and for mobilization of additional units, some improvements have been made, many more will be forthcoming. The staff has as a major and continuing job that of advising and assisting the countries in this matter. When World War II came to an end the military organization of many of the continental countries were at a state of prostration. Training had been interrupted, ministries disrupted, and continuity lost. All had to be erected again. The process of overcoming these conditions is still continuing.

(h) In terms of the more basic and more vital factors of morale, determination, and courage to face the threat and the requirements it imposes, the feeling is that we have reached solid ground. The primary and indispensable improvements have been made. There is a will to go forward as fast as the difficult problems of money, manpower, and equipment can be met. Although Communist influence and control have been cut down, however, there are still spots in certain civilian industries, etc., where problems of potential military seriousness continue to exist.

(i) In terms of the way the aid received to date has been used, it is clear that it has been used well. A substantial increase in fighting units and in their effectiveness has already been the result. It is directly keyed to the creation in specific countries, with specific time phasing, of specific combat units, ready to take the field, required under our integrated plan for the defense of this area.

(j) The foregoing could be summarized from a United States point of view in about this way. This area is vital to the United States for many strong reasons. We have a feasible program for building up its security, in military, economic, and morale terms. We are making progress in this program; our investment carried out in these countries over the last 5 years has reached the point where it is paying off in organized military units, some already at a good level of training and effectiveness, others making real improvement. There has been no alternative program found to date which appears to be able to provide adequate security for the United States. The European build-up is an essential element in United States security and the aid program—in its basic terms—should be viewed in the same light. For every dollar provided under this program for equipment to help in the building up of European forces, four or more dollars would have to be provided to build up United States forces having the same contribution to United States security in Europe. Deliberate study convinces us that the alternative uses of the equipment programed for Europe under the fiscal year 1952 proposal would involve equal or greater costs, greater risks, and much less effectiveness in terms of contribution to United States defense in Europe; with the United States furnishing a much greater proportion of the manpower and ultimately of the matériel.

Then the general gives a description of the countries involved, which I shall read:

Some elements in the military picture by countries are as follows:

The Belgium program in military units is quite good and Belgium is progressing well in the development of forces, both as to divisions in being, and as to divisions immediately mobilizable. Belgium plans to provide very substantially in terms of divisions to meet requirements of the defense plan. Term of service has been raised from 12 to 24 months within the past year. Belgium increased its military expenditures considerably since pre-Korea. Belgium probably has the capability of making some additional military production effort.

Denmark has a number of defense battalions in existence, with plans for expansion to defense regiments upon mobilization. A good deal is yet to be done in the way of organizing these small units into larger, more mobile formations. With a long neutral tradition and lack of experience in modern warfare and military organization, Denmark has a real task in developing the administration of its armed forces. Denmark contributes the Greenland bases to the NATO undertaking. Denmark has extended its conscription period from 10 months to 11 months and has doubled its military budget since Korea. Denmark plans to make a good contribution to meet defense plan requirements. Denmark has relatively limited military production capabilities.

France has now formed 10 divisions of which 5 are relatively new or at reduced strength and require further training before becoming fully combat effective. France has programed the largest country contribution in divisions to meet defense plan requirements. Conscription period is now 18 months, an increase from 12 months pre-Korea. Military budget has increased materially since pre-Korea. France is undertaking military production on a substantial scale. Additional capacity exists but can only be brought into operation as rapidly as the financial problem is solved. The French economy, given the existing low standard of living of the French people, appears to be carrying nearly a maximum load as of the present time. Anything more might result in defeating the real purpose—a strong France. By early 1951 the French had suffered losses of over 29,000 killed and a total of over 40,000 in killed, seriously wounded and missing in stemming the drive of Communist aggression in Indochina. Considering the amount of military effort of which France is capable without gravely damaging her economy, financial position and already low standard of living, it appears that the effort currently being made by France compares well with that being undertaken by the United States.

Italy has formed a good number of divisions or division equivalents, but some are at greatly reduced strength, scale of equipment, and effectiveness. Several, however, are between 70 percent and 100 percent of full strength. The treaty limits the number of personnel in the armed forces. Italy is programing a substantial contribution defense plan requirements. Italy has increased its conscription period from 12 to 15 months during the past year. Military budget has materially increased since pre-Korea. This sacrifice is emphasized in the case of Italy because of an already low standard of living (about one-seventh of that of the United States). Military production has also increased between 1951 and 1952. Further increases are possible, since unutilized capacity exists. However, aid in procuring raw materials will be required, together with a solution to the financial problem resulting from the fact that Italy's military budget is already taxing her economic capability. Italy has made good progress in removing communistic influence from important positions in the armed forces. General Eisenhower was greatly impressed in his visits to Italy with the spirit and determination displayed by the armed forces.

Mr. President, I ask unanimous consent to have the remainder of the answer enumerating the various countries of Europe inserted in the RECORD at this point.

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

Netherlands is progressing methodically in the build-up of forces, with significant forces at the present time in being and immediaetly mobilizable. Netherlands has programed additional divisions to meet defense-plan requirements. Conscription period has been raised to 16 months minimum, an increase from 12 months a year ago. The military budget of the Netherlands has been increased materially since pre-Korea. Military production has also increased and further increases appear to be possible. The build-up program of the Netherlands is very systematically scheduled. The Netherlands is accomplishing its expansion in a very tight financial situation. Control measures have been taken to limit consumption and restrict inflation. The standard of living in the Netherlands, as measured by gross national product per capita, is about one-fourth that of the United States.

Norway maintains certain forces in being, and additional forces are mobilizable rapidly. Norway plans to provide additional forces to meet defense-plan requirements. Length of conscription period has been increased from 8 to 12 months during the past year. Military budget has been substantially increased. Norway has very limited capacity for military production; the financial problem is difficult because of the already low standard of living. Norway has a special military problem because of its small population and large rugged area to defend. A departure from the normal desirable term of conscription service can be considered in the case of Norway because of its special situation and compartmented terrain.

Portugal is not a participant in General Eisenhower's command, but is providing certain forces for NATO requirements. Portugal has continued its traditional military system providing a large body of home-defense forces but few organized field units. Only very limited capacity for conversion to military production exists in Portugal. Industry is relatively small and the standards of living and financial resources relatively low. The period of conscription service has remained stable for the past year.

The United Kingdom has provided a substantial contribution to General Eisenhower's command and is programing additional divisions to meet defense-plan requirements. Length of conscription period has been increased from 18 months a year ago to 24 months at the present time. Military budget has been considerably increased over the budget a year ago. The United Kingdom is currently engaged in a 3-year military program of roughly $13,000,000,000. Military production is now at a relatively high rate. The British economy is fully extended as of the present time and the United Kingdom is probably undertaking approximately as great a military production and financial effort as would be in the NATO interest for them to attempt to program. Combat effectiveness is high and morale is good. Considering the amount of effort of which the United Kingdom is capable without gravely damaging repercussions upon her economy, financial position, and already austere standard of living, it appears that the effort currently being made by the United Kingdom compares well with that being undertaken by the United States.

Mr. LODGE. Mr. President, in view of the lateness of the hour I ask unanimous consent that the remaining questions and answers may be printed in the body of the RECORD at this point.

There being no objection, the remainder of the questions and answers was ordered to be printed in the RECORD, as follows:

Senator LODGE. Some of our people at home are concerned over the apparent discrepancy between the fact that the United States has about doubled its ground forces in the past year, while European countries have increased their ground forces only about 200,000. What comment do you have to make on this?

General GRUENTHER. Our comment is, of course, that this situation is one we have no intention of accepting as a permanent relationship, but it must be recognized that one of the principal factors that have governed the rate of expansion of the European armed forces over the period in question has been availability of equipment. Our efforts here in fact are aimed precisely at improving upon this situation. A primary bottleneck over the past year, at the present time, and for the next 2 or 3 years in the expansion of European forces is equipment. It is for exactly this reason—to regain a better balance between the manpower in uniform in the United States and the manpower in uniform and in organized reserve units in Europe—that the military-aid program is being conducted.

You have heard General Eisenhower's concept of the timing involved in this whole rearmament effort. Initially the United States is putting additional forces in Europe and is providing a rapid flow of major items of military equipment in large quantity in order to build up the confidence of the European people in their ability to defend themselves, and in order to bring into existence at the earliest possible time the European units which will comprise the bulk of the defense forces. Once this European rearmament build-up has been accomplished it should be possible to begin the phasing out of United States ground forces. Once the initial equipping of the European security forces has been accomplished there will be a sharp tapering off in the flow of United States military matériel to Europe.

To the question, are we satisfied with the present situation in which European ground forces have increased 20 percent while the United States Ground Forces have doubled, the answer is, we certainly are not. We are devoting a great deal of our effort here to remedy this ratio. The program of United States military aid for fiscal year 1952 as now proposed has the same purpose. As things now stand, the rate at which expansion is possible is directly governed by the rate at which equipment can be delivered to the European armed forces.

Senator LODGE. What has been the increase in the number of men on active duty in uniform in all services in the European countries over the past year and how does this compare with the expansion accomplished by the United States?

General GRUENTHER. From June 1950 until June 1951 there was an over-all increase of about 15 percent in the manpower of NATO European countries in uniform. This represents an increase of 5 percent in the last 6 months of last year and an increase of 10 percent in the first 6 months of the present year.

Considering only the "combat forces" segment of the total manpower in uniform, the increase is approximately 25 percent over-all, of which 8 percent occurred in the last 6 months of 1950 and 17 percent in the first 6 months of 1951.

Considering the number of men in regiments, brigades, and divisions of infantry and armored types (exclusive of supporting and logistical units) there has been an increase of 46 percent over-all, of which 5 percent occurred in the last 6 months of 1950 and 41 percent in the first 6 months of 1951.

To make any kind of a comparison of European expansion with United States expansion over the past year the ratio of manpower in uniform to total population as well as the ratio of rearmament effort to total production of the countries concerned must be examined.

In total populations the European NATO countries have approximately 173,000,000 people as compared to 152,000,000 in the United States or 166,000,000 in the United States and Canada. In June 1950, the European NATO countries had approximately 1.1 percent of their population in uniform while the United States had just less than 1 percent in uniform. During the year following the figure has risen to approximately 2.3 percent for the United States, while the figure in Europe has now reached 1.3 percent. It is understood that present planning calls for a leveling off of United States expansion at about the figure now reached. Total forces of European NATO countries under the present programing are scheduled to reach their leveling-off strength of men on active duty in uniform—roughly comparable to that of the United States—in several years. Concurrently a doubling of organized reserve forces will be accomplished.

The greatest expansion—practically the complete expansion in terms of manpower—of United States forces came between June 1950 and the present time. The greatest expansion of European forces in any single year of the build-up program is being accomplished in the current calendar year; this expansion is quite substantial.

In considering the rate at which additional peacetime forces can be mobilized, trained, and equipped, the financial capability and the available productive output of the countries concerned are of primary importance. While in terms of manpower the European NATO countries have a total population between 10 and 15 percent larger than that of the United States, they have an aggregate production output which is estimated at less than one-third that of the United States for the year ending July 1, 1952. In the most important basic industries their aggregate production runs generally from one-sixth to one-half of that of the United States. The national productive systems upon which they may call in order to rearm, and to feed and clothe the personnel in the expanding Armed Forces, provide, in the aggregate, only between one-third and one-fourth of the total annual output of goods and services per capita achieved in the United States. In considering the rate at which it is possible to build up additional forces in Europe, this factor has a primary importance. This relatively low industrial potential constitutes a primary reason for providing the United States military equipment needed to help supply initial sets of equipment for the units now being created. Without this help in making the initial "capital investment" the present rapid program of expansion of European military manpower would not be possible. The amount of current United States hard-goods production in military items alone exceeds the total hard-goods production of all the European NATO countries together. The "margin" available for production of military equipment is thus quite small in relation to the industrial output of the United States.

Because of the relatively meager industrial output in Western Europe the Europeans have traditionally found it necessary to rely very heavily upon organized reserve units mobilizable in very short periods of time. At the present time and over the next few years while the European countries are building up the military forces they require, a build-up of reserve units will take place concurrently with the build-up of forces on active duty. Their concept has traditionally been to provide a "couverture force" which undertakes the initial defense operations to cover the mobilization of the main military forces.

It is only in this way that these countries are able to develop forces of the size required while basing them on an industrial strength one-third that of the United States.

To summarize, the United States, starting from a somewhat lower strength of manpower in uniform in June 1950, more than doubled its strength in a period of 1 year and is currently reaching a point where the expansion begins to level off. The European countries will achieve their expansion over a period of about several years. The current year is their period of most rapid expansion. The limited budgetary and production potential of the European countries restricts the rate at which they can expand, and creates the necessity for American end-item aid if their forces are to be expanded and equipped as rapidly as the world situation requires. The European forces are now planned to level off at a strength in manpower on active duty in uniform just slightly in excess of that contemplated for the United States but they will have, in addition, organized reserve units providing large-scale additional organized military forces available prior to D+90 in the event hostilities should occur.

In considering whether the European effort has been adequate the soundest standard of judgment from a standpoint of United States interest is whether they have expanded at the maximum rate consistent with the maintenance of internal economic and political stability. In these terms, it must be said that the European effort as currently projected for the coming year is roughly at the level which it appears to be in the United States interest to propose. While some of the countries, notably the smaller countries, are below the desirable degree of effort, the larger countries, especially the United Kingdom, also France and Italy, are close to the effort which is reasonably to be expected of them during this period.

Senator LODGE. What economic progress has been achieved in the western European countries from a security standpoint?

General GRUENTHER. So far as SHAPE is concerned we are at the present time evaluating economic progress in terms of the increases that are being made by the various countries in military budgets and production for military purposes while maintaining a sound economic and financial position and avoiding any intolerable reductions in standards of living.

First, it must be pointed out, as Ambassador Katz indicated a week ago, that the European Recovery Program or Marshall plan in terms of its original objectives was substantially completed for practical purposes in February of this year. The European countries at that time had reached the situation contemplated by that program, and the orientation was shifted from recovery of economic strength to economic aid in support of security objectives.

The aggregate military budgets of European NATO countries have increased approximately 75 percent between a date just prior to Korea and the present time. Munitions production has increased approximately 70 percent in the same period. Our current estimate is that total military budgets are fairly close to the level which is sound and wise for these countries to attempt to meet, and that their present production targets for the coming year are also at a fairly good percentage of this level. We confidently expect that it will be possible for them to go higher next year and the year following. These increases, it should be noted are being achieved without overtaxing the economies to a point where we are defeating our own ends.

Senator LODGE. Is the strength of the Communist movement in the Western European NATO countries on the decline?

General GRUENTHER. Our information, from political agencies here, is that Communist strength has steadily declined in Western Europe in the last several years. The published official figures on the results of elections in most of the European NATO countries in the last few years bear out this observation. For example, the total strength of the Belgian Communist Party and sympathizers is now estimated at about 50,000 as compared with 100,000 in 1945. In Denmark the elections for the lower house show that the Communist vote declined from 6.8 percent in 1947 to 4.6 percent in 1950. A similarly favorable trend has been evident in Norway, Luxemburg, and the United Kingdom. Portgual does not represent a problem in this respect.

While the situation is not as favorable in Italy and to a lesser extent France, where the Communist vote is still too large, the actual strength of the Communist apparatus in both countries has been weakened because the Communists: (1) have lost exclusive control over organized labor, (2) cannot cause large-scale political strikes, (3) have suffered some defections among the hardened militants, and (4) because the national police forces are much better equipped to deal with the Communists than they were several years ago. We cannot, however, be complacent about the situation in either of these countries where the Communist Party, because of the very difficult economic position of large sectors of the population, benefits from large working class and protest votes.

Senator LODGE. What would be the effect of cutting the proposed arms aid for fiscal year 1952 in half, or stretching it out over a period of 2 years instead of 1?

General GRUENTHER. In dollar value the fiscal year 1952 program for NATO countries is roughly equivalent to the sum of the fiscal year 1950 and fiscal year 1951 (including supplement) programs.

According to information available to us, in terms of units, the earlier programs filled deficiencies to the extent of providing a certain number of divisions equipped in major items and an additional number of divisions partially equipped. The fiscal year 1952 program is intended, in effect, to accomplish a doubling of these figures.

In terms of divisions, the effect of cutting back to half would be to accept a reduction of approximately 25 percent in the total equivalent European divisions now programed to be in existence at the end of 1952.

In air units, the situation is essentially the same. A cut of some 25 percent in air units would be the result.

Current information indicates that scheduled deliveries under the fiscal year 1952 program would be such that a cutting in appropriations in fiscal year 1952, whether covered by contracting authority or not, would be reflected on practically a dollar-for-dollar basis, in a reduction of the effective organized Army, Air, and naval forces ready for combat and in training at the end of 1952.

Damaging as this cut-back would be, there is a vastly more critical impact to be anticipated. United States end-item aid for fiscal year 1952 has been programed on the basis of country programs to build the forces required to meet their NATO commitments. A cut-back of the proportions indicated would interfere drastically with the programed build-up. Several countries have already indicated very great sensitivity to possibilities of cut-backs of this kind. The European countries do not have the strength and resilience which the United States possesses to tolerate sweeping fluctuations in programs once established, to which their conscription and production efforts are geared. They cannot stand the feast and famine to which the United States is accustomed. A severe crisis in confidence and a severe handicapping if not actual undercutting of General Eisenhower in the accomplishment of his mission with respect to inducing full efforts from these countries is the only consequence that can reasonably be expected.

General Eisenhower has emphatically stated that any attempt to extend the period over which the program proposed for fiscal year 1952 is to be carried out will be definitely prejudical to our own security interests. It would likewise be prejudicial to our probable success in accomplishing to European build-up while avoiding the possibility of an indefinite continuation of requirements for aid. He favors a rapid build-up during the remainder of 1951–52. (Under present plans this is the period of most rapid build-up of the European nations). His idea is to come in with United States aid while the countries are weak in order to give them strength, confidence and determination to make major defense efforts on their own. Any spreading out or lengtheining of the period of United States aid will defeat this objective and run the risk of an indefinite continuation of dependence upon the United States, extending beyond the period of "capital investment," and a program which will

tend to be indefinitely prolonged, rather than coming to a sharp tapering off in approximately three more years.

Senator LODGE. Why have the MDAP shipments to date been so slow?

General GRUENTHER. Full information on the subject is available only in Washington. However, from information received here from the Joint American Military Advisory Group's headquarters in London the indication is as follows:

It was necessary to execute bilateral agreements with each of the countries scheduled to receive United States military assistance before any equipment could be turned over. The constitution of Military Assistance Advisory Groups was essential in order to carry out the intent and provisions of the law requiring that the recipient country be able to make proper use and give proper maintenance to United States military equipment. Much preparatory work was required before funds could be released and supply action initiated for the execution of the fiscal year 1950 program.

The development of the Korean requirements depleted available stocks of surplus equipment, and necessitated a shift to new production in many cases. Such new production frequently involved substantial lead times. No firm commitments to any NATO country for delivery of a major item has been unfulfilled because of the Korean situation, but there have been delays in delivery over what would otherwise have been possible. Although the outbreak of hostilities in Korea temporarily slowed delivery of MDAP equipment, the increased appropriations resulting from Korea and the subsequent increased tempo of production will in fact more than compensate for any delays.

Most of the end items in the fiscal year 1951 program, as well as some in the fiscal year 1950 program have come and are coming from new production, and include many major items having 18 to 24 months production lead time. Pipelines are now filling and it is not anticipated that there will be equivalent delays encountered for executing the subsequent programs.

Senator LODGE. Do you consider that it is desirable and consistent with military objectives to continue an economic aid program in Europe?

General GRUENTHER. This is a question that falls directly into Ambassador Katz' field, but it also has a strong and immediate impact on the build-up of security forces. You have heard how we are emphasizing the importance of maximum military production while maintaining sound national economies and tolerable living standards.

This question itself really falls into two parts: (a) Is economic strength in Europe necessary to the successful completion of the military program; and (b) is United States economic aid necessary to the maintenance of this basic economic strength?

The answer to both questions must clearly be "Yes" for this intensive build-up period in which we are now engaged.

As Ambassador Katz has pointed out, Western Europe has been under unrelenting attack from the Soviet Union ever since 1945. This attack has taken two forms, both of which have to be taken into account because they are mutually reinforcing. The first is the external aggression—the actual potential movement of the Red army; and the second is the internal aggression to which every one of the European countries has been steadily subjected since 1945.

In Europe this aggression by the Soviet Union up to the present time has taken all forms except that of open invasion by Soviet armies or those of its satellites as in Korea. The Soviet has resorted to propaganda, attempts to capture labor unions, attempts to stop United States arms shipments, demonstrations, and the economic blockade of Berlin and even guerrilla warfare in Greece. Together with the threat of actual invasion, these actions have had as their sole purpose the undermining of the morale, and the will to live independently, of the European population. Reinforced by the existence of the mobilized Communist forces in Eastern Europe, they have tended to create an atmosphere of insecurity and uncertainty which in itself prevents the full realization of the economic potential of Western Europe. We must combat these Soviet offensives just as we combated the open aggression in Korea. Our ultimate aim is to create the kind of economic strength which breeds such great confidence and security that the Soviet offensives cannot succeed.

In evaluating this aspect of our job in Europe a realistic and responsible United States observer would have to conclude that sufficient economic strength does not now exist to support the needs of the situation. Although European economic strength is now much greater than it was in, say 1947 (when Europe nearly succumbed to the internal aggression, it is, nevertheless, not sufficient to carry unaided the whole burden of rearmament and also permit continued resistance to the Soviet attack from within. In other words, United States objectives in Europe, including the European rearmament effort itself, require a continually stronger European economy, which the United States administration now proposed to provide in the form of direct military assistance as well as in the form of general economic aid. Theoretically, it may seem that we could provide greater economic strength to Europe by enlarging our military-aid program (thus reducing the European countries' need to spend their own funds on rearmament), and reducing the economic-aid program by an equivalent amount. This would not be the soundest way in the long run by which the United States could aid the European countries, nor would it be as economical for the United States as the combined military and economic aid program. The first and the most direct use for economic aid is the provision of dollars to enable European countries to buy material and tools which they can use with their own labor and management to make the military equipment which is needed. It is cheaper to get such equipment this way than to provide it directly. Secondly, general economic aid makes it possible for us to assure the flow of those goods which are essential to the basic economic strength of Europe and which must come from the dollar area—food, petroleum products, metals, coal, etc. The standards which the administration has established for the provision of economic aid will make certain that it will be extended only where required to meet these basic needs.

Senator LODGE. What progress is being made in European unity as regards specialization of nations on the manufacture of those military articles they can best make?

General GRUENTHER. A great deal of tedious and time-consuming preliminaries have been involved in this question, but it is probably accurate to say that the bulk of this kind of effort, insofar as paper plans are concerned, is behind us. Standardization agreements, agreements for the setting up of technical agencies, agreements for the accumulation of data, and the actual accumulation of technical data have progressed now to a point where it is possible to begin to plan in terms of specific items of military matériel, specific quantities, specific producers, and specific consumers. It would be misleading to assert that we have left the stage of paper progress. However, the papers are now dealing with specific and concrete questions, some examples of which are indicated below.

There is, however, an overriding question which has to do with the financing of production by European countries for themselves and for other European countries. Budgets are, as previously indicated above, about as high as they can be pushed for the current calendar year. This is not much financial margin available for cross procurement although some procurement of this type is developing, and production by the various countries for themselves is progressing at a relatively rapid rate.

Mr. Batt recently reported to the European Coordinating Committee that the following specific projects are now being worked out:

(a) 105–155 millimeter howitzers and their ammunition, medium tanks, light tanks, jeeps, and the 2½–3-ton truck; the amount involved is quite substantial.

(b) 120-millimeter mortars, rocket launchers, and recoilless rifles with their ammunition.

(c) Shortages of machine tools for jet-engine production with specific proposals relating to single-purpose tools.

(d) Mine sweepers and escort vessels.

(e) Spare parts, in particular for a limited number of major items in the categories of vehicles, electronics, artillery, and small arms.

Senator LODGE. Do you think that Germany should make a contribution to European defense? Should Germany be permitted to rearm?

General GRUENTHER. You have previously heard General Eisenhower's views on this matter. He feels that a political foundation acceptable both to the Germans and to the NATO countries is an essential preliminary in this question. There is no question, however, that the German potential is of the greatest military importance to a final solution of the Western European defense problem.

United States authorities directly responsible in this matter have furnished us information and views as follows: The question of a German contribution to the defense of Western Europe has arisen for the same reasons that have caused the defense of Western Europe itself to become a problem. We are convinced that there is no realistic defense of Western Europe, including Western Germany, without some form of German participation. German participation in defense is a logical progression of steps to integrate Germany into the Western World. In view of the security guaranty which was given by the foreign ministers in September 1950 to the German Federal Chancellor it would be anomalous if the Allies were called upon to defend Germany and at the same time deny the Germans the right to defend their own soil or participate in Western European defense.

It follows from this that Germany should be permitted to rearm. This does not mean the creation of a new German national army or a new German general staff. It is significant in this connection that the majority of the German people, the Federal Government and Social Democratic Party support this principle. Although immediately after the war it was the unanimous policy of the allies that Germany should be disarmed, it was never the intention that there should be a disarmed Germany in a divided Europe. A neutralized Germany could never exist as a vacuum in the middle of Europe. The presence of the Bereitschaften (paramilitary force) in the east zone of Germany under Soviet control, backed up by the Soviet satellite forces, presents a threat to the external security of Western Germany, which should be countered by the creation of German forces. It is not the intention, however, to permit Germany to establish an armed force which can lead once more to German aggression. We believe that the solution can be found under the general framework of the integration of Europe. In a sense the German defense problem is part of this broader framework. Germany should be permitted to rearm within the framework

of a European defense system and within the framework of NATO.

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

Mr. LODGE. I yield.

Mr. BREWSTER. As the Senator from Massachusetts knows, without taking exception in any way to the favorable aspects of our development, the American people are also entitled to what seems to me to be a somewhat more balanced view of the situation. We have about a million and a half men under arms, while Western Europe has placed less than 200,000 men under arms. That does not conflict with any statement which the Senator has made. Every statement he has made is accurate.

Mr. LODGE. Let me reply to the Senator's statement. Here is a question which I asked General Gruenther, and I shall read his answer also:

Senator LODGE. Some of our people at home are concerned over the apparent discrepancy between the fact that the United States has about doubled its ground forces in the past year, while European countries have increased their ground forces only about 200,000. What comment do you have to make on this?

General GRUENTHER. Our comment is, of course, that this situation is one we have no intention of accepting as a permanent relationship, but it must be recognized that one of the principal factors that have governed the rate of expansion of the European armed forces over the period in question has been availability of equipment. Our efforts here in fact are aimed precisely at improving upon this situation. A primary bottleneck over the past year, at the present time and for the next 2 or 3 years in the expansion of European forces is equipment. It is for exactly this reason—to regain a better balance between the manpower in uniform in the United States and the manpower in uniform and in organized reserve units in Europe—that the military aid program is being conducted.

You have heard General Eisenhower's concept of the timing involved in this whole rearmament effort. Initially the United States is putting additional forces in Europe and is providing a rapid flow of major items of military equipment in large quantity in order to build up the confidence of the European people in their ability to defend themselves, and in order to bring into existence at the earliest possible time the European units which will comprise the bulk of the defense forces. Once this European rearmament build-up has been accomplished it should be possible to begin the phasing out of United States ground forces. Once the initial equipping of the European security forces has been accomplished there will be a sharp tapering off in the flow of United States military material to Europe.

To the question, are we satisfied with the present situation in which European ground forces have increased 20 percent while the United States ground forces have doubled, the answer is, we certainly are not. We are devoting a great deal of our effort here to remedy this ratio. The program of United States military aid for fiscal year 1952 as now proposed has the same purpose. As things now stand, the rate at which expansion is possible is directly governed by the rate at which equipment can be delivered to the European armed forces.

Mr. BREWSTER. That certainly helps out the picture a great deal, although it fails to give a comparison of the two figures. One is that the European nations have approximately 200,000 men under arms, and the Senator used the figures of 2,500,000. These figures are not comparable. The facts are that we have placed practically a million and a half men in training, under arms, during the past year. That is comparable with the 200,000 men in Europe. The European nations have limited the number in their navy and air force, while we have expanded ours very considerably.

Mr. LODGE. I asked General Gruenther a question along that line which I shall read:

Senator LODGE. What has been the increase in the number of men on active duty in uniform in all services in the European countries over the past year and how does this compare with the expansion accomplished by the United States?

To that General Gruenther made the following answer:

General GRUENTHER. From June 1950 until June 1951 there was an over-all increase of about 15 percent in the manpower of NATO European countries in uniform. This represents an increase of 5 percent in the last 6 months of last year and an increase of 10 percent in the first 6 months of the present year.

Considering only the "combat forces" segment of the total manpower in uniform, the increase is approximately 25 percent over-all, of which 8 percent occurred in the last 6 months of 1950 and 17 percent in the first 6 months of 1951.

Considering the number of men in regiments, brigades and divisions of infantry and armored types (exclusive of supporting and logistical units) there has been an increase of 46 percent over-all, of which 5 percent occurred in the last 6 months of 1950 and 41 percent in the first 6 months of 1951.

To make any kind of a comparison of European expansion with United States expansion over the past year the ratio of manpower in uniform to total population as well as the ratio of rearmament effort to total production of the countries concerned must be examined.

In total populations the European NATO countries have approximately 173,000,000 people as compared to 152,000,000 in the United States or 166,000,000 in the United States and Canada. In June 1950, the European NATO countries had approximately 1.1 percent of their population in uniform while the United States had just less than 1 percent in uniform.

That was June 1950.

During the year following the figure has risen to approximately 2.3 percent for the United States, while the figure in Europe has now reached 1.3 percent. It is understood that present planning calls for a leveling off of United States expansion at about the figure now reached. Total forces of European NATO countries under the present programing are scheduled to reach their leveling-off strength of men on active duty in uniform—roughly comparable to that of the United States—in several years. Concurrently a doubling of organized reserve forces will be accomplished. The greatest expansion—practically the complete expansion in terms of manpower—of United States forces came between June 1950 and the present time. The greatest expansion of European forces in any single year of the build-up program is being accomplished in the current calendar year; this expansion is quite substantial.

In considering the rate at which additional peacetime forces can be mobilized, trained, and equipped, the financial capability and the available productive output of the countries concerned are of primary importance. While in terms of manpower the European NATO countries have a total population between 10 and 15 percent larger than that of the United States, they have an aggregate production output which is estimated at less than one-third that of the United States for the year ending July 1, 1952. In the most important basic industries their aggregate production runs generally from one-sixth to one-half of that of the United States. The national productive systems upon which they may call in order to rearm, and to feed and clothe the personnel in the expanding armed forces provides, in the aggregate, only between one-third and one-fourth of the total annual output of goods and services per capita achieved in the United States.

And so forth. Then he goes on with the question of matériel. Let me say to the Senator from Maine that I think it is clear that the European countries are starting more slowly than we are and are going to stay with the situation longer than we will. We are starting more quickly to give them a spurt, and then we are going to phase out. The difference between the United States and Europe—and this is just as obvious to the Senator as it is to me—is that Europe has been through these murderous invasions and occupations and slaughterings of all kinds. Europe is similar to a man who has been very sick, who has had a terrible operation, and the doctor has allowed him to get up and walk around the room, but the man is not strong enough to go out and climb a tree. If Europe were that strong, she would not need our help. So if the Senator from Maine is trying to get me to admit that Europe is not so strong as America, I will admit that.

Mr. BREWSTER. What I am trying to get the Senator to admit, and what I expect the Senator asked General Gruenther to admit, and what he took three pages to answer without answering the question—will the Senator read his last question to General Gruenther?

Mr. LODGE. My last question of General Gruenther was:

What has been the increase in the number of men on active duty in uniform in all services in the European countries over the past year and how does this compare with the expansion accomplished by the United States?

That was my question.

Mr. BREWSTER. That was a wonderful question. It is a very specific question. The Senator can read every word of the answer of General Gruenther and he will not find the answer.

Mr. LODGE. I think I can find it.

Mr. BREWSTER. I am not questioning what France, Italy, or Britain have done at this point. I am simply saying that I believe the American people are entitled to a simple, definite answer to the question which the Senator asked. The Senator can read the entire statement by General Gruenther and nowhere find the answer to that question.

Mr. LODGE. I do not think the Senator listened to me.

Mr. BREWSTER. I listened to the Senator very closely. The general gave a lot of figures and a lot of percentages, but where, can the Senator tell me, will we find an answer to the question?

Mr. LODGE. I think within the limits of military secrecy, which must be observed because General Gruenther can-

not tell the Soviet all the military divisions there are—I think within those limits his answer is extremely honest and extremely clear. I do not want to read his whole answer over again because the Presiding Officer is tired and I am sure he wants to go to his office.

Mr. BREWSTER. I am not thinking of the Presiding Officer. He sought his office. He has just what is coming to him.

Mr. LODGE. General Gruenther said:

> From June 1950 until June 1951 there was an over-all increase of about 15 percent in the manpower of NATO European countries in uniform.

Mr. BREWSTER. That does not mean a thing unless we know with what we start. The only figure which the Senator has read which can be used is the figure of percentages. The Senator gave the percentage as 1.1 percent——

Mr. LODGE. That is the figure of what the European NATO countries had in uniform in June 1950.

Mr. BREWSTER. We can make a calculation based on the percentage figures.

Mr. LODGE. The increase from 1.1 percent in June 1950, is 1.3 percent in Europe now. The Senator is a graduate of many schools, colleges and law schools. He can figure what 1.1 percent of 173,000,000 people is.

Mr. BREWSTER. The increase was how much?

Mr. LODGE. Fifteen percent between June 1950 and June 1951.

Mr. BREWSTER. The increase was from 1.1 percent to 1.3 percent. That is two-tenths of 1 percent. That is the increase in the European forces. So we can take two-tenths of a percent of 173,000,000. Is not that definite?

Mr. LODGE. The increase went from 1.1 percent to 1.3 percent.

Mr. BREWSTER. From 1.1 percent to 1.3 percent?

Mr. LODGE. Yes; that is correct.

Mr. BREWSTER. That is two-tenths of 1 percent.

Mr. LODGE. Yes.

Mr. BREWSTER. Why in the name of heaven is anyone afraid to disclose the number? No one needs question the capacity of the Senate to do the figuring. Why is it that they are so reluctant to disclose what is, after all, a simple arithmetical computation? There cannot be any secret about it. I have pursued this question, as the Senator knows, literally from Paris to Ankara to Washington.

Mr. LODGE. I think the Senator has been given an answer to his question now in this Senate Chamber. There has been an increase of from 1.1 to 1.3 percent of 173,000,000 people.

Mr. BREWSTER. One and one-tenth to one and three-tenths percent of 173,000,000 people?

Mr. LODGE. Yes. The Senator also has General Gruenther's statement that he would like to see it increased more quickly. The Senator also has the further fact that as fast as we send equipment the number of men will probably increase.

Mr. BREWSTER. What were the figures of the percentages in America? From 1 percent——

Mr. LODGE. I will read from General Gruenther's statement:

> During the year following the figure has risen to approximately 2.3 for the United States.

Mr. BREWSTER. From what point?

Mr. LODGE. We had less than 1 percent.

Mr. BREWSTER. How much less?

Mr. LODGE. The answer says, "Just less than 1 percent in uniform." I suppose that would be nine-tenths percent.

Mr. BREWSTER. We have increased 1.3 percent out of 150,000,000 people.

Mr. LODGE. With a marvelous economic system. Do not overlook that.

Mr. BREWSTER. I am not overlooking anything. What I am not overlooking is the amazing reluctance of everyone advocating this program to permit it to be put in the simple terms that he who runs may read. I have been after this figure in the committee, and in the Congress, and with the military, and yet they always go on as the Senator did in reading this very extensive statement today; but nowhere did the statement give a simple, definite answer in terms the average man would understand and in terms of definite increases. I have the figures now, as I have figured them out, that in the past year Europe, with a larger population than ours, which is some 150,000,000 people, has put some 300,000 men under arms, in uniform. We meanwhile have put approximately 1,750,000 men under arms, in the same period, nearly 1,500,000 more men under arms in this country than there are in Europe. Does the Senator have any reluctance in admitting the accuracy of that statement?

Mr. LODGE. I am absolutely unwilling to admit that that statement gives an exact picture of the situation.

Mr. BREWSTER. Will the Senator give the figure?

Mr. LODGE. I think the figure taken out of text and out of time may be accurate, but I do not think the Senator's statement gives a true picture of the situation.

Mr. BREWSTER. I will quite agree with the Senator.

Mr. LODGE. Because the Senator overlooks the fact that all the nations in Europe, the Germans, the French, and all of them for generations have operated on a principle of ready reserves which can get into action quite quickly. I think the Senator overlooks the fact that the European nations are all poverty-stricken, are all cut up, have uneconomic organizations, and that they cannot take men in and out of industry and agriculture as quickly as we have done. The nations of Europe have been ravaged, raped, ruined, brutalized, demoralized, and it takes some time for them to get back on their feet. I do not believe that merely making a purely arithmetical comparison, the way the Senator from Maine does, gives a true estimate of the situation.

Mr. BREWSTER. Several times the Senator from Massachusetts has referred to my statement, to which he takes exception. To what statement does he refer?

Mr. LODGE. I refer to the statement implicit in the Senator's question.

Mr. BREWSTER. What is "implicit"? I have not at any time challenged what the Senator was saying, though there are many reasons why this condition prevailed. What I have desired, and what I think the American people are entitled to, is all the facts. I have no objection whatsoever to all the explanations which the Senator from Massachusetts has so eloquently made, and the statement which he has made, with his customary intelligence, as to the reasons for the existing conditions. I agree with many of them. To one of them I wish to take a certain exception.

We hear a great deal about the reserve system of Europe. I have repeatedly asked, as the Senator knows, how many reserves the European countries have, and I have not thus far been able to get any figure as to the reserves. To be sure, the system of reserves is the ancient system of handling the problem, but I think, again, we are entitled to know what those reserves are.

What I am leading up to is this—and I wonder whether the Senator will agree with my statement. One of the reasons we have not the required number of men in training is that we have no equipment. Is the Senator familiar with any units in this country which are in training without adequate equipment?

Mr. LODGE. I am not familiar with the state of training.

Mr. BREWSTER. I should like to take the Senator to Bangor, Maine, which I visited 3 days ago, and where there are 3,000 men in training in the Air Corps. They have been there for 3 months, and they are going to be there many months longer. Their equipment consists of three airplanes. That is no military secret. So far as I know, that is typical of very many units in training in this country. Not only have we taken a great many men for 3 months' preliminary training, but we are keeping them under arms, with practically no equipment. Why is it that our European friends, with 2,000,000 men idle in Italy, for example, cannot be trained? They are not working. They are eating.

Mr. LODGE. Italy has a treaty which makes it illegal to take those men into the army.

Mr. BREWSTER. It is not illegal to keep a certain number of men under training if others are released.

Mr. LODGE. I understand that the Italians are doing everything they can to push their young manhood through the army within the figure which the treaty allows. A short answer to the Senator's question as to why the Italians do not put more manpower in the service is that they have a treaty which puts a definite limitation on the number.

Mr. BREWSTER. Hitler had no difficulty in evading the terms of his agreement by rotation of units.

Mr. LODGE. I think the Italians are doing everything they can to evade the

treaty, and I am inclined to think that they will be very good at it.

Mr. BREWSTER. They have not even yet achieved their minimum objective.

Mr. LODGE. If the Senator is trying to get me to admit that the nations of Europe are weaker than we are and they are not making the effort which we are making, I will admit it. If it were otherwise, there would be no point in our going over there. If they were as strong as we are, we could stay over here. I say that they are not so weak that they are without hope. I think that they are becoming stronger all the time, and I believe they are going to be a tremendous asset to us in a very few years. However, I am perfectly willing to admit to the Senator that they are weaker than we are, and that the progress they have made to date is not so great as we would all like to see. However, they have made progress. I think the trend is definitely up. I believe that statement is not to be denied.

Mr. BREWSTER. I do not deny it.

Mr. LODGE. I hope that tomorrow, when the RECORD appears, the Senator will read my questions of General Gruenther, and his replies. I sincerely believe that the Senator will find a great many of the facts he is seeking.

Mr. BREWSTER. Does he give the figures as to the Reserves?

Mr. LODGE. I do not know whether he gives the figures as to the Reserves or not. Such a figure would show units and would, I should think, be secret.

Mr. BREWSTER. That is a very important question.

Mr. LODGE. The statement as I originally saw it contained figures as to the Reserves—figures as to divisions, corps troops, army troops, and other categories. Those figures were deleted for military security reasons. I cannot say that I criticize the Pentagon for doing that. Given the fact that military security must be observed, these answers are remarkably complete.

Mr. BREWSTER. I do not believe that either the Army or the Senator desires, however, to leave with the American people the impression that there are reserves which are nonexistent. We hear a great deal of talk about European reserves which are utterly not comparable with the 125 divisions which France had in reserve in 1938 and 1939. To attempt to make any comparison is very misleading. I hear the statement repeatedly made by those in authority. I do not think it should be made.

Mr. LODGE. I do not wish to mislead anyone. I am perfectly free to admit that if an aggression started from the east today that it would sweep right over Western Europe. The thing that protects Western Europe at the present time is the deterrent effect of our strategic Air Force and its capacity to deliver the atomic bomb. So far as troops which are now in Europe are concerned, there would be no resistance to speak of at the present time. So that answers the Senator's question about reserves.

Mr. BREWSTER. Mr. President——

Mr. LODGE. Just a moment. The Senator has asked two questions, and I want to answer both of them.

The Senator referred to the 125 French divisions before World War II. A division at that time was an entirely different thing from a division today. It was very largely horse-drawn. The equipment was much simpler. So I do not think it is a useful comparision to talk about 125 French divisions before World War II, and compare them with the number of French divisions there are now.

Mr. BREWSTER. I am using it as the basis of manpower only. If they could have 125 divisions of trained men, whatever their training, it is the manpower which repeatedly has been urged upon us by military authorities—even by such an eminent authority as the Senator from Massachusetts—as the significant contribution of Europe. They had 125 divisions of manpower then. There are no such numbers in training today, or in early contemplation.

Mr. LODGE. France has 170,000 troops in Indochina. They have had more deaths in Indochina than we have had in Korea.

Mr. BREWSTER. I think that is a slight exaggeration.

Mr. LODGE. They have had 29,000 deaths in Indochina, I believe.

Mr. BREWSTER. My impression was that that number represented casualties.

Mr. LODGE. I think there have been 29,000 deaths. That is a great many for a country so small as France, when we consider the tragic history of the French people and the dreadful sufferings they have endured.

Mr. BREWSTER. I am sure that the Senator will want to include in the deterrent effect the industrial potential of the United States. Every one will agree that that is a factor which gives even Stalin pause.

Mr. LODGE. I do not believe that the industrial potential of the United States is a deterrent to Stalin, so long as we continue to turn out so many luxury items, and things which have no military value. I do not believe that we shall succeed in scaring Mr. Stalin with anything which is not immediately ready for combat.

I believe that one of our serious troubles is that we did not mobilize on a sufficiently high level immediately after the aggression in Korea. We have gone along on the basis of one-half mobilization, and we are doing about 20 percent of that. We are never going to regain the initiative or keep faith with the men fighting in Korea until we translate more of our industrial potential into military actualities.

Mr. BREWSTER. This is my final and $64 question, to which I have been leading up——

Mr. LODGE. I hope the Senator will not stop.

Mr. BREWSTER. The Senator has heard me ask the same question of military men. The question is whether or not it is a fact that if any difficulty should start in Europe during the coming year—which God forbid—75 percent of the trained forces essential to try to meet such an attack would necessarily and inevitably come from the United States?

Mr. LODGE. My answer is that I do not believe that an organized defense on the ground would be possible this year. I think it would be a question of salvaging what we could.

Mr. BREWSTER. Does the Senator mean that our troops over there would simply get out as fast as they could?

Mr. LODGE. I do not know what our troops would do. I am not privy to those military secrets.

Mr. BREWSTER. Would we not have to support them as long as we could?

Mr. LODGE. We certainly ought to do so.

Mr. BREWSTER. We would not abandon them.

Mr. LODGE. No.

Mr. BREWSTER. I do not know whether or not the Senator was present when General Collins, I believe, agreed that 75 percent of the forces which would be available for any such contingency necessarily must come from the United States. To me that is somewhat disquieting as we contemplate Korea.

Mr. LODGE. The answer to that question is that I do not believe that any organized ground defense of Western Europe is possible this year, whether it be on the basis of 75 percent, 90 percent, or 100 percent. I do not think it is possible to defend Western Europe on the ground with what is there now. The thing that is defending Western Europe is the deterrent effect of the strategic air force. Of course, we have to start sometime, and we are making a start. There will be a dangerous period. We are in it now. We are very much outnumbered on the ground by the Russians. But the hope is—and I say that it is only a hope—that as they build up their atomic capacity, we shall have built up our ground capacity.

I only hope that while we are getting stronger all the time, Russia is not getting stronger even faster. I have heard some very disquieting rumors in that respect. However, at this stage of the game it is not possible to have an organized and orderly ground defense of Western Europe.

Mr. BREWSTER. I am very grateful to the Senator from Massachusetts for carrying on a discussion of this question, which I believe to be very important in the preliminary stages of forming our program. I believe that the more freely and frankly the whole question is discussed during the next month, until we finally act upon the legislation, the more beneficial it will be to the legislation, the country at large, and the great cause in which we are in common engaged.

Mr. LODGE. Let me say that I appreciate the fact that the Senator from Maine has asked his questions. He has asked some extremely penetrating questions. We are dealing with a very vital subject. It should be thrashed out and hammered out. The more debate we have on it, the better.

Mr. President, I yield the floor.

RECESS

Mr. HOLLAND. 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, Wednesday, August 15, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 14 (legislative day of August 1), 1951:

ASSISTANT COMMISSIONER OF INTERNAL REVENUE

Justin F. Winkle, of New York, to be Assistant Commissioner of Internal Revenue, vice Daniel A. Bolich.

IN THE ARMY

The following-named persons for appointment in the Army Nurse Corps, Regular Army of the United States, in the grade of second lieutenant under the provisions of Public Law 36, Eightieth Congress:

Joy L. Abshire, N777229.
Madelyn N. Parks, N761738.
Margaret N. Parks, N762354.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 14, 1951

The House met at 11 o'clock a. m.

Rev. Paul V. Galloway, D. D., LL. D., pastor, Boston Avenue Methodist Church, Tulsa, Okla., offered the following prayer:

O God, our Father, we pause to open the doors of our hearts to Thee that our minds may have Thy wisdom, understanding, and divine insight, and that our spirits may be touched by Thee so that we shall be led by Thy laws of kindness, justice, and compassion.

Bless our native land and give us strength and goodness. Guide and protect our homes and our families, strengthen our churches, pardon our sins, and enrich us inwardly by Thy holy presence. Touch each life here, O Lord. Where there is sorrow, give comfort; where there is anxiety, give peace; and pour upon us all courage to stand and live for the right.

Grant that the work which we do today will build for tomorrow and may be in harmony and keeping with Thine eternal purposes. In the name of our Redeemer, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MANPOWER

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I hold in my hand a clipping from the Washington News of last week entitled "Manpower Shortage." This article states that manpower shortages threaten to impede essential activities in six critical defense areas.

I would like to repeat a statement that I have been making on this floor for the last 6 years that in the anthracite-coal fields of Pennsylvania there has existed during those years, there still exists, and there will continue to exist without Government help, a surplus of employable manpower. In my congressional district centered in Luzerne County, Pa., I now have 20,000 unemployed men, willing, ready, and able to go to work, but there is no work there for them. War plants, installations, and war contracts of all descriptions are being channeled into congested, seriously congested, defense areas where there is a need for manpower, but in my area there is no work. This is a deplorable economic waste. The most valuable asset of the Nation is its manpower, and here I cite you a case of where vital and essential and badly needed workers stand idle, yet eager for work and to participate in the defense effort. The President within the past week has ordered all Government officials and agencies concerned to disperse plants and assign contracts into just such an area as I represent. Mr. Wilson several days earlier directed all defense agencies to place contracts and advise construction of new facilities in just such an area. The same inexplicable failure to utilize the workers of my area took place during World War II, when we had a labor surplus all during the war at a time when serious manpower shortages existed all over the Nation. Now the same thing goes on. Why, Mr. Speaker, why this discrimination? Why this ignoring of this area of workers, taxpayers, and citizens? There is a library of statistical information in a dozen Federal agencies as to the facts, and all the information possible and necessary is at hand right here in Washington. It is simply impossible to understand what is wrong. Why are not these men at work? They are skilled, experienced, able, good Americans, the community has everything that is needed to do the job, and yet no jobs, no work, no help. Unless this situation is soon corrected I propose a congressional investigation of the situation in the best interest of the national defense.

KANSAS-MISSOURI FLOODS

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, although the present income-tax laws do afford some relief in cases of disaster losses, the need by sufferers from the recent Midwest floods for further relief is imperative.

Businessmen are faced with many problems. While the plant or shop they had was satisfactory, though old, it is impossible, or impractical, to try to restore it. To put the damaged property back in its preflood condition of usefulness would cost almost as much as a new building in a better or more desirable location. The machinery, too, did the job, but here again, repairs to old, flood-damaged machinery would be almost as much as new, modern machinery. The depreciated book value of plant and machinery cannot and will not reflect the actual loss suffered by reason of flood damage.

For that reason I have introduced a bill to amend the Internal Revenue Code, to provide that the cost of the restoration of damaged property—or an equivalent amount if a new plant is built and equipped—shall be a casualty loss deductible from gross income.

In the flood areas many homes in the cities and towns and on farms were destroyed. The owners are faced with the necessity of making repairs or rebuilding. Though owner-occupied homes have not been depreciated, and the purchase price represents now the basis of losses that may be claimed, the cost of restoration now with high material and wage costs will, in many instances, far exceed the original purchase price. Although their plight is much worse than that of many persons for whose relief they are taxed, they must do this job, and yet the present revenue laws require them to pay a tax on a substantial or greater part of the loss they have suffered.

For that reason I have included in this bill a further amendment which will permit home owners a deduction for the cost of repairs or rehabilitation, or an equivalent amount if they build anew some other place.

Further, Mr. Speaker, a great many of those who suffered most are men who work for a wage—men whose income for the most part would not in several years equal the total of the loss suffered. Under the present law they can claim a deduction only for the year in which it occurred, which would give them freedom from tax in 1951, but their incomes in subsequent years would be subject to tax notwithstanding the losses of 1951 will exceed income for several years. I have therefore included in my bill an amendment to present law which will give these flood sufferers the benefit of the carry-back and carry-forward provisions of the revenue laws.

Mr. Speaker, Uncle Sam's tax collectors demand cash. The cash resources of these flood victims are sadly depleted. These tax benefits are critically needed, if we are to make it possible for them to rebuild their damaged homes and restore and reopen their businesses.

TAXES

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, a determined effort should be made tomorrow when the $8,000,000,000 military and economic aid bill comes before the House to reduce it by $3,000,000,000.

Little, if any, economic aid is further necessary and it is doubtful if these countries could spend over $5,000,000,000 if it were approved by this Congress.

Unless this bill is reduced, the total amount voted for military defense in this

Congress will increase the tax load $460 on every man, woman, and child in the United States. This, added to the present $1,700 mortgage debt on every citizen regardless of age by reason of the $256,000,000,000 national debt, places a future tax burden of $2,160 on every citizen.

It is time the Congress called a halt to the administration's hysterical policy of fear and excessive spending and supplant it with a policy based on our economic ability to carry it through. The continuance of the administration's policies will spend the United States into bankruptcy and will make the dream of Lenin, founder of Russian communism, come true. They will, as he predicted, cause us to spend ourselves into bankruptcy, poverty, and despair, making it possible to take over our country and black out freedom and liberty here in the United States.

KANSAS MISSOURI FLOODS

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I rise in protest. Last Thursday I had the temerity to offer a $15,000,000 cut in a $56,000,000,000 appropriation bill. Now I myself was conscious of the audacity in offering such an inconsequential cut of $15,000,000, although the $15,000,000 should have been cut as the House agreed by adopting the amendment. I recognize that I was the only Congressman to show such lack of decorum in respect for the $56,000,000,000 bill by proposing to cut any amount from it.

However, having been so audacious as to propose this $15,000,000 amendment and argue for it and have the House agree to it, I think there should be some let-up on my punishment. Let the newspapers or the staff of the Subcommittee on Appropriations which considered the bill, or just let congressional quarterly admit that there was a $15,000,000 cut. Let just someone admit that $15,000,000 was cut from the bill because I have told my constituents back home about it. It is such a small amount no one will believe that I had the audacity I claim I had to introduce such an amendment, let alone get it adopted.

I agree that $15,000,000 is a small sum, but it is over a thousand times my salary. It would be ample to build the flood-control dams on the Kansas River tributaries which would have prevented our billion-dollar flood. Fifteen million dollars is still worth mentioning and worth fighting to save, is it not?

SPECIAL ORDER GRANTED

Mr. VAIL asked and was given permission to address the House for 20 minutes on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

SUBVERSIVE ACTIVITIES

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, last year Congress passed the internal security bill. It permits the President, acting through the State and Justice Departments, to refuse visas to persons suspected of subversive activities, whether they be private individuals or have diplomatic status, and also to deport those already living here and engaged in spying.

Senator McCARRAN's committee has revealed that since March 1947, 3,616 individuals with diplomatic status have been admitted to this country from behind the iron curtain. Many of them are known to be saboteurs and spies. Only recently 85 individuals of this type were admitted.

I ask this question: Why does the President refuse to enforce this law? Why does he not order the State and Justice Departments to take definite action against the known spies among these diplomats? They are here for one purpose only—to destroy our form of government. They should be thrown out immediately. Why does the executive department delay?

CALL OF THE HOUSE

Mr. VINSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. VINSON. 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. 153]

Adair	Engle	Powell
Allen, La.	Furcolo	Radwan
Anfuso	Gordon	Rivers
Barden	Gwinn	Sabath
Baring	Hand	Saylor
Bennett, Mich.	Harrison, Va.	Scott, Hardie
Boggs, La.	Hébert	Scott, Hugh D., Jr.
Bonner	Hedrick	Sheehan
Breen	Hess	Sikes
Brehm	Hinshaw	Simpson, Ill.
Brownson	Kean	Smith, Kans.
Buckley	Kearns	Taber
Busbey	Lantaff	Taylor
Celler	Latham	Velde
Chatham	McCulloch	Watts
Clemente	McDonough	Welch
Cooley	Mason	Werdel
Davis, Tenn.	Morris	Wheeler
Dawson	Morrison	Whitaker
DeGraffenried	Morton	Widnall
Dondero	Murray, Wis.	Wood, Ga.
Doughton	Norrell	Woodruff
Durham	O'Konski	Yorty
Ellsworth	Philbin	
Elston	Poulson	

The SPEAKER. On this roll call 359 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MILITARY AND NAVAL CONSTRUCTION

The SPEAKER. The unfinished business is the vote on the motion of the gentleman from Iowa [Mr. GROSS] to recommit the bill (H. R. 4914) to authorize certain construction at military and naval installations, and for other purposes.

Without objection, the Clerk will again report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves that the bill, H. R. 4914 be recommitted to the House Committee on Armed Services with instructions that the bill be reported back to the House forthwith with the following amendment: On page 40, strike out lines 22, 23, 24, and 25, and on page 41, strike out lines 1, 2, and 3.

The SPEAKER. The question is on the motion to recommit.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. GROSS. Mr. Speaker, I demand tellers.

Tellers were refused.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 353, nays 5, answered "present" 1, not voting 73, as follows:

[Roll No. 154]

YEAS—353

Aandahl	Camp	Forrester
Abbitt	Canfield	Frazier
Abernethy	Cannon	Fugate
Addonizio	Carlyle	Fulton
Albert	Carnahan	Gamble
Allen, Calif.	Case	Garmatz
Allen, Ill.	Celler	Gary
Andersen, H. Carl	Chelf	Gathings
Anderson, Calif.	Chenoweth	Gavin
Andresen, August H.	Chiperfield	George
Andrews	Chudoff	Golden
Angell	Church	Goodwin
Arends	Clevenger	Gore
Armstrong	Cole, Kans.	Graham
Aspinall	Colmer	Granahan
Auchincloss	Combs	Granger
Ayres	Cooley	Grant
Bailey	Cooper	Green
Baker	Corbett	Greenwood
Bakewell	Cotton	Gregory
Barrett	Coudert	Hagen
Bates, Ky.	Cox	Hale
Bates, Mass.	Crawford	Hall, Leonard W.
Battle	Crosser	Halleck
Beall	Crumpacker	Harden
Beamer	Cunningham	Hardy
Beckworth	Curtis, Mo.	Harris
Belcher	Curtis, Nebr.	Harrison, Wyo.
Bender	Dague	Hart
Bennett, Fla.	Davis, Ga.	Harvey
Bentsen	Davis, Wis.	Havenner
Berry	Deane	Hays, Ark.
Betts	Dempsey	Hays, Ohio
Bishop	Denny	Heffernan
Blackney	Denton	Heller
Boggs, Del.	Devereux	Herlong
Bolling	D'Ewart	Herter
Bolton	Dingell	Heselton
Bosone	Dollinger	Hill
Bow	Dolliver	Hillings
Boykin	Donohue	Hoeven
Bramblett	Donovan	Hoffman, Ill.
Bray	Dorn	Hoffman, Mich.
Brooks	Doyle	Holifield
Brown, Ga.	Eaton	Holmes
Brown, Ohio	Eberharter	Hope
Brownson	Elliott	Horan
Bryson	Evins	Howell
Buchanan	Fallon	Hunter
Budge	Feighan	Irving
Burdick	Fellows	Jackson, Calif.
Burleson	Fenton	Jackson, Wash.
Burnside	Fernandez	James
Burton	Fine	Jarman
Bush	Fisher	Javits
Butler	Flood	Jenison
Byrne, N. Y.	Fogarty	Jenkins
Byrnes, Wis.	Forand	Jensen
	Ford	Johnson

Jonas	Morgan	Scudder
Jones, Ala.	Moulder	Secrest
Jones, Mo.	Multer	Seely-Brown
Jones, Hamilton C.	Mumma	Shafer
	Murdock	Shelley
Jones, Woodrow W.	Murphy	Sheppard
	Murray, Tenn.	Short
Judd	Nelson	Sieminski
Karsten, Mo.	Nicholson	Simpson, Pa.
Kearney	Norblad	Sittler
Keating	O'Brien, Ill.	Smith, Miss.
Kee	O'Brien, Mich.	Smith, Va.
Kelley, Pa.	O'Hara	Smith, Wis.
Kelly, N. Y.	Ostertag	Spence
Kennedy	O'Toole	Springer
Keogh	Passman	Staggers
Kerr	Patman	Stanley
Kersten, Wis.	Patten	Steed
Kilburn	Patterson	Stefan
Kilday	Perkins	Stigler
King	Philbin	Stockman
Kirwan	Phillips	Sutton
Klein	Pickett	Tackett
Kluczynski	Poage	Talle
Lane	Polk	Teague
Lanham	Potter	Thomas
Larcade	Preston	Thompson, Mich.
LeCompte	Price	
Lesinski	Priest	Thompson, Tex.
Lind	Prouty	Thornberry
Lovre	Quinn	Tollefson
Lucas	Rabaut	Towe
Lyle	Rains	Trimble
McCarthy	Ramsay	Vail
McConnell	Rankin	Van Pelt
McCormack	Reams	Van Zandt
McGrath	Redden	Vaughn
McGregor	Reece, Tenn.	Velde
McGuire	Reed, Ill.	Vinson
McKinnon	Reed, N. Y.	Vorys
McMillan	Rees, Kans.	Vursell
McMullen	Regan	Walter
McVey	Rhodes	Weichel
Machrowicz	Ribicoff	Wharton
Mack, Ill.	Richards	Whitten
Mack, Wash.	Riehlman	Wickersham
Madden	Riley	Wier
Magee	Roberts	Wigglesworth
Mahon	Robeson	Williams, Miss.
Mansfield	Rodino	Williams, N. Y.
Martin, Iowa	Rogers, Colo.	Willis
Martin, Mass.	Rogers, Fla.	Wilson, Ind.
Meader	Rogers, Mass.	Wilson, Tex.
Merrow	Rogers, Tex.	Winstead
Miller, Calif.	Rooney	Withrow
Miller, Nebr.	Roosevelt	Wolcott
Miller, N. Y.	Sadlak	Wolverton
Mills	St. George	Yates
Mitchell	Sasscer	Zablocki
Morano	Schwabe	

NAYS—5

Buffett	Hull	Wood, Idaho
Gross	Marshall	

ANSWERED "PRESENT"—1

Scrivner

NOT VOTING—73

Adair	Furcolo	O'Neill
Allen, La.	Gordon	Poulson
Anfuso	Gwinn	Powell
Barden	Hall, Edwin Arthur	Radwan
Baring		Rivers
Bennett, Mich.	Hand	Sabath
Blatnik	Harrison, Va.	Saylor
Boggs, La.	Hébert	Scott, Hardie
Bonner	Hedrick	Scott, Hugh D., Jr.
Breen	Hess	
Brehm	Hinshaw	Sheehan
Buckley	Kean	Sikes
Busbey	Kearns	Simpson, Ill.
Chatham	Lantaff	Smith, Kans.
Clemente	Latham	Taber
Davis, Tenn.	McCulloch	Taylor
Dawson	McDonough	Watts
DeGraffenried	Mason	Welch
Delaney	Miller, Md.	Werdel
Dondero	Morris	Wheeler
Doughton	Morrison	Whitaker
Durham	Morton	Widnall
Ellsworth	Murray, Wis.	Wood, Ga.
Elston	Norrell	Woodruff
Engle	O'Konski	Yorty

So the bill was passed.

The Clerk announced the following pairs:

Mr. deGraffenried with Mr. Kean.
Mr. Morrison with Mr. Kearns.
Mr. Harrison of Virginia with Mr. Taber.
Mr. Hébert with Mr. Latham.
Mr. Anfuso with Mr. Adair.
Mr. Buckley with Mr. Sheehan.
Mr. Rivers with Mr. Poulson.
Mr. Watts with Mr. Dondero.
Mr. Yorty with Mr. Mason.
Mr. Hedrick with Mr. Saylor.
Mr. Baring with Mr. Hugh D. Scott, Jr.
Mr. Boggs of Louisiana with Mr. Elston.
Mr. Welch with Mr. McDonough.
Mr. Chatham with Mr. McCulloch.
Mr. Whitaker with Mr. Taylor.
Mr. Clemente with Mr. Widnall.
Mr. Furcolo with Mr. Hinshaw.
Mr. Gordon with Mr. Hess.
Mr. O'Neill with Mr. Hand.
Mr. Powell with Mr. Ellsworth.
Mr. Blatnik with Mr. Busbey.
Mr. Allen of Louisiana with Mr. Miller of Maryland.
Mr. Sabath with Mr. Morton.
Mr. Engle wth Mr. Hardie Scott.
Mr. Wood of Georgia with Mr. Simpson of Illinois.
Mr. Lantaff with Mr. Gwinn.
Mr. Bonner with Mr. Woodruff.
Mr. Durham with Mr. Werdel.
Mr. Barden with Mr. Smith of Kansas.
Mr. Davis of Tennessee with Mr. Radwan.
Mr. Delaney with Mr. Brehm.
Mr. Dawson with Mr. Edwin Arthur Hall.
Mr. Wheeler with Mr. Murray of Wisconsin.
Mr. Morris with Mr. Bennett of Michigan.
Mr. Norrell with Mr. O'Konski.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection the Clerk will be authorized to correct section numbers and cross-references.

There was no objection.

WILLIAM N. OATIS

The SPEAKER. The unfinished business is further consideration of House Concurrent Resolution 140 which the Clerk will report by title.

The Clerk read the title of the House concurrent resolution.

The SPEAKER. The question occurs on the amendment offered by the gentleman from Missouri [Mr. ARMSTRONG] which, without objection, the Clerk will again report.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ARMSTRONG: On page 2, after line 9, add the following:

"*Be it further resolved,* That it is the sense of the House that all commercial relations with Czechoslovakia should be terminated immediately, and should be resumed only if and when the Government of Czechoslovakia restores to William N. Oatis his freedom; and be it further

"*Resolved,* That if William N. Oatis is not restored to his freedom within 90 days that the Department of State take steps to evacuate all nationals of the United States in Czechoslovakia with the end in view of severing diplomatic relations with that government."

The SPEAKER. The question is on the amendment.

Mr. ARMSTRONG. Mr. Speaker, on the pending amendment I demand the yeas and nays.

The yeas and nays were ordered.

Mr. JUDD. Mr. Speaker, several of the Members who are interested in this resolution have gotten together, and we want to ask unanimous consent for a modification of the amendment before the vote is taken. Is that possible under the rules of the House?

The SPEAKER. There would have to be reconsideration of the action taken.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the reconsideration of the action just taken whereby the yeas and nays were ordered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I would like to know what the modification is.

Mr. ARMSTRONG. Mr. Speaker, I ask unanimous consent that the following words be stricken from the pending amendment:

After "freedom", change the semicolon to a period and strike out the following: "*And be it further resolved,* That if William N. Oatis is not restored to his freedom within 90 days that the Department of State take steps to evacuate all nationals of the United States in Czechoslovakia with the end in view of severing diplomatic relations with that government."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The Chair thinks it would be proper to have the amendment reported as modified.

The Clerk read as follows:

Amendment offered by Mr. ARMSTRONG: Page 2, after line 9, add the following: "*Be it further resolved,* That it is the sense of the Congress that all commercial relations with Czechoslovakia should be terminated immediately, and should be resumed only if and when the Government of Czechoslovakia restores to William N. Oatis his freedom."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

Mr. WOLVERTON. Mr. Speaker, the resolution before the House demanding that the Czechoslovak Government free Wililam N. Oatis, an American newspaperman, meets with my full and hearty approval.

The arrest and conviction of William N. Oatis, correspondent for the Associated Press in Prague, Czechoslovakia, is a shocking violation of the fundamental human freedoms guaranteed in the United Nations Charter.

This case demonstrates anew that the iron curtain maintained by the Soviet Union and its satellites is the world's greatest menace to peace. By its action in this case the Czechoslovak Government has willfully repudiated the principle of free information which is so essential to peaceful cooperation and friendly relations among the people of the world.

The unfriendly and unjustifiable action of the Czechoslovak Government in this and other cases leaves no alternative to this country other than to condemn in the strongest terms possible the actions of that Government, and, to adopt means that will bring home to the Czechoslovak Government our resentment and indigation as a Nation. Failure to do so invites that and other countries behind the iron curtain to

continue inhuman and illegal acts toward our citizens.

If we have any self-respect we will pass this resolution by such an overwhelming vote that its message will penetrate every country behind the iron curtain, including Russia, and demonstrate that this country will not longer tolerate any action upon their part that is prejudicial to the rights of American citizens.

Let us demonstrate by our vote that America will not be pushed around any longer. Our national honor and dignity is at stake. Let us guard and maintain it by our vote on this resolution that expresses our indignation, and, denies trade relations between Czechoslovakia and this country until the wrong it has done an American citizen and our national honor is rectified.

Mr. BURNSIDE. I think it is necessary to break off trade relations with Czechoslovakia as she has, under this present regime, violated decent principles of nations. A nation with a splendid past which was abducted behind the iron curtain, to be ravaged and dismayed. I hope and trust that her sons and daughters will again, as in the past, rise to throw off the yoke of tyranny. Czechoslovakia's sons are in uniform ready for war, not for her protection, but for Russia's. What a sad commentary.

Mr. DENNY. Mr. Speaker, while America is made the scapegoat of Communist malice in Czechoslovakia by the imprisonment of William N. Oatis, Americans gaily continue to pay his jailers four or five million dollars a year for Auld Lang Syne. These fatuous gifts are in the form of reduced duties on United States imports from Czechoslovakia, reductions accorded through the reciprocal trade agreements program. True, they were granted originally to a free, independent, friendly Czechoslovakia, whose economy was similar to our own and whose trading methods were those of free men. But the present government still gets them.

The Communist gangsters who, by murder and ruthless brutality swept Benes and Masaryk and the whole Government of Free Czechoslovakia to terrible deaths, were very far, however, from disdaining American dollars or benefits in any form. These were part of the reasons for the power grab; they were part of the loot—and an important part it seems. At least every American effort since to reduce or withdraw these tariff concessions has been anathematized as "illegal" or worse by the screaming stooges of the Red regime.

So they still reap where they have never sown, and United States trade with Czechoslovakia is still conducted as though with a decent government. American men, women, and children still blithely contribute to the profits of Communist state-trading institutions whose funds maintain the present Czech Government, including Pankrac Prison, and that ghastly reflection on our power to protect the American prisoner, William Oatis. Worse than that, these funds are applied to our villification today, and, our vilifiers hope, to our flaming destruction tomorrow.

Let us look at recent Government figures for the facts of this trade:

United States trade with Czechoslovakia

Year	Imports into United States	United States exports to Czechoslovakia
1947	$20,146,000	$48,602,000
1948	23,183,000	20,467,000
1949	19,933,000	21,555,000
1950	26,485,000	10,119,000

Thus the 4-year trend shows the United States finally buying much more from Czechoslovakia, and selling it, in literal, military self-defense, only a minor fraction of our former trade. Our debit balances, therefore, must be paid in gold or other forms of cash. Who really benefits today from the existing trade situation? Of how much benefit to the United States today are our ancient trade agreement commitments made to an honorable government in Czechoslovakia? So far as the reciprocal trade agreement goes, it is deader than a doornail.

The adverse trend of trade, however, is not the whole picture by far. The next factor to compute is the value to Czechoslovakia today of the reduced rates of duty still accorded to her trade because of her continued but totally dishonored membership in the society of free nations. She alone of all the current satellites is a member, a high contracting party, of the Geneva general agreement on tariffs and trade, known to the initiates at GATT. And how Czechoslovakia fights to stay in.

The Government's statistics of trade show that by far the major portion of United States imports from Czechoslovakia pay customs duties. That is another way of saying they are manufactured goods competing sharply with American output. The figures for free and dutiable imports follow:

United States imports from Czechoslovakia

Year	Free of duty	Dutiable	Total	Percent dutiable
1947	$925,000	$19,221,000	$20,146,000	95
1948	1,396,000	21,787,000	23,183,000	94
1949	1,197,000	18,736,000	19,933,000	94
1950	1,264,000	25,221,000	26,485,000	95

On the vast bulk of its trade with the United States, though it pay duties, Czechoslovakia continues to draw down benefits through reduced rates granted through trade agreements that amount annually to $4,000,000 and perhaps $5,000,000 a year. That estimate is conservative. These substantial benefits now go, not to Czech businessmen, but to the Government-dominated, nationalized industries, run to produce income for the Communist masters of Czechoslovakia and wages for a vast bureaucracy of intimidation and tight control. The proceeds from freer trade with the United States thus, in bitter irony, go to sustain economic slavery and reward those who mock the United States with their deliberate outrages.

A man may well ask whether the maintenance of this trade with Czechoslovakia is important to the United States as an essential economic exchange, or for other excellent reasons of policy. What is it that the United States imports from this imprisoner of our people that amounts to $26,000,000 a year, perhaps $28,000,000 in 1951?

An analysis of the leading articles imported for the last year point to a conclusion so clear that a high-school boy could give the answer as to how badly the United States needs this trade. The principal items in order of value are given in the following table, with a showing in each case applicable of the value of the reduced rate of duty as compared with what the statutory tariff rate would have been without any reduction.

United States imports in 1950 from Czechoslovakia

	Foreign wholesale value	Computed value of reductions in United States duties
1. Burlap and other jute fabrics	$2,878,000	$145,000
2. Hops (for high quality beer)	2,855,000	276,000
3. Wool manufacturers	2,573,000	
Woolens and worsteds		190,000
Axminster type carpets and rugs		120,000
Wilton type carpets and rugs		35,000
Wool knit berets		45,000
4. Imitation precious stones, etc	2,351,000	240,000
5. Cheap jewelry	1,463,000	825,000
6. Beads and spangles	1,050,000	175,000
7. Women's felt hats and hat bodies	1,035,000	(1)
8. Glass illuminating articles (lamps)	660,000	198,000
9. Blown glass tableware, kitchenware, etc	651,000	183,000
10. Linen tablecloths, napkins, etc	613,000	180,000
11. Women's shoes (cemented, Compo, Argo, etc.)	607,000	None
12. Benzene, naphtha, etc	574,000	(2)
13. Linen and other fabric, other than cotton, rayon	547,000	150,000
14. Rubber boots	443,000	60,000
15. Glass prisms, chandeliers, etc	427,000	228,000
16. Artificial flowers, fruits, etc., for ornaments	329,000	90,000
	19,058,000	3,340,000

[1] Concession withdrawn under the only successful appeal under the "escape clause."
[2] Free of duty.

A word as to the values of the merchandise shown above. United States customs duties are by law assessed against the foreign wholesale value of the merchandise, and only in very rare instances against the United States value. The values shown above are therefore very low in terms of American trade selling prices. These foreign values would need to be multiplied two, three, or four times to show the final retail sales values or prices in American markets. Thus the impact of Czech imports that cost $26,000,000 or $28,000,000 at home in Communist-ridden Czechoslovakia, and we mean wholesale or factory prices, is much more like $75,000,000 or $100,000,000 than the much more modest totals shown above.

The items selected above are the 16 leading imports from Czechoslovakia into the United States in 1950. They comprise 72 percent of the total trade, free and dutiable with the United States in that year. The computed value of the lowered rates of duty on these items is $3,340,000. The total—foreign—value of

the merchandise is $19,058,000. On that basis therefore the total value of reduced American duty rate on Czech trade in total for the year 1950 might be computed as $4,640,000 on the entire trade amounting to $26,485,000.

After all this study, however, that value for our reductions in tariff rates placed at $4,640,000 is still a theoretical one. The great value to Czech imports of lowered American rates of duty is not that they pay less to pass through the United States customs houses than ever before, despite the charm in Communist eyes of taking four or five million dollars away annually from despised America, the supreme value of reduced tariff rates is that they give Czechoslovakia the American market at enormous competitive advantage. They can sell their goods at reduced prices, thus broadening their market and increasing their volume of sales. Or they can charge close to the normal American selling price and make far more profit on each unit sold.

The concessions granted originally to free Czechoslovakia were probably justifiable on several grounds. Reduced rates of duty on both sides should stimulate improvements in trade between the two countries. They would prove helpful in the difficult times of postwar reconstruction and resumption of trade. Free Czechoslovakia as an ally in World War II deserved full membership in the general agreement among the nations to resume world trade along less obstructed and friendlier lines. They expressed a practical friendship between two nations with common ideals and with 20 years of close political and economic association.

Those conditions have now been obliterated. Instead of increasing the exports of the United States to Czechoslovakia in accordance with normal trade developments, incidentally one of the fundamental reasons for establishing the reciprocal-trade-agreements program, we are compelled to the opposite course. For reasons of severely practical common sense, we are now forced to limit our exports to the iron-curtain countries to goods which have no immediate or future power to do the United States and its allies harm. Our long collaboration as free nations of free peoples is at a tragic end through violence, outrage, and murder. What started out to be a reciprocal-trade agreement, an exalted expression of good will and friendship, has now been distorted into a lopsided deal whose high-sounding language and fancy framework remain, but all of whose benefits now flow away in one direction, not to friends but to usurpers who are bent on proving to us that they are brutal, tricky, and cynical enemies.

Mr. WOOD of Idaho. Mr. Speaker, it is my thought that my negative vote on this resolution might need some explanation, so I am herewith correctly stating my position on the question.

The resolution calls for the executive department to take suitable action to bring the matter of the illegal arrest, and subsequent torture and inhuman treatment of this national to the attention of the United Nations, and the Czechoslovak Government.

The most sacred obligation of government is the paramount one of protecting its citizens withersoever they may be dispersed around the globe, granting they are not engaged in violation of international law, or correct usages within the country in which they sojourn.

It seems to be amply proven that Mr. Oatis violated no law or custom in this alien and totalitarian nation, unless his mere presence might be construed an offense by this basically hostile, treacherous, and atavistic outfit.

Whatever the circumstances it becomes the solemn duty of this Government to protect him at all costs, and to actively and effectually intervene in the progress of the case, to assure every full and legal protection of his interests. This principle should be maintained, even if it took the full military power of the United States to bring a just ending to a wicked and vicious attack on the sacred rights of our national in distress.

This resolution calls for Executive presentation of this case to the United Nations and the Government of Czechoslovakia. Consider for a moment the enormity of this sacrifice of the rights of a good American citizen.

Czechoslovakia is a Communist country. By population the complexion of the United Nations is at least 60 percent Communist. In other words in this resolution we are naive enough to leave the fortunes and the life of one of our nationals to the tender mercies of judges and juries 60 percent of whom are of the same ilk as the outfit which has Oatis in their clutches. Nor does this represent the complete story in the United Nations, for a large percentage of its remaining members are socialistic, and it is but a step from socialism to communism.

To illustrate: I happened to hear Fulton Lewis on the radio last evening. He is presently visiting in England. Mentioning the United Nations, one of our enthusiastic English allies replied: "The United Nations? That's something out in the States, isn't it?" What a double crossing, piffling, and futile thing this United Nations is—for America?

Contrast this piffling resolution in behalf of William Oatis in which we humbly beg that monstrosity, the United Nations, to intercede in his behalf, with the quick action of a former President of the United States when an American citizen, Ion H. Perdicaris was seized by the Moroccan bandit, Raisuli, and held for ransom. The response of the President was immediate and forceful. On June 22, 1904, President Theodore Roosevelt directed John Hay, Secretary of State, to send the following cablegram to the American Consul in Morocco: "We want Perdicaris alive or Raisuli dead" and within 24 hours Perdicaris was released.

The life and safety of an American citizen is not a matter of debate or pleading. It is not a matter to be taken up with a hostile cabal of pitiful homunculi to whom Oatis owed no allegiance, and to whom he would have better sense than to look for protection. If the efficiency of the United Nations, and their common honesty equaled the size of their vocal organs, and if any of them were devoted to the best interests of America and its citizens, the case might be different.

William Oatis has the right of direct intervention by the United States Government in his case. It is not a matter for discussion in the U. N. The full diplomatic, air power, and military power of the United States should have been called into action within 24 hours of the time of the illegal arrest, and William Oatis should long ago have been restored to the bosom of his family. To attempt to refer the matter to the United Nations, after so long a criminal dalliance, does not excite too much regard within me for the pitifully weak set of bombastic tyros presently in charge of this Government. The United States is entitled to a better Government, who are not only able but willing to afford ample protection to their nationals in trouble.

Mr. BEAMER. Mr. Speaker, I wish to express a personal appreciation, first, to the House Foreign Affairs Committee, and, secondly, to the entire House of Representatives for the support that was given to my resolution in behalf of William Oatis. This was House Concurrent Resolution 140. In fact, I submitted two resolutions and the committee took the first resolution that I submitted and then amended it in committee and presented it to the House. I am informed that the committee sidetracked other important legislation in order that this very important measure could be given prompt and immediate consideration. Likewise, under suspension of rules, the floor leaders and the Speaker of the House very graciously consented to bring this matter to the floor where it was supported in such splendid manner by all of the Members of the House.

Certain great principles are involved in this consideration. The freedom of press, freedom of speech, and the right to fair trial are three of the great principles for which this country stands. These three principles were denied in the case of William Oatis, who now languishes in a prison in Czechoslovakia only because he was performing his duty as a newspaperman.

Another great principle involved is that the integrity of the United States must be restored. We must maintain the honor of the United States flag and the sanctity of an American citizen no matter where he may be, and especially if he has done no wrong.

As passed by the House, House Concurrent Resolution 140 restores stronger provision by suspending commercial relations. In fact, as reported by the committee, this portion was deleted even though I had submitted it in one of my resolutions (H. R. 332), to the committee. I feel that this is a very important step because it is more effective if we step upon the pocketbook of the Czechs. The balance of trade has been working so decidedly in their favor over the past number of years and most especially during the past recent months that we stand to lose very little and they will lose a great deal.

The wisdom of severing diplomatic relations was questioned. I personally wanted and favored a strong resolution but felt that the severance of commercial

relations would be the strongest resolution to present to the Communist-dominated Czechoslovak Government at the present time.

If diplomatic relations were severed, we might be playing into the hands of this Communist-dominated country. For example, this would require the closing of Embassies and consulates, which, in turn, would remove listening posts and, in all probability, remove these Americans whom the Czechs really wanted out of their country at the present time.

Furthermore, if an attempt were made to withdraw the United States nationals there might be many more Oatis cases and many more imprisonments of American men. Czechoslovakia evidently wants our Embassies and consulates removed. I admit with others that the Embassies and consulates seem impotent but still they might serve as listening posts to keep the United States flag flying and also to say to the Communists that the United States flag must be kept inviolate.

Another reason that it seemed the better part of wisdom to impose only economic sanctions at this time is the fact that this would give another opportunity at a later date to sever diplomatic relations if it seemed necessary to do so to produce the desired results. We all agree that a firmer and stiffer attitude should be taken by our State Department. I was very disappointed in my contact with the State Department in regard to the Oatis case.

A further suggestion would be that an investigation may be made relative to the leanings of Ambassador Briggs, who represents this country in Czechoslovakia. Is it possible that he may have the same weak attitude that has been displayed by Dean Acheson and the State Department? If so, it would seem very important and very necessary that he either be replaced by an American who believes in America or that he be instructed to really take an active part and demand, instead of beg, to see Oatis. Other requests that he might make must be equally firm.

It, likewise, is important that we consider here in Washington the new ambassador that has been sent to the United States by Czechoslovakia. Ambassador Prochazka is reported to be one of the top Communists in the Communist-dominated countries. He is one of the prominent authors of the last Constitution of Czechoslovakia and by his past training and many actions has shown himself to be a pronounced Communist. Is there any reason why the President of the United States should receive their ambassador? This means that we now have another communistic promoter and servant in our midst. How long are we going to permit this type of propaganda in this country when we, in turn, have ambassadors in their countries that seem to be afraid to speak up for our flag and for our demands?

The SPEAKER. The question is on the concurrent resolution.

The question was taken; and on a division (demanded by Mr. McCORMACK) there were—ayes 231, noes 0.

Mr. JUDD. Mr. Speaker, I ask for the yeas and nays on the concurrent resolution.

The yeas and nays were ordered.

The question was taken; and there were—yeas 363, nays 1, not voting 68, as follows:

[Roll No. 155]

YEAS—363

Aandahl
Abbitt
Abernethy
Addonizio
Albert
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Anderson, Calif.
Andresen, August H.
Andrews
Angell
Arends
Armstrong
Aspinall
Auchincloss
Ayres
Bailey
Baker
Bakewell
Barrett
Bates, Ky.
Bates, Mass.
Battle
Beall
Beamer
Beckworth
Belcher
Bender
Bennett, Fla.
Bentsen
Berry
Betts
Bishop
Blackney
Blatnik
Boggs, Del.
Bolling
Bolton
Bosone
Bow
Boykin
Bramblett
Bray
Brooks
Brown, Ga.
Brown, Ohio
Brownson
Bryson
Buchanan
Budge
Buffett
Burdick
Burleson
Burnside
Burton
Bush
Butler
Byrnes, Wis.
Canfield
Cannon
Carlyle
Carnahan
Case
Celler
Chelf
Chenoweth
Chiperfield
Chudoff
Church
Clemente
Clevenger
Cole, Kans.
Cole, N. Y.
Colmer
Combs
Cooley
Cooper
Corbett
Cotton
Coudert
Cox
Crawford
Crosser
Crumpacker
Cunningham
Curtis, Mo.
Curtis, Nebr.
Dague
Davis, Wis.
Deane
Delaney
Dempsey
Denny
Denton
Devereux
D'Ewart
Dingell
Dollinger
Dolliver
Donohue
Donovan
Dorn
Doyle
Eaton
Eberharter
Elliott
Evins
Fallon
Feighan
Fellows
Fenton
Fernandez
Fine
Fisher
Flood
Fogarty
Forand
Ford
Forrester
Frazier
Fugate
Fulton
Gamble
Garmatz
Gary
Gathings
Gavin
George
Golden
Goodwin
Gore
Graham
Granahan
Granger
Grant
Green
Greenwood
Gregory
Gross
Gwinn
Hagen
Hale
Hall, Leonard W.
Halleck
Hand
Harden
Hardy
Harris
Harrison, Wyo.
Hart
Harvey
Havenner
Hays, Ark.
Hays, Ohio
Heffernan
Heller
Herlong
Herter
Heselton
Hill
Hillings
Hoeven
Hoffman, Ill.
Hoffman, Mich.
Holifield
Holmes
Hope
Horan
Howell
Hull
Irving
Jackson, Calif.
Jackson, Wash.
James
Jarman
Javits
Jenison
Jenkins
Jensen
Johnson
Jonas
Jones, Ala.
Jones, Mo.
Jones, Hamilton C.
Jones, Woodrow W.
Judd
Karsten, Mo.
Kearney
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Kennedy
Keogh
Kerr
Kersten, Wis.
Kilburn
Kilday
Kirwan
Klein
Kluczynski
Lane
Lanham
Larcade
LeCompte
Lesinski
Lind
Lovre
Lucas
Lyle
McCarthy
McConnell
McCormack
McCulloch
McGrath
McGregor
McKinnon
McMillan
McMullen
McVey
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magee
Mahon
Mansfield
Marshall
Martin, Iowa
Martin, Mass.
Meader
Merrow
Miller, Calif.
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Mitchell
Morano
Morgan
Moulder
Multer
Mumma
Murdock
Murphy
Murray, Tenn.
Nelson
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Brien, Mich.
O'Hara
O'Neill
Ostertag
O'Toole
Passman
Patman
Patten
Patterson
Perkins
Philbin
Phillips
Pickett
Poage
Polk
Potter
Preston
Price
Priest
Prouty
Quinn
Rabaut
Rains
Ramsay
Rankin
Reams
Redden
Reece, Tenn.
Reed, Ill.
Reed, N. Y.
Rees, Kans.
Regan
Rhodes
Ribicoff
Richards
Riehlman
Riley
Roberts
Robeson
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Sadlak
St. George
Sasscer
Schwabe
Scrivner
Scudder
Secrest
Seely-Brown
Shafer
Shelley
Sheppard
Short
Sieminski
Simpson, Pa.
Sittler
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Springer
Staggers
Stanley
Steed
Stefan
Stigler
Stockman
Sutton
Tackett
Talle
Teague
Thomas
Thompson, Mich.
Thompson, Tex.
Thornberry
Tollefson
Towe
Trimble
Vail
Van Pelt
Van Zandt
Vaughn
Velde
Vinson
Vorys
Vursell
Walter
Watts
Weichel
Wharton
Whitten
Wickersham
Wier
Wigglesworth
Williams, Miss.
Williams, N. Y.
Willis
Wilson, Ind.
Wilson, Tex.
Winstead
Withrow
Wolcott
Wolverton
Woodruff
Yates
Zablocki

NAYS—1

Wood, Idaho

NOT VOTING—68

Adair
Allen, La.
Anfuso
Barden
Baring
Bennett, Mich.
Boggs, La.
Bonner
Breen
Brehm
Buckley
Busbey
Byrne, N. Y.
Camp
Chatham
Davis, Ga.
Davis, Tenn.
Dawson
DeGraffenried
Dondero
Doughton
Durham
Ellsworth
Elston
Engle
Furcolo
Gordon
Hall, Edwin Arthur
Harrison, Va.
Hébert
Hedrick
Hess
Hinshaw
Hunter
Kean
Kearns
King
Lantaff
Latham
McDonough
McGuire
Mason
Morris
Morrison
Morton
Murray, Wis.
O'Konski
Poulson
Powell
Radwan
Rivers
Sabath
Saylor
Scott, Hardie
Scott, Hugh D., Jr.
Sheehan
Sikes
Simpson, Ill.
Smith, Kans.
Taber
Taylor
Welch
Werdel
Wheeler
Whitaker
Widnall
Wood, Ga.
Yorty

So the House concurrent resolution was passed.

The Clerk announced the following pairs:

Mr. deGraffenried with Mr. Elston.
Mr. Morrison with Mr. Kean.
Mr. Harrison of Virginia with Mr. Dondero.
Mr. Hébert with Mr. Taylor.
Mr. Anfuso with Mrs. Ellsworth.
Mr. Buckley with Mr. Taber.
Mr. Rivers with Mr. Hess.
Mr. Hedrick with Mr. Adair.
Mr. Yorty with Mr. Bennett of Michigan.
Mr. Baring with Mr. Widnall.
Mr. Boggs of Louisiana with Mr. Smith of Kansas.
Mr. Welch with Mr. Busbey.
Mr. Chatham with Mr. McDonough.
Mr. Whitaker with Mr. Simpson of Illinois.
Mr. Furcolo with Mr. Hinshaw.
Mr. Gordon with Mr. Kearns.
Mr. Powell with Mr. Latham.
Mr. Davis of Georgia with Mr. Mason.
Mr. Sabath with Mr. Morton.
Mr. Engle with Mr. Murray of Wisconsin.
Mr. Wood of Georgia with Mr. Hunter.
Mr. Lantaff with Mr. Werdel.
Mr. Bonner with Mr. Sheehan.
Mr. Durham with Mr. Poulson.
Mr. Dawson with Mr. Edwin Arthur Hall.
Mr. Wheeler with Mr. Radwan.
Mr. King with Mr. Hugh D. Scott, Jr.
Mr. Morris with Mr. Brehm.
Mr. Byrne of New York with Mr. Hardie Scott.
Mr. Camp with Mr. O'Konski.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the amendments to the preamble.

The Clerk read as follows:

Line 3 of the preamble after the word "of", insert the word "the."

Strike out "Whereas the Oatis case demonstrates anew that the iron curtain maintained by the Soviet Union and its satellites is the world's greatest menace to peace: Now, therefore, be it" and insert the following:

"Whereas the treatment of William N. Oatis demonstrates that the Czechoslovak Government has willfully repudiated the principle of free information which is so essential to peaceful cooperation and friendly relations among the people of the world; and

"Whereas the persecution by the Government of Czechoslovakia of other American citizens is condemned and deplored by the people of the United States, and throughout the free world: Now, therefore, be it."

The amendments to the preamble were agreed to.

A motion to reconsider was laid on the table.

DEFENSE HOUSING AND COMMUNITY FACILITIES AND SERVICES ACT OF 1951

Mr. MADDEN. Mr. Speaker, I call up House Resolution 384 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may desire, and I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this resolution calls up for consideration S. 349, which was considered and reported out by the Committee on Banking and Currency and known as the Defense Housing and Community Facilities and Service Act of 1951.

On two former occasions in this session, the House has considered legislation to relieve the critical housing shortage in military and defense areas throughout the country. Several months ago, a defense housing bill, which had the endorsement of Charles E. Wilson, Director of the Office of Defense Mobilization, and all other officials in charge of the responsibility of our defense program, was submitted to the Congress, but not passed. Recently, when we considered amendments to the Defense Production Act, provisions were made to relieve the critical housing shortage in defense areas, but the same was taken from the bill by mutual agreement of the conferees. This agreement between the conferees was brought about by reason of the unanimous understanding that the Banking and Currency Committee would immediately meet and report out suitable defense housing legislation which is set up in the bill which this resolution calls up for consideration.

This resolution was considered by the Rules Committee yesterday and the rule was reported out without opposition. The present bill, to my mind, will not adequately meet the urgent need for low-priced housing in congested defense areas. It does not set up sufficiently, machinery which can adequately take care of the need for low-priced housing at military installations and industrial areas which are now congested by abnormal defense production. Nevertheless, this bill is a step in the right direction and is highly necessary if our large defense program is to be carried through successfully.

Very briefly I can summarize the high points of this legislation in the following:

First. The President will set up localities in the United States which will be classified as critical defense areas which need low-priced housing and other community facilities.

Second. These proposed critical areas must have existing defense plants, or contemplated expansion of existing plants, or proposed establishment of new defense plants, military installations now existing or in contemplation of construction.

Third. There must be a substantial immigration of defense workers or military personnel.

Fourth. Relaxes credit restrictions for housing construction.

Fifth. After the President declares a defense or military area as possessing critical housing shortage, notification of said action will be set out. The private-building industry will have 90 days to take steps to provide needed emergency housing. The Government will set out through the Federal Register the number of building units to be built. If satisfactory steps are not taken within the 90-day period to provide the necessary housing, the Government may proceed under this act.

Sixth. Every incentive and help to stimulate private enterprise to carry on the construction of this emergency housing is provided in the bill.

Seventh. At some future time when the defense and military emergency has ended and there is not any further need for this housing, they can be sold by the Government.

Eighth. The Government's secondary obligation under the bill is $1,500,000,000.

Ninth. The bill authorizes $100,000,000 for community facilities and services.

Tenth. The bill authorizes $75,000,000 for construction of housing units where private enterprise fails to meet requirements.

Eleventh. Section 401 of title IV extends provisions of the Wherry Act.

It is indeed unfortunate that this Congress has delayed to this late date in passing legislation to provide suitable homes for the families of servicemen and workers in defense production. The Calumet region of Indiana is one of several critical defense areas throughout the United States where living conditions for thousands of defense-worker families are deplorable. During World War II, defense workers came to this region and a great number of them have remained with their families. The housing crisis was critical then and has not greatly improved. Since the Korean war started a year ago, additional thousands of defense workers and their families have come to this industrial area.

During World War II, store buildings were made into temporary living quarters and cots were installed for sleeping purposes. In some cases these cots were occupied by three shifts of defense workers in 24 hours. In the last 6 years, private industry has not been able to provide the necessary low-priced housing for the great influx of population in this industrial area. We have dozens of tourist camps located in the cities of this area and surrounding territory. The tourist-camp population has increased greatly since June of last year.

The slum areas are more congested than they were during World War II. This condition not only curtails and handicaps defense production but it will bring about discontent and a breakdown of morale of a great segment of our working population. J. Edgar Hoover, of the Federal Bureau of Investigation, states that poor living conditions and slums bring about more crime than any other one influence in our country. We are spending billions upon billions to prepare our country against the spread of communism, and lack of housing and poor living conditions will promote and breed more communistic sentiment within our borders than we can curtail by the spending of great sums of money.

This defense-housing bill has the endorsement of all the men and groups responsible for our war effort and it should pass unanimously.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I desire.

Mr. Speaker, the gentleman from Indiana [Mr. MADDEN] has clearly stated the rule and the features of this bill. As one who has always been opposed to public housing because I feel that private housing can do it best, I am opposed to this bill as it presently is constituted. It is my understanding that several amendments will be offered which will be beneficial to private industry, and it is my further understanding that there is no objection on this side to the consideration of the bill. I hope the amendments that will be offered by certain individuals will be accepted. Otherwise I expect to vote against it because I am convinced that private enterprise is equal to the task of supplying adequate housing if it is not hindered by Federal rules, regulations, and edicts.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 349, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill is designed to furnish those things which are necessary to prosecute our defense-mobilization program. It is to provide defense housing and community facilities and services in critical defense-housing areas and in military areas. Whether we think there is sufficient housing in the United States generally or not, housing is certainly needed in those areas. There are great installations being constructed in various sections of the country where there will be a great in-migration of military personnel and defense workers. Housing is as essential to these people as the building of plants. It is in order to furnish housing and those community facilities and services which are absolutely essential to the well-being and comfort of our people that this bill has been introduced.

Its main purpose is to stimulate private enterprise and to give it every incentive to construct the necessary housing and facilities. By a liberal system of insurance of loans and by a relaxation of credit restrictions we have attempted to give private enterprise an opportunity to do this work. The Government cannot construct any of these things or do anything in connection with the construction until after private enterprise, for a period not less than 90 days, has had an opportunity to qualify as an acceptable bidder—not to have a contract—not to be willing immediately to go ahead with the construction—but to qualify as acceptable bidders. The Housing and Home Finance Agency must advertise in the Federal Register the number of units, the character of construction, where located, and give to private enterprise all the information necessary to qualify as bidders.

Of course, if private enterprise will not perform, then the Government would step in. I am sure we do not want the Government to do that, and I believe that private enterprise will do this work under the favorable conditions that are provided in this bill.

At the present time, the only way by which construction can be done in these great installations would be directly by the Government.

The President, under this law, must define critical defense housing areas. It must be an area in which a defense plant is located or is to be located, or in which a defense plant has been reactivated or in which there has been a material expansion of the defense plants.

The conditions that are provided in the bill must be met before the President can declare it is a critical defense area. There must be an in-migration of military personnel or defense workers, and there must be a shortage or an impending shortage of housing that impedes our defense effort. Those things must be found before the President can declare a critical defense housing area.

I have heard it said by critics of the bill that the President might declare the whole United States a critical defense housing area. He could not do anything of the kind under this bill. The conditions are specific, and the findings must be made, and I am sure they would be made in accordance with the facts. To declare any area but those areas that comply with the requirements of a critical defense area would certainly be a violation of plain duty, which would not occur.

We have given private enterprise every opportunity to do this work. We have been liberal in the insurance provisions. We have done everything that is reasonable to stimulate the lending institutions to loan on these properties. I can see no reason to criticize the liberal spirit of this bill. I know some gentlemen want to go much further. I know some gentlemen want to have these people put their hands in the Public Treasury and the Federal Government take all the risk and assume all the responsibility, and let them take all the profit. If the Government has to do that, it might just as well do it itself. While I am in favor of stimulating private enterprise to the fullest extent, I do think that some of the responsibility should be assumed by them.

I hear a great deal said about socialism. When we attempt to have public housing, when we attempt to give a fellow who cannot put a roof over his head a little advantage, that is called socialism. But let me tell you the thing that would stimulate socialism most is for the Government to be the creditor of all its people, for socialism means public ownership and collective control of production and distribution. The way the big interests get control of corporations is by lending them money and then enforcing their contract and taking them over. So when you talk about socialism you had better think of it in that sense. Put the Government in the position of creditor of the people, then when the Government forecloses it becomes the owner, and ownership means socialism.

I want to go as far as anybody in stimulating this private industry. It is the backbone of our prosperity and we must maintain it. The more we can maintain private industry by their own individual efforts, by their own responsibility, and by their willingness to assume some little hazard, the more we are operating in accordance with the spirit of American institutions.

I shall not go any further, because I hope that this debate will conclude soon and that this bill may be passed today, because there is great need for the immediate and effective operation of the bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BARDEN. Will not the gentleman take a little more time for the purpose of answering a question?

Mr. SPENCE. Yes; I will do that; I yield myself five additional minutes, Mr. Chairman.

Mr. BARDEN. I should like to ask the chairman the purpose of this language in section 304:

> SEC. 304. In furtherance of the purposes of this title and subject to the provisions hereof, the Administrator may make loans or grants, or other payments, to public and nonprofit agencies for the provision, or for the operation and maintenance, of community facilities and equipment therefor, or for the provision of community services—

And so forth. In reading the definition of community facilities I find schools in that group. Does the chairman mean that he is giving to the Administrator the authority to make outright grants, Federal money or loans, to nonprofit organizations for the operation of schools?

Mr. SPENCE. The gentleman is asking me to construe the Senate language.

Mr. BARDEN. I am asking the gentleman to construe the language he is recommending to this House.

Mr. SPENCE. We did not change the language of the Senate bill.

Mr. BARDEN. But the gentleman did change the language that the Committee on Education and Labor presented to you for the last bill, and it was incorporated in your bill. What I am interested in knowing is, Why have you abandoned the work of the proper committee of this House and injected this issue in this bill?

Mr. SPENCE. We have been very meticulous.

Mr. BARDEN. I am not concerned with being meticulous; I want to know the definition of this language.

Mr. SPENCE. It was the Senate bill; it came over here, and no change was made in it.

Mr. BARDEN. I have seen a lot of things come from the other body in this Capitol that were no more palatable to me than this, and that is no recommendation. Now I want to know what this language means.

Mr. SPENCE. I presume the Administrator could make a grant to a nonprofit organization which would include a school.

Mr. BARDEN. Does the gentleman recommend that to this House?

Mr. SPENCE. It is in the bill. It was adopted by the Senate. I do not think any discussion was had of that particular thing in the committee.

Mr. BARDEN. Does the gentleman realize there is no regulation as to how much control he should exercise, or anyone else should exercise over those schools after they are built, constructed, maintained, and then the operation of them?

Mr. SPENCE. Now, let us be fair about this. No grants on loans are made unless requested by the local authorities; that would be the local school boards. No grants or loans are made, and no

money can be disbursed unless they make that request. If the loans are made they go to the constituted school authorities that would have control over them.

Mr. BARDEN. The gentleman is speaking of what he wishes were in the bill.

Mr. SPENCE. I think that is in there; I think that is implied. Those loans are not just simply forced on them; they do not say: "You need some money for this school; you need a grant for that school"; the local authorities ask for it, and they will not get it unless they ask for it.

Mr. BARDEN. Tell me who the nonprofit organizations are to operate these schools?

Mr. SPENCE. I cannot tell you all that.

Mr. BARDEN. That is something we should know before this bill is passed.

Mr. SPENCE. But I do tell you this, the local constituted authorities are those whe request this money, are those who request the loans and grants; and in requesting them they must further state that they have no opportunity of raising the money except by excessive taxation or an onerous burden of indebtedness, and they must show that they cannot obtain this money under any of the laws that have come out of the gentleman's committee.

Mr. BARDEN. And then you are going to give it to nonprofit organizations. Why not give it to the poor tax boards and school tax authorities that cannot raise the taxes?

Mr. SPENCE. I do not know whether any local school authorities would request it for a nonprofit organization.

Mr. BARDEN. Let us be frank with each other—just plain downright honest and frank on this issue.

Mr. SPENCE. I always try to be that way.

Mr. BARDEN. I know the gentleman will be.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Chairman, I yield myself two additional minutes.

Mr. BARDEN. When that bill came to the gentleman's committee before from the Department, there was an outright provision in there for the granting or lending of money to private nonprofit organizations. That matter was called to the gentleman's attention and I said at that time that the lid was going to fly off. I took that bill to the Committee on Education. We worked it out and passed our recommendations on to you and your committee in the form of an amendment. The original provision in the bill was a clear-cut provision to drag into this Chamber an issue that this House has not relished for some time. The Committee on Education made provision in its proposed amendment for the school funds to be handled by the public schools and for the public schools and operated as public schools because it was tax money. When that amendment came back to the gentleman's committee somebody raised the issue. Now, Mr. Chairman, it is back here again and I do not relish this church-school issue. God forbid that I ever get involved in any more of these so-called religious issues.

Mr. SPENCE. I do not want to get involved in it, either.

Mr. BARDEN. But we are not going to write any legislation on this floor providing for funds to go to church schools—my church, your church, or anybody else's church—and that is what this legislation attempts to do.

Mr. SPENCE. Well, there are certain safeguards about this.

Mr. BARDEN. There is no safeguard when you use the language I quoted from this bill in the beginning of this colloquy and it was used designedly and for a specific purpose. I am sure the gentleman does not like it any more than I do.

Mr. SPENCE. We are not going to proceed with this any further.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BUFFETT. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirteen Members are present, a quorum.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it will be recalled we had a so-called defense housing bill before the House a matter of about 2 months ago. Because of the fear that the authority contained in that bill might be used to socialize housing, which is a very important segment of our economy, the rule for the consideration of that bill was defeated. The House Committee on Banking and Currency became very busy on the Defense Production Act, and so had no time to do anything further with defense housing until recently.

In the meantime the Senate had passed a defense housing bill, S. 349, which we now have before us. As soon as the Defense Production Act was out of the way the House Committee on Banking and Currency took up consideration of S. 349 and offered several amendments to it, and it is the Senate bill, S. 349, with House committee amendments, which is before us now for consideration.

I made the statement in the Committee on Rules, and I shall repeat it here, that if the Federal Government is going to indulge in the construction of homes, this bill, with certain amendments, probably is the least obnoxious bill which we have ever had before us. However, there are certain general powers contained in the bill which I think we should give consideration to, and I think that they should be eliminated in some particulars, and I believe that more standards should be set up by which our intent might be interpreted in order that the free enterprise system might be protected. I will say, to provoke thought, that there is is no need for this bill and that is why I qualified my statement as I did, that if the House and the Senate are bound and determined that they are going to put the Federal Government into the housing construction business, this bill is the least obnoxibus of any we have had before us. I say there is no need for this particular bill because there is provision in existing law for most of the authority contained in this bill, and existing law in other particulars might be amended very simply to fill in any gaps that might exist.

For example, the so-called Wherry Act authorizes the construction of units within the periphery of military installations. The Wherry Act can be expanded to include defense construction for defense workers; it does not necessarily have to be confined to the periphery of military or naval installations. It can be broadened to include defense workers, and it also can be broadened very simply to authorize construction in so-called isolated areas. We do not need this bill, therefore, for the purpose of getting permanent construction in isolated areas or in any critical defense area. If the Wherry Act does not already apply to these areas, by a simple amendment to the Wherry Act it can be made to apply to the areas, and all of the standards and restrictions and safeguards for private enterprise contained in the Wherry Act would apply to this construction. Likewise in respect to facilities, we could very well get away from this very trying issue which we saw exhibited here a few moments ago, by a simple amendment to existing law in respect to those areas in which the Wherry Act applies.

Under the Defense Production Act the President now has the authority to condemn land for defense purposes, and if the housing is for the purpose of aiding the defense effort then, of course, the acquisition provisions of the National Production Act would apply. There is no necessity, therefore, for the reenactment of that authority in this bill.

Under the National Production Act and under no acts which we have passed up to the present time outside of military installations have we ever given the Federal Government the authority to operate hospitals, schools, libraries, day nurseries, fire departments, and the like. It is very questionable whether the Federal Government should be given the authority to operate schools, hospitals, fire departments, sewage-disposal units, day nurseries, libraries, and so forth, for the reason that where the construction of these homes is of a permanent nature the property then goes on the tax rolls and, through the collection of taxes on this increased valuation in our political subdivisions, ample moneys are made available for local governments to operate the services incident to the hospitals, schools, day nurseries, libraries, and so forth, which might be built under the loan and grant provision. In that way we would get away from these charges that the Federal Government through some program or other is trying to socialize medicine, trying to socialize education, trying to regulate and control the thinking of our youth, which is socialistic and communistic, as a matter of fact. Thought control is the very basis upon which the Soviets function and keep their people under control.

Therefore, there is some justification for the fear that if the Federal Government operates our schools it will follow that there can be a certain amount of thought control on the part of the Federal Government. At the proper time an amendment will be offered to this bill

to strike out "services" wherever it appears—and it appears in perhaps 20 different places in the bill. If that is done, then the Federal Government will have to turn over the operation of all these facilities to the local governments, where it belongs.

We have had hospital programs and we have had school programs. I guess we have had day-nursery programs. Never has it been necessary to service the facilities created under those programs. It should be no more necessary under this bill to service these facilities than it was under the school bills and hospital bills which this Congress has from time to time enacted. This bill provides for about $200,000,000 in total of loans and grants, divided more or less as follows: For public housing, that is, the housing which the Government can build itself, $75,000,000. The Senate provided for $50,000,000, and the House Committee on Banking and Currency increased that to $75,000,000. For facilities the House committee provided $100,000,000. The other body, when it passed the bill, put the figure at $60,000,000. For the acquisition of isolated sites by the Federal Government there is another $10,000,000, and there is also provision here for loans for prefabricated housing—$15,000,000. That makes a total of $200,000,000.

In addition to that, we have increased the authorization for the Federal Housing Administration insurance by $1,500,000,000. The other body had provided that this $1,500,000,000 be restricted to the defense housing mentioned in this bill, but because of our philosophy as to the manner in which these units should be constructed we felt they could very well be constructed under title 2 or title 6 or title 9 of the FHA. The FHA was getting a little short of insurance funds; they needed about $500,000,000 to carry on their ordinary programs; they needed about $400,000,000 for this bill—and that is about all they have been able to justify under this bill. So there seemed to be no need for $1,500,000,000 to be authorized solely for this defense housing. So the $1,500,000,000 increase for FHA is for all purposes and will give them a little reservoir from which to draw in the future. Therefore, there should be no postponement or relaxation of the FHA program.

In the defense production bill, as it passed the House, we provided that regulation X, which is the regulation having to do with control of credit for the construction of real estate units, should be suspended in these critical defense areas. The reason for it was if there was a shortage of houses in any of these critical areas, which might result in rent control, we would have to give encouragement to the building of houses to satisfy the rental market and to obviate the necessity of rent control. That bill, as you will recall, applied to rental properties solely. So, in our judgment, we provided that in the areas where there were these shortages, we should suspend regulation X. The other body authorized a relaxation to the extent necessary to give full production. We were not too far apart excepting that perhaps the other body had a little more confidence in the administrators of the act than the House did. We said that regulation X should be suspended. The other body said it should be relaxed sufficiently to get the necessary production. Of course, there is compliance with the law, if the relaxation is a fraction of 1 percent. So, in order to provide these houses in these critical areas, and to assure we get sufficient production, the amendment should be offered to this bill to require the suspension of regulation X in these critical areas until such time as it is determined that there are sufficient units within the area to meet the demand.

May I say, in addition to what I have said, that there is no need for this bill, especially in these defense areas where there are housing shortages, because private industry during the year 1946 up to the present time has indicated its ability and willingness to produce more units than are necessary in many areas, provided they are given some encouragement and a free hand to do so. So in order to get adequate housing facilities in these areas, all we would have to do would be to suspend regulation X, which is the biggest influence today against construction of housing units, rental and otherwise, and then if it became necessary we could allocate sufficient materials into those areas to assure sufficient production. Homes are not being built today because they cannot get material allocated to them, and the money market is such, because of the application of regulation X, that you cannot get finances.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself two additional minutes.

We should make certain in this bill that we do not encourage practices, which are charged to the Government, of making it impossible for private enterprise to build sufficient units to meet the demand, with the result that the Federal Government must come in and build them.

I think all doubt with respect to the disposal of this piece of legislation lies in the underlying thought, that somehow, somewhere, somebody has got into their minds that if they can make it tough enough for private enterprise private enterprise will not or cannot build the units required. Then they activate the public-housing provisions of this act and make it necessary for the Federal Government to come in and do the job. To me, that is socialism, if it is carried to any extreme at all; because, as I have said so often on this floor, the essence of socialism is simply this: That where private industry fails to meet a production goal, through unwillingness to do so or inability to do so, then socialism teaches that then it is the province of Central Government to come in and take over the production job. That is just as true of housing as it is of automobiles or safety pins. We have to be very careful in this bill that we do not make it impossible for private industry to build the units, to make it necessary that this particular segment of our economy be socialized.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. DONOVAN. Would the gentleman care to indicate the geographical locations in this country, in a general way, referred to in this bill as critical defense areas?

Mr. WOLCOTT. They have not been mentioned. They have under existing law designated certain areas as critical defense areas to provide for accelerated depreciation for income-tax purposes and to get allocation of materials. Under the Defense Production Act there undoubtedly will be critical defense areas named for the purpose of invoking rent control.

Mr. DONOVAN. Were there not any areas specifically discussed in the hearings before the committee?

Mr. WOLCOTT. Yes, There is a list available. It seems to me there were 25 or 30 areas which have already been determined to be critical areas. I am sure that the staff has them, and they will be put in the RECORD for the gentleman.

Mr. DONOVAN. Do I understand that they are not in the report but that the staff has a list of those areas?

Mr. WOLCOTT. I do not think they are in the report, but the staff has a list of them, and we will see that it is put in the RECORD for the gentleman.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Georgia [Mr. BROWN], 10 minutes.

Mr. BROWN of Georgia. Mr. Chairman, last month this Congress passed the extension of the Defense Production Act which provides the basic authorizations for our whole defense production program. Last week this House passed a $56,000,000,000 appropriation for the Armed Forces for the 1952 fiscal year to Defense production is the basis of our strength in meeting threats of Communist aggression.

Such a program requires manpower on the home-front lines—the production lines of our economy—and we have to see to it that housing and community facilities and services necessary for people engaged in defense production and defense activities, are provided when and where needed. Otherwise our defense-production program can and will suffer needless crippling delays.

The bill which we have before us today, S. 349, as reported by our committee with amendments, will provide needed housing and community facilities and services and do it in the manner in which you would want it done. The bill would place maximum reliance on private enterprise and give liberal Government aids to encourage private enterprise in full production. There would be minimum reliance on direct Government activity in these fields.

The bill contains six titles. Title I sets forth standards for determing critical defense housing areas and establishes procedures to be followed in exercise of the authority contained in the bill. It also provides a June 30, 1953 termination date on these authorities. Title II of the bill would add a new title IX to the National Housing Act under which lib-

eral FHA mortgage insurance would be provided for encouraging private enterprise in the production of housing in critical defense housing areas. Title III of the bill would provide the Housing and Home Finance Administrator with limited powers to provide defense housing and with authority to aid local communities in the provision of necessary community facilities and services or if in some cases they were unable to do so with such assistance, to provide them directly. Title IV would set up authority for the Government to provide sites for necessary development in connection with isolated defense installations. Title V would permit additional Government loan authority to encourage the production of prefabricated housing. Title VI would provide amendments to certain existing laws relating to housing such as extension of Wherry Act housing and extension of direct-loan authority for GI housing.

Before discussing these provisions in more detail, I would like to recall to the Members of this body that we have faced this problem before. Back in World War II we had the Lanham Act and the old FHA title VI. Under the wartime FHA title VI mortgage insurance authority in the years 1941–46 inclusive, there were 433,878 dwelling unit starts of permanent construction made by private industry. In addition there were 288,114 dwelling units starts of permanent construction by private industry under the normal peacetime FHA title II mortgage insuring authority.

The old Lanham and related acts provided authority for construction by Government of housing and community facilities and services and for assistance to communities to provide their own community facilities and services. Under that authority up through 1946 some 600,000 housing units were constructed. Of these, approximately 200,000 were classified as of permanent construction. With respect to community facilities, called defense public works at that time, the Government assisted the construction of, or constructed directly, some 4,059 projects involving costs of $457,866,000, of which approximately 80 percent came from Federal funds. Of these totals, 1,572 projects representing slightly less than 40 percent of the total project costs were constructed directly by the Government. Community facilities or war public services as they were known then, were provided in 3,150 cases at a cost of $383,388,000, of which only approximately 30 percent came from Federal funds.

In those cases in which it was necessary for the Government to step in and directly provide community facilities and services, I doubt if there is a single community which would claim we went socialistic because the Government did step in and provide the needed community facilities and services which the local government itself could not provide. Our committee has given careful consideration to the lessons of our previous experience and have endeavored to profit by them in the provisions of this bill which we now bring before you for your consideration.

As previously mentioned, title I of the bill sets up standards that must be followed by the President in determining that an area is a critical defense housing area. Such a determination could be made only if all the following conditions were found to exist:

First. A new defense plant or installation has been or is to be provided or an existing one reactivated or its operation substantially expanded;

Second. Substantial in-migration of defense workers or military personnel is required to carry out activities at such defense plant or installation; and

Third. A substantial shortage of housing for such defense workers or military personnel exists or impends which impedes or threatens to impede activities at such plant or installation, or community facilities or services required for such defense workers or military personnel are not available or are insufficient.

It is only in such areas that the new FHA insuring authority provided in title II of the bill, the housing and community facility and service authorities provided in title III of the bill, and the site acquisition authorities contained in title IV of the bill, may be utilized.

In order that private enterprise may have full opportunity to provide housing in an area which is declared to be a critical defense housing area the following action must be taken:

First. The Housing and Home Finance Administrator must announce and print in the Federal Register the number of programed housing units required.

Second. Credit restrictions on housing imposed under the Defense Production Act must be relaxed to the extent the President deems necessary and appropriate.

Third. The new FHA title IX insuring authority must be made available in such areas.

Fourth. No permanent housing shall be constructed by the Federal Government under title III of the bill except to the extent that private builders or eligible mortgagors have not, within a period of not less than 90 days—or such longer period as the Housing Administrator may specify—following the announcement of the availability of the proposed FHA mortgage insurance aids under title II of the bill, indicated through bona fide applications for exceptions from residential credit restrictions or for mortgage insurance or guaranty that they will provide the needed defense housing.

In order that local communities will provide from their own funds needed community facilities and services in critical defense housing areas the bill would provide:

First. That no Government loan for community facilities can be made unless the chief executive officer of appropriate political subdivision—other than a local housing agency official—certifies and the Housing Administrator finds such facilities could not otherwise be provided.

Second. That no grant or other payment for community facilities or services could be made unless the chief executive officer of the appropriate political subdivision—other than a local housing agency official—certifies and the Housing Administrator finds there otherwise would be an excessive tax burden or an unusual or excessive increase in the debt limit of the local agency.

Third. That no community facility or service shall be provided, maintained, or operated by the United States directly except when the local agency is unable to do so with its own personnel, with loans, grants, or other payments authorized under title III of the bill.

As previously mentioned, the title also sets a June 30, 1953, termination date on the authorities granted in the bill with respect to activities in critical defense housing areas.

Title II of the bill provides for the addition of a new title IX to the National Housing Act under which FHA mortgage insurance, quite similar to that under the old FHA title VI, would be made available to private interprise for the provision of rental housing for persons engaged in defense activities. Two types of mortgage insurance authority would be made available, one relating to the mortgage insurance for new, one and two family structures and the other relating to mortgage insurance on new multifamily rental projects. With respect to the one and two family units, mortgage insurance could be granted to the extent of 90 percent of FHA appraised value but not in excess of $8,100 for a one family unit or $15,000 for a two family unit, or $9,000 and $16,000 respectively in high cost areas. These limits could be increased by $1,080 for a three-bedroom unit or $2,160 for a four-bedroom unit if the FHA Commissioner finds that such increases are necessary to avoid impairment of sound standards of construction, design, or livability. The mortgage maturity could not exceed 30 years, the rate of interest not exceed 4½ percent and complete amortization within the term of the mortgage would be required. With respect to the multi-family projects the insured mortgage could not exceed, first, an amount of $5,000,000; second, nor 90 percent of estimated FHA value of the completed project but in no event in excess of FHA estimated cost of physical improvements, exclusive of off-site improvements, organization and legal expenses; third, nor $8,100 per unit if the number of the rooms in the project is four or more per unit, or $7,200 per unit if the number of rooms is less than four per unit, for such part of the project as is attributed to dwelling use. In order to correct one of the abuses that existed under the old section 608 program, namely the complete mortgaging out of the owner, we have provided that the insurance be granted on a valuation basis rather than the "necessary current cost" basis used in the old title VI operation and have added a requirement for certification of construction costs in the section 908 program.

This insurance program contemplates that the owner will have at least a 10-percent equity in the project and in the law and in the administration of the law we want to see to it that this intention is carried out. A 90-percent insured mortgage is liberal financing, it should attract private investment and I do not

think any legitimate operator is going to object to a minimum actual 10-percent equity investment. In connection with the multifamily project mortgages, the FHA Commissioner could set the maximum mortgage maturity, the schedule providing for complete amortization and prescribe the rate of interest, not, however, exceeding a rate of 4 percent per annum.

Under this new title IX when the Commissioner determined that a proposed project would be an acceptable risk in view of the needs of national defense, he could insure or make commitments to insure mortgages for needed housing in areas which the President finds are critical housing areas. In order that there may be effective programing of such housing in such areas the Housing and Home Finance Agency Administrator could authorize the number of units to be insured pursuant to this title. The Housing Administrator would authorize procedures to assure priorities to defense workers in rental or purchase of properties insured, and protection is afforded families with children. The premium rate for insurance under this title could not be less than one-half percent nor more than 1½ percent of the outstanding mortgage balance and these were the same limits that existed in the old title VI authority. In addition to these insuring provisions the title contains the necessary operating and conforming authority to fit this new title IX into the FHA program.

Title III authorizes the Housing Administrator, subject to the provisions of the title, and to the provisions and limitations of title I, to provide needed housing, or to extend assistance for the provision of, or to provide needed community facilities or services in a critical defense housing area. In any housing so provided emphasis is to be placed upon the construction of one to four family structures, suitable for eventual sale as individual units. When such units are to be disposed of after they have served their need of providing rental housing for defense workers, preference would be given in purchase to occupants and veterans. In some cases it might be necessary to construct larger buildings than four-family structures, and when they are eventually disposed of purchase preference for not less than 90 days or more than 6 months would be granted to veteran mutual ownership and veteran cooperative organizations which grant occupants equal participation if they so desire. Sales of either type of property would be for cash or on credit not exceeding 25 years with interest of not less than 4 percent per annum on the outstanding balance. The cost limits for housing constructed under this title cannot exceed an average of $9,000 for a two-bedroom unit, $10,000 for a three-bedroom unit, and $11,000 for a four-bedroom unit, which limits are comparable to those provided in the title IX insuring authority with respect to insured single family units.

Notwithstanding the disposition problems which temporary housing creates it nevertheless will probably be necessary to provide some temporary housing where the need would appear to be of a temporary duration such as, for instance, in the case of building an atomic emergency installation which will require a much larger number of workers during the construction period than the number of workers required to operate the actual installation once the project has been constructed. Accordingly, provision is made for the construction of temporary or mobile housing to serve such needs and eventual disposition of such housing accommodations would be left to a future determination of the Congress, without, however, preventing the administrator from ordering removal of such housing earlier by demolition or otherwise.

With respect to the provisions of community facilities and services to meet needs attributable to defense activities, this title authorizes the Housing Administrator to give assistance in the form of loans, grants, or other payments to appropriate public and nonprofit agencies to meet costs attributable to defense activities in the area. If this assistance is in the form of continuing payments, such payments must be examined annually and adjusted so that the local agency bears a fair share of the cost. Community facilities and services would be provided and operated directly by the Government only in the event appropriate local and private agencies are unable, even with the assistance provided them by the Government, or are unwilling to provide, operate, or maintain such needed community facilities and services.

With respect to Government provision of housing or community facilities, provision is made that such must be done in accordance with State and local laws relating to health and sanitation. State and local building codes are to be observed to the maximum extent practicable, taking into consideration availability of materials and the requirements for national defense on all construction of other than a temporary nature.

The acquisition by the Government of any real property under this title or title IV—which relates to defense site acquisitions—would not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in or over such property, or impair the civil or other rights under the State or local law of the inhabitants of such property.

With respect to housing provided under this title, the Housing Administrator would fix fair rentals based on the value thereof as determined by him and prescribe the conditions of admission and occupancy of such housing. From rentals received the Housing Administrator is authorized to pay annual sums in lieu of taxes and special assessments to any State or political subdivision thereof in amounts approximating what would otherwise be payable if the property were not exempt from taxation making due allowances for expenditures by the Government in the provision or maintenance of streets, utilities, or other public services to serve such property.

While the primary authority under this title is delegated to the Housing Administrator, nevertheless the President would be authorized to transfer functions provided by this title to other agencies of Government performing similar functions. For instance, functions relating to schools could be placed in the United States Office of Education. However, with respect to health, refuse disposal, sewage treatment, and water purification we have specifically provided that any such functions carried on under the authority in this title shall be exercised by and be vested in the Surgeon General of the Public Health Service.

We have placed dollar limitations on the amount of appropriations authorized for Government provision of housing or community facilities and services in critical defense housing areas. In the case of Government constructed housing, appropriations only of $75,000,000 are authorized and in the case of Government provision for community facilities and services, appropriations authorized are limited to $100,000,000.

In connection with real property acquired by the Government by condemnation for purposes of titles III and IV, we have provided safeguards in the exercise of the condemnation authority similar to those contained in the Defense Production Act. These are good provisions and ought to be included in this bill.

Title IV of the bill would grant certain authorities to the Housing Administrator with respect to the acquisition and improvement of sites in connection with a defense installation developed or to be developed in isolated or relatively isolated areas if he found that housing and community facilities would not otherwise be provided when and where required or that there would otherwise be land speculation or uneconomic use of land which would impair defense activities at such installation. The administrator would make general development plans, acquire sites and make site improvements other than buildings, and then dispose of them for the planned use in the public interest. If private industry or local communities would provide the needed housing and community facilities with or without the assistance provided them elsewhere in the bill, they could be given the opportunity to provide the needed housing and community facilities and services. If they could not provide them where and when required, the administrator could, of course, utilize the powers granted him under title III. The administrator upon direction of the President would also be given the authority to acquire the site of the actual defense installation itself and in connection therewith exercise the powers granted him under this title.

Appropriate provision with respect to taxation would be made to enable any such communities to function as local communities rather than become Government-owned towns. On property acquired and held by the administrator pursuant to this title and with respect to any defense installation owned by the Federal Government in connection with which such property is acquired, the administrator could pay annual

sums in lieu of taxes to the appropriate State and local taxing authorities.

The amounts to be paid in lieu of taxes would be subject to the usual appropriation procedure.

It is contemplated that the site acquisition and site development work under this title would be accomplished under an appropriated revolving fund in the amount of $10,000,000 and interest payments to the Treasury would be required on funds used.

Title V of the bill relates to prefabricated housing. Last September there was transferred to the Housing and Home Finance Administrator by Reorganization Plan No. 23 the functions of the Reconstruction Finance Corporation with respect to loans to prefabricated housing manufacturers, primary authority for which is found in section 102 of the Housing Act of 1948. This section 102 authority would be amended to make clear that loan authority under it includes financial assistance for distribution as well as the production of prefabricated housing or housing components and the administrator would be authorized to extend such financial assistance either directly or in cooperation with banks or other lending institutions through agreements to participate or participation with institutions in such loans.

The Housing Act of 1948 would be further amended by adding three new sections immediately following section 102. The new section 102a would authorize the Housing and Home Finince Administrator to extend financial assistance to existing manufacturers of prefabricated housing in order to insure the maintenance of such industrial capacity for purposes of national defense. The total amount of commitments for loans made and obligations purchased under this authority could not exceed $15,000,000 outstanding at any one time and the Administrator would obtain the necessary funds from the Treasury through a public debt transaction. The new section 102b would round out the Administrator's authority over the prefabricated housing loan program so that with respect to it he would have the powers transferred by Reorganization Plan No. 23 and powers similar to those he exercises over other loan programs. The new section 102c would make clear that the term "prefabricated housing" as used in the Housing Act of 1948 includes housing of mobile or portable character.

Title VI of the bill would make amendments to existing laws and sets forth certain general powers with respect to this legislation. I would like to touch on only five of these. Section 601 would extend insurance authority under title VIII of the National Housing Act, which is the military housing insurance title, for a period of 2 years to July 1, 1953, and also would make that insurance authority available for the provision of rental housing at or adjacent to atomic energy installations. The insuring authority under that title is further amended so that the FHA Commissioner can increase the $8,100 limitation per unit by not exceeding $900 if he finds cost levels in any area so require.

Section 602 contains a provision which was in the Defense Production Act amendments as passed by the House and which was deleted in conference on that bill with the understanding that the provision would be considered by our committee in this housing bill. The provision I refer to deals with down-payment requirements on GI home loans and I offered the amendment in committee to put this provision in the bill. It limits to no more than 6 percent the down payment that may be required, in connection with the loan on any home guaranteed under the GI bill providing the cost of the home does not exceed $12,000. For a home costing $12,000 that means a down payment of $720. Under existing housing credit regulations, a veterans is required to make a down payment of $1,900 or 15.8 percent.

Section 607 of the bill contains a provision authorizing $1,500,000,000 of mortgage-insurance authority to be made available to FHA upon a determination by the President. From this aggregate amount the President could authorize a specific amount for insurance operations under the new title IX of FHA which is provided by title II of this bill. He could also authorize additional insurance authority if needed for any of the other insuring titles of FHA except the old title VI authority. For instance, he could increase insurance authority in title VIII which is the title providing insurance of mortgages of rental housing at military and atomic-energy installations. He could, if necessary, increase the insurance authority under section 8 of title I, which covers the insurance of mortgages on small homes in outlying areas, or he could put additional insuring authorization in title II, which is the normal basic mortgage-insurance authority of FHA. As I pointed out to you in the opening of my remarks, during World War II the regular title II insuring authority did continue to provide housing, notwithstanding the fact that at that time we put into operation title VI authority which was designed to get needed war housing through a more liberal program of mortgage insurance. Certainly, if we can get needed rental housing in defense areas through operation of the basic FHA title II insuring authority, we should not foreclose that possibility by failing to provide any needed insuring authorization.

I would like to emphasize that this increase of $1,500,000,000 in insurance authorization is not an appropriation. It could only be a charge on the budget in the event losses on the insuring program exceeded the reserves provided through collection of premiums for the insurance. As of the end of last year, FHA insurance reserves amounted to over $252,000,000.

When this bill was originally before our committee, it provided for a $3,000,000,000 increase in insurance authorization. I thought that was too much and that it ought to be cut down. The $1,500,000,000 increase we have provided seems to me to be about right. I think it will do the job.

There is another provision in this title which was included in the bill at my suggestion. It is found in section 611. It will give folks displaced from their homes because of acquisition of property for a defense installation or industry, the right to occupy or purchase housing which is provided or assisted under the terms of this act or which is provided through relaxation of housing credit controls in defense areas. It is only right and proper that people who have their homes taken away from them, such as the good people down in the area of the Savannah River installation in South Carolina, have an opportunity to reestablish themselves in areas outside of the installation.

A provision in the bill that will be of interest to many veterans is found in section 613 (b). This will enable veterans who have not previously used their GI home loan benefits, to qualify for a guaranteed housing loan up to an amount of $7,500 less any sums borrowed by such veteran for other than housing purposes. Veterans without homes of their own, who have used GI benefits for purposes of a guaranteed business loan, will find this provision of particular interest.

Members will recall that a short time ago the House passed a bill extending the GI direct home loan authority for a period of 2 years to July 1, 1953, and placed the $150,000,000 loan fund on a revolving fund basis. The Senate did not act on that bill for the reason that similar authority was contained in this present housing bill which had already passed the Senate. Members will note with interest that these provisions are contained in section 614 of this bill.

In summary I would like to emphasize, gentlemen, that the problems this bill is designed to meet are with us here and now. Everyone knows the pressing needs that exist in connection with the New Savannah River project which is located just across the line from my own district in Georgia. There the Government is taking 250,000 acres for the project and some 7,100 people now are in the process of being dispossessed from their homes and farms, many of which have been in the family for generations. In addition there will be a tremendous influx of population to the surrounding area as it is estimated some 6,000 people will be employed as operating personnel at the project. While the project is in construction it will probably require about 35,000 workers. There will have to be provided not alone housing, sewer and water facilities, schools, hospitals, and so forth, for the people dispossessed from their homes, but in addition, similar provision must be made for the substantial influx of new people required in connection with the project. Under the authorities contained in this bill provision can be made in the manner in which it should be made. Private enterprise can provide much of the housing required and with the assistance in this bill local communities can go a long way in meeting additional problems that are forced on them. That is the way all of us would like to see it done and I think all of you will agree it is a way much more preferable than the alternative of having Government-owned towns. Let us speed this bill on its way, gentlemen,

so that we can get on with the job of national defense.

Mr. GAMBLE. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, I believe a defense housing bill is necessary. I believe that in time of stress, when our country is beginning to flex its muscles in mobilization, that we must provide housing for our military personnel; that we must provide housing for our defense workers.

Mr. Chairman, as a Member of the minority party of this House I do, however, have a responsibility and a duty to point out certain flaws in any proposal which is presented and then to the best of my ability suggest amendments which may correct situations which need correction and, finally, if I decide that the bill is bad, to vote against it. However, Mr. Chairman, I am hoping that I can vote for this bill. It is possible that I will, but there are some things which must be called to the attention of this House before we pass upon it finally.

The gentleman from Michigan [Mr. WOLCOTT] in closing his statement this afternoon, pointed out that under the guise of defense, quite frequently the administration has brought to this Congress measures which accomplish far more reaching objectives than that announced by its proponents. In this bill we have three such things, to which I want to call your attention.

The first is that after it has been determined that private builders of housing cannot or will not build sufficient houses for the use of the military and defense workers, that the Government will provide. Let me repeat that: That when it is determined after 90 days have elapsed, and that bona fide applications have not been filed for the erection and construction of houses for the military and defense workers, that the Government—and I underscore it—will provide.

Now I understand, Mr. Chairman, that there are times when the Government must provide housing for the military. There are times, Mr. Chairman, when the Government must and should provide housing for the defense workers. Let us examine those situations. It is said that there are isolated areas in the country and there are semi-isolated areas in the country where the Government cannot secure private builders to do the job, and I think that is true. There are a few such areas in the Nation. One such is Paducah. Other such areas are located throughout the country. But, Mr. Chairman, the point I am making, and the point that is made by many people who believe as I do, is this: We will resist the use of that principle to permit the Government to provide houses for the people of America. Why? Because, Mr. Chairman, we believe that this country of ours has grown great not by the Government's providing for us, we believe this country has grown great by the fact that the people themselves have done the job. Only in an extreme emergency should the Government be required to assist, and in those cases we have permitted that to be done.

So the first objection I have to this bill is that it provides for the Government construction of houses for the people of the country without proper limitation that those people are in critical defense areas. So I think that is something that must be corrected, and we have a possibility of limiting that by amendment.

Let me illustrate what I mean by "critical areas," and the difficulty that has arisen over the past number of months in determining by agency methods, by having a group of people sitting around a table and discussing criteria, examining agenda, and so on, deciding where and how houses shall be built.

There was set up in the executive branch of the Government what is known as a Critical Areas Committee. That Critical Areas Committee has as its obligation the responsibility of determining what areas within the country are critical areas and required housing—a very simple thing.

A number of areas in this country probably do require and have required housing, but since that agency has been set up, I think about 5 months, only 20 or 25 areas have been declared to be critical housing areas.

On June 20, 1951, a city of nearly 100,000 population, Topeka, Kans., represented by the mayor and the commissioners and the chamber of commerce, presented an application to the Critical Areas Committee stating, "We have had an installation reactivated in this town, an air base, to which they will bring 8,500 men. The housing situation is critical in Topeka and we would like to have our area determined to be critical."

Nearly 3 months ago I called the Critical Areas Committee, and contacted them time and time again requesting information concerning what had happened to the critical areas designation of Topeka, Kans. The other day I found that they had had a report from the Labor Department saying there was no great in-migration of labor into Topeka. A 5-minute telephone call to Topeka would have disclosed that.

I called again today, and found that, "Nothing has been done. We do not know. We are studying the matter."

That is the situation that arises when we find a Federal agency attempting to determine where and how housing shall be built. That is bureaucracy rampant.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. EVINS. In defense of what the gentleman has said with regard to Critical Areas Committee, I might state that in my State of Tennessee in Tullahoma, where the great air engineering development center is being built in connection with wind-tunnel work, the Committee has declared that a critical area, and properly so. I think the Committee acted very wisely in its decision.

Mr. COLE of Kansas. I think they probably did. I thank the gentleman. The point I am making is that there are many areas which could be determined immediately and nothing has been done. But when we have an agency, and a bureau attempting to determine all of these housing problems, we are going to have a great deal of difficulty in getting that job done satisfactorily, fairly and equitably.

Mr. Chairman, I want to point out two other objections to the bill. The second objection is with reference to the provision that the Government will place in any given community certain community facilities. The bill has few restrictions and some limitations in connection with community facilities. It provides for grants or loans for community facilities. I will read to you what facilities the Government may provide for your community. The language of the bill is as follows: "Any one"—facility—"necessary for carrying out any community living." The Government may grant up to $100,000,000 for any community facility necessary for the carrying on of community living projects in your area. Yes, there is a limitation on it. What is the limitation? That limitation is that the chief executive of the area must certify—and how difficult it will be to get a chief executive to certify—he must certify that the community facility cannot be obtained otherwise. Secondly, that in order to obtain it, they would be required to have an excessive tax burden. That would not be difficult. Last: he must certify that the local agency cannot, due to this great tax burden, provide this community facility.

Mr. Chairman, I am pointing out this danger—the danger of the Federal Government going into each and every community throughout this country and saying "We know you cannot provide this facility, therefore, we will grant it to you with cold cash." And so far as the defense area is concerned; what is not a defense area in this country?

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. DONDERO. Is there anything in the bill which defines what a defense area is?

Mr. COLE of Kansas. National defense is defined, but a defense area is not defined adequately enough, in my judgment. I believe you will find it on page 47 of the bill. It is not defined sufficiently. But practically any area in the United States could be a defense area.

May I say this. On pages 4 and 5, you will find certain criteria for defense areas—in-migration of workers—a defense plant that will cause a shortage of housing—and third a shortage of houses.

Mr. Chairman, I want to comment again about the third objection. In addition to community facilities, the Government may also go into your community and say "We see you are unable to provide community services so we will provide the community services including education services, library services, day-care services, and any other services necessary for community living.

Mr. Chairman, as I stated in the beginning of my remarks, I want to do everything possible to see that the mobilization effort is carried out, and that the sinews of war are built to the extent necessary to defend ourselves. I believe that it is required that we build housing for our military personnel and those people who are living in defense areas. But, Mr. Chairman, under the guise of national defense, it would be silly, it would be immoral, if we permit-

ted legislation without any limitation to be placed upon our people to change our traditional way of life.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield to the gentleman from Iowa.

Mr. JENSEN. Can the gentleman explain why it is necessary to allow $200,000,000 for loans and grants in this bill, for the Federal Government to go out and enter into the building game, when we could soften the requirements of FHA, and private industry would be glad to go in and build houses in any critical area? Just why do we have to make this grant and this loan provision of $200,000,000? Can the gentleman explain that?

Mr. COLE of Kansas. As I said in my statement, I do not think evidence was presented to our committee that it is necessary. I think there are several laws under which it can be done. The gentleman from Michigan [Mr. WOLCOTT] explained in his statement that it can be done now under existing law. It can be done in connection with housing. It can be done in connection with schools, and it can be done in connection with the facilities that may be needed in those isolated defense areas; and they are needed. It can be done under existing law.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. What is the difference between this bill and the bill that was defeated 6 weeks or 2 months ago?

Mr. COLE of Kansas. I think there are a few changes, but, in my judgment at least, they are not sufficiently fundamental to satisfy me.

Mr. NICHOLSON. It is about the same bill?

Mr. COLE of Kansas. Practically so.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, the bill before us provides for a 2-year extension of title VIII of the Housing Act. Title VIII is commonly referred to as the Wherry-Spence Defense Housing program. This program is at a complete standstill because of the part that the local sponsor cannot secure permanent financing.

I propose to offer an amendment which would make it possible for the Federal National Mortgage Association to give prior commitments on the defense housing projects.

Mr. Chairman and members of the Committee, a partial list of title VIII—Wherry-Spence—housing projects on which commitments have been issued by the Federal Housing Administration, but no permanent mortgage financing can be obtained, indicate that 58 projects in 20 States are at a complete standstill because of the lack of permanent financing. The sponsors of these projects are not in position to proceed; they have commitments; but the large banks and insurance companies are not in position to say: "We will take the permanent loan." These sponsors and builders are able to secure construction loans, but they cannot find the banks or the insurance companies that are in position to come in and say "We will guarantee to take the mortgage when it is completed."

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. BUFFETT. Is there anything in the bill as it now stands that is going to change that?

Mr. DEANE. No; I propose, as I stated a moment ago, when the bill is read for amendment to offer an amendment which would permit the Federal National Mortgage Association, commonly referred to as "Fannie Mae" to make prior commitments; and if the amendment is adopted there is hope that the money market will open up.

This has all come about because of the action of the Federal Reserve Board back in mid-March when they decided that they would withdraw support of our bonds at par. To give you an example of what exactly faces the large insurance companies and those who would accept these permanent loans, I describe the case of one of the large insurance companies which within recent days had agreed to purchase $110,000,000 of title VIII mortgages, or Wherry-Spence housing. They purchased Government bonds at par to cover these commitments. The action of the Federal Reserve forced them to go in to the extent of only $40,000,000, leaving $70,000,000 to be disbursed in the future. This investor cannot sell its bonds bought at par on a free market for more than 97 percent of par. This means that the best offers these contractors and sponsors can receive as they try to sell their permanent mortgages are sometimes as low as 95 and at no time more than 97. So, Mr. Chairman, I propose to offer this amendment which will cover the defense housing program in these critical areas; it will likewise cover Wherry-Spence housing and in addition it will be extended to those areas which the President has determined to be major disaster areas.

Perhaps you may feel that this is the Government entering the direct lending market. To a certain extent it is, but the Federal Reserve Board has forced the Congress to take this position. It might be advisable that the conference report require a limitation as to fees, or the total commitment or commitments one sponsor, bank, or an insurance company or lending agency might take.

I respectfully ask the committee when the bill is read for amendments that you give careful consideration and support the amendment I propose to offer.

Mr. Chairman, I yield back the balance of my time.

Mr. GAMBLE. Mr. Chairman, I yield 12 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, it seems that public housing has more lives than the proverbial cat. We had this bill, or a reasonable facsimile of it, before the House early this session, and it was defeated on the rule.

Now it comes back to us at a time when developments have taken place that make less excuse for its public-housing features than there were in the first instance. I will tell you why.

In the first place, when we extended the Defense Production Act, we provided for relaxation of regulation X in critical housing areas. That was the most important road block in this business of getting housing in defense areas, and this House has provided for its removal.

Secondly, on July 3, Commissioner Foley announced that $350,000,000 of FNMA funds were set aside for defense-worker mortgage financing and for military housing under the Wherry Act. Thus, $350,000,000 within the last 5 weeks has been specifically assigned to the very problem we are talking about. At the same time Mr. Foley announced that the waiver of the 2-month waiting period on such mortgages had been eliminated, so that now these mortgages can be taken up directly by FNMA without delay. The whole procedure has been facilitated for getting defense housing.

What is the housing picture? This House should have more facts on this picture. In dollar volume more residential housing was completed and constructed in 1950 than in the entire decade from 1929 through 1938. In 1950, private enterprise constructed more housing than was constructed in the 10-year period starting with 1929 and running through the next 10-year period. So housing has been moving at a pretty fast clip.

In the first half of 1951, housing in dollar volume was at the second highest rate in our history. You have heard claims about housing going into a tailspin.

What are the facts? In 1950 there were 1,350,000 dwelling units constructed in this country, the highest in our history. In the first half of this year, 1951, over 500,000 units were started. In the month of July, for example, the Housing Administration took up 32,000 Veterans' Administration loans.

This bill will put a damper on private housing, as the socialistic-minded bureaucrats begin to move in. We will have a decline in housing.

You have heard that private industry does not do the job. In that connection I would like to read you a few paragraphs taken from the New York Times. A few months ago the Government decided to build an atom-bomb project out in Idaho in one of these isolated areas where it is hard to get the job done. They started to build this project. Now I want to read you, not what I say about it, not what some private enterpriser says about it, but what the New York Times found when it investigated that project, an atom-bomb project out in an isolated area, the worst problem that all the talk is about. Here is what the Times says:

> A new approach to the problem of housing workers on atomic-energy projects is winning acclaim among officials of the Idaho operations office of the Atomic Energy Commission. It has spared them headaches and saved money for the Federal Government.

Out on the Snake River plains, with the Caribou Mountains and a lesser range of the Sawtooth Mountains providing a scenic background, several thousand construction workers, engineers and scientists are developing a reactor testing station for the Commission—a facility designed to play an important part in the uses of atomic power in peace and war.

But, unlike the situation at such atomic projects as Oak Ridge, Tenn., and Hanford, Wash., the Federal Government has not poured huge sums into the building of a city for the workers and their families.

Under way here is what Leonard E. Johnston, manager of the Idaho operations office, calls a noble experiment. He is concentrating on building atomic-energy reactors and letting private enterprise provide the housing.

Now, what happened? They had between three and four thousand construction workers. They are going to have, before they get through, almost 2,000 permanent workers. The nearest town is 25 to 30 miles away. There are other little towns within a 70-mile radius. A town of 500 people, Arco, has gone to 2,000, with no cry for public housing.

Private enterprise and the local communities have gone ahead and done the job, provided for the workers, and built the houses. This area has solved its own housing problem. So, from this example you can see that private enterprise can do the job, has done the job, and we should continue to give it that opportunity.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from California.

Mr. JOHNSON. How would the gentleman handle a problem like this? The city of Vallejo, for instance, is the home of the Mare Island Navy Yard. Their workload jumped from about 9,000 to almost 20,000, and private industry simply will not build houses there because they know that as soon as the yard again gets down to a normal peacetime basis, the houses will be vacant. There is practically no other industry in the town except that big navy yard. How would the gentleman handle that problem except by public housing?

Mr. BUFFETT. I think the gentleman will find that the Wherry Housing Act provides for insurance for private builders in similar situations.

Mr. JOHNSON. The Wherry Act is one of the worst bills you can have to get housing. It provides that the contractor may rent the houses for 33 years, and is used to build houses on permanent military installation locations. The Government will pay twice the contract price of the houses, upkeep, and a lot of other expenses before they get through. I know what I am talking about because I have been studying Wherry Act projects for over a year and a half. I have a bill pending that I cannot get a report out of the Defense Department on, which will provide that you can build houses on permanent locations with the amount of money that the officers and the enlisted men get for quarters by virtue of the pay bill. But I simply cannot get it out. The Wherry Act situation may become a scandal in years to come, in my opinion, because of the enormous payments paid as rent to the contractors over 33 years. The quarters allowance to military personnel goes on while they are renters in Wherry projects.

Mr. BUFFETT. Certainly, I have heard the report that the Wherry Act has not done the job in some areas, but in the area that I represent, the one area of housing which I am familiar with, the Wherry Act is doing a good job.

It may be that there are some kinds of housing that should be erected by the military for military installations, but certainly that kind of housing should be done through the military authorities and not through socialistic housing of the type that this bill provides.

Mr. JOHNSON. That is exactly what my bill provides, that the Defense Department shall handle this problem, and build and be in control of the housing facilities where the officers and men live.

Mr. BUFFETT. I wish the gentleman well with his bill.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Illinois.

Mr. PRICE. I think the gentleman should point out to the House that the Wherry Act applies only in the case of permanent military constructions and posts.

Mr. BUFFETT. It applies to permanent military posts. It also would apply, if the amendment is passed, to installations handled by the Atomic Energy Commission.

Mr. PRICE. Yes, but only to permanent facilities and not temporary wartime emergency facilities.

Mr. BUFFETT. That is correct.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is there anything in this bill which prohibits in any way private industry from continuing to do the job?

Mr. BUFFETT. Yes. This bill includes this provision, for example, that on these projects, as they are developed, private industry has a chance to come in for 90 days. If they do not present their plans and their contracts within 90 days, then the Government goes ahead.

The gentleman knows more about contracting than I do, because I have never been in that business. However, it is obvious that in these isolated communities, these areas a long way from the major contractors as far as location is concerned, it is often impossible to draw up complete, satisfactory architectural work and plans and contracts and costs within a 90-day period.

Mr. CRAWFORD. May I ask when the 90-day period begins? At what point does that take hold?

Mr. BUFFETT. When the area is advertised in the Federal Register.

Mr. CRAWFORD. What contractor would want to stick his neck out when he does not know but what the thing might be switched on him? It seems to me the 90-day period would be entirely too short a time.

Mr. BUFFETT. I would think a minimum of 6 months would be required.

Mr. CRAWFORD. At the end of 90 days is private industry excluded? Does the Federal Government step in with the sole right from there on?

Mr. BUFFETT. At the end of 90 days the Government moves in and private industry is excluded.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I am supporting S. 349, commonly known as the Defense Housing and Community Facilities and Services Act of 1951. This bill is of great interest to those communities where great defense industries have been located and built, such as the recent expansion of our atomic energy plant at Oak Ridge, Tenn., the new atomic energy plants at Aiken, S. C., and Paducah, Ky. While my district does not have any of these large defense installations as such, yet I am appreciative of the conditions that exist at them. For instance, I am told that the atomic plant at Aiken, S. C., is one of the largest construction jobs ever undertaken by this country. Thousands of people will be employed in its construction, and these thousands will be succeeded by other thousands who will man the plant when it is built. There is no need for us to kid ourselves. The communities existing in the area cannot possibly furnish the housing, the streets, the schools, the sewage facilities that are suddenly needed there, and our Government must help. These new atomic plants are owned by the United States. They are a part of our defense protective installations, and if they are to be operated successfully and efficiently, and with as little disruption to the security of the family life of the people employed by them as possible, these employees must have decent living conditions.

No Federal money will be spent, as I understand it, for housing in any area under this bill until that area has been declared, as a result of the survey of the facts, a critical defense housing area. All of the following conditions must exist before it can be declared a critical area so far as housing is concerned:

1. A new defense plant or installation has been or is to be provided, or an existing defense plant or installation has been or is to be reactivated or its operation substantially expanded;

2. Substantial in-migration of defense workers or military personnel is required to carry out activities at such plant or installation; and

3. A substantial shortage of housing required for such defense workers or military personnel exists or impends which impedes or threatens to impede activities at such defense plant or installation, or that community facilities or services required for such defense workers or military personnel are not available or are insufficient, or both, as the case may be.

The housing spoken of for areas that are declared "critical" can only be built by the Government, after private builders have had 90 days in which to decide whether or not they want to build it. To further encourage private builders under this bill, in these areas, they are offered the inducements of the relaxation

of the presently existing credit restrictions, FHA insurance and VA guaranties. Thus, it seems to me that the Government in this bill is leaning over backward to give private builders a good opportunity to build the housing needed before the Government does any building on its own account. Of course, there will likely be areas of the country that are so isolated, or where other impeding conditions exist, where it will be necessary that the Government build the required houses for defense workers or military personnel. I have been disappointed to hear some of our friends in the Congress describe the method of building housing prescribed in this bill as socialistic.

None of us want to see this country socialized. Certainly I do not. But the fact remains that housing in areas of critical shortage must be built for military personnel and for defense workers to the end that this great job of preparing the defenses of our country may go forward toward the goal of stopping aggression, and preserving, if possible, world peace. The housing must be built. First, we have an area where there is a critical need for housing, because of the impact of a defense plant or a military installation. Then we give private builders 90 days to decide whether they want to build the needed housing, with the added benefits of the suspension of credit restrictions, FHA insurance, and VA guaranties. If, under this system, the housing is not forthcoming, if private builders feel that they cannot build, that the risk is too great, then the Government steps in and builds the housing that is needed. And some folks call this socialism. The big job now is to build a strong America. I believe that under the stimulation of what is offered to private builders by this bill they will build the needed housing. I am confident of it. In those cases where they cannot build it, the Government must go ahead, because the safety of 150,000,000 human beings, Americans all, is involved.

Some argue that in those cases where it is necessary that the Government actually construct the housing that it should be temporary housing. I disagree with this argument. The Government should not generally, I believe, build any temporary housing. Why? Because if we build permanent houses in most cases the Government can sell them to the people who occupy them, either now or at a later date when the emergency is passed, and can thus recoup most, if not all, the money it has invested in them. If we build temporary houses, in a few years we will have houses on our hands that cannot be sold because private lenders will not generally lend money on a temporary structure. The houses will soon be useless, the Government will have them on its hands, and there will be no way to get the money out of them that they cost to build. Or perhaps we will be faced with the problem that we faced in many areas following World War II, when temporary housing, because of the shortage of housing, became permanent housing, and the Government found itself renting houses that could not be sold, and that with a few years' wear created conditions closely akin to the slum conditions existing in many of our large cities. We have been trying to clear away slums. Let us not plant a new crop of slums by building temporary housing in those areas where it is necessary for the Government to build houses.

This bill also provides new authority for FHA insurance, and grants it an additional $1,500,000,000 of insuring authority, which I understand from correspondence with housing people at home is badly needed, in order that private construction of homes can go forward at this time.

Finally, I want to discuss the provision of this bill that provides for the extension of the Veterans' Administration direct-loan program for veterans who live in rural areas where private financing is not available. This bill extends this program for nearly 2 years, through June 30, 1953. I am the author of H. R. 3861, embodying these provisions which passed this House on June 18, this year. The bill has not yet become law, and I trust that we may pass its provisions again in this bill. If we do so, we aid it through this present channel to become law, and provide an opportunity for homes to our rural veterans. Similar provisions were in effect during the year which expired on June 30. This bill does not call for an added appropriation. It calls for the authority on the part of the Administrator of Veterans' Affairs to sell the mortgages he now holds and to use the money from their sale for the purpose of making new loans within the limitation of $150,000,000. The Veterans' Administration now holds some $120,000,000 worth of these mortgages which it took in exchange for direct loans during the year which expired on June 30. In addition it holds, as I understand it, some $30,000,000 of unloaned cash which can be turned into this program without any new appropriation whatsoever.

I represent what might be termed a rural district, a district in which the largest town only has about 8,000 people. It is a district, in which, for the most part, private lenders have not seen fit to make GI loans, with few exceptions. It is an area in which the benefits of this provision will be enjoyed. When we passed the GI bill in 1944, we declared as policy the privilege of a veteran of World War II to obtain a loan with which to build himself a home meeting certain specifications. When the Congress passed the GI bill, it did not say that the loan provisions would apply only to those veterans who live in the large cities. It was meant to apply to all veterans, but we found ourselves in the rural areas being in the position where GI financing, at 4 percent interest, was not available, through no fault of the veteran himself. By passing this provision of the bill before us we can at least go a step in the right direction of improving this situation. This bill does not provide for a gift to a rural veteran. It provides for a loan, which will be paid back, with interest, a loan on which our Government will not lose anything, a loan which will provide more security than anything I know to the veteran and his family living in a rural area of our country.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I desire to use this time primarily to ask questions and get some additional information on the bill. May I ask the gentleman from Michigan [Mr. WOLCOTT] what amendments he personally believes would improve this bill, if he does not object to answering that?

Mr. WOLCOTT. I think we should take out all permanent housing, because I think there are ways that private enterprise can build all permanent housing needed under this bill.

I think we should take out services. I can see no justification for the Federal Government's servicing facilities.

I think perhaps we should cut the date down to 1 year.

I think we should give consideration to taking all of title IV out. That is the Federal-control and real-estate-development provision, which is patterned very much after England's socialized town and county planning act.

Mr. CRAWFORD. May I ask a question about title V, prefabricated housing?

Mr. WOLCOTT. Nobody has asked for prefabricated houses. None of the so-called legitimate prefabricated producers have asked for any help such as is contemplated in this bill.

Mr. CRAWFORD. Can the gentleman tell us whether any of the prefabricated housing deals which have been, we will say, cooked up by the Government and greatly subsidized, have succeeded up to date?

Mr. WOLCOTT. None that I know of. I do know at one time along in 1945 they had given priorities for the construction of a steel-enameling plant out in the West somewhere, and they had several thousand tons, or hundreds of tons, anyway, of sheet steel laying out under tarpaulin in anticipation of building a plant for the prefabrication of steel housing. We broke that one up and redistributed the steel to the users of steel, the automotive industry, and so forth. So I am a little fearful in respect to that that we will have a recurrence of that, and we should provide against it. I do not know how you are going to provide against it if you give them authority to stockpile those.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. BROWN of Georgia. I call the gentleman's attention to the Knox Corp., in my district, which has rendered a great service in my State and to the people throughout the Southeastern States. They borrowed money from the RFC and they have met every payment when it has become due. They have supplied houses all throughout that section of the country. Recently, they built some homes close by Washington, in Virginia. I might say that the General Electric Co. selected a Knox house in which to install their electric radiant panel heating system. On the Sunday before last, by actual count, more than

18,000 people visited the model home, and everyone who visited this model home thought that it was the best buy that they could probably get anywhere. The selection of a Knox home in preference to all others for demonstrating electric radiant panel heating here near Washington I think is the greatest compliment that could be paid any home builder and is self-evident that the type of house they are building should be encouraged for the benefit of home owners. The Knox Corp. has rendered an outstanding service in my own town where the Southeastern Power Administration office is located. I have yet to learn of any complaint against the houses constructed by these people. They have provided a service which it was impossible for other people to provide. They built homes more quickly, as cheap, and as good as built by anybody.

Mr. CRAWFORD. This corporation was a privately financed corporation, was it not?

Mr. BROWN of Georgia. Yes; it is true, when they went into business they were worth probably a million or $1,500,000. Then they borrowed about that much. Furthermore, they had a great deal of experience over a number of years. It is one of the most successful corporations building homes that I know of, and they have given the utmost satisfaction to the people.

Mr. CRAWFORD. They were not subsidized by the Federal Government, were they?

Mr. BROWN of Georgia. No, they borrowed money. They were not subsidized. They borrowed money from the RFC.

Mr. CRAWFORD. When I go to the bank to borrow money, or when I go to work through a bank to borrow money from the RFC, that is not a subsidy, because my assets in that capital structure have to protect that loan. What I am asking the gentleman, this was a privately financed corporation that did this job, was it not?

Mr. BROWN of Georgia. These people own their own corporation, they do business at their own plant, make these houses and ship them out to be assembled as automobiles are.

Mr. CRAWFORD. Surely the gentleman knows what a privately financed corporation is. They put their money into the capital stock of the corporation.

Mr. BROWN of Georgia. That is right. Of course, they borrowed money from the RFC.

Mr. CRAWFORD. They agreed to pay it back, did they not?

Mr. BROWN of Georgia. They did pay it back.

Mr. CRAWFORD. Absolutely, so there is no kick about that anywhere or at any time by anybody.

Mr. BROWN of Georgia. In this bill we are trying to provide for people who have made a success in this line of prefabricated housing which is needed so much in many areas, especially national-defense areas.

Mr. CRAWFORD. The gentleman will admit that the RFC and the Government generally have subsidized so-called prefabricated housing undertaking which proved to be colossal failures. I wish to ask the gentleman from Michigan, if he will not confirm that statement.

Mr. WOLCOTT. I do not think there is any question but what the Lustron undertaking on the part of the Government was a lamentable failure, and we should protect ourselves against a repetition of that. I understand from the statement of the gentleman from Georgia that he is not averse perhaps to setting up on the part of the Federal Government competition for his privately owned and privately financed prefabricated housing company down there. I do not know whether we should go that far. If your company in Georgia can satisfy the market, and if the private capital is available sufficiently for that purpose, and it is a good market, surely there is going to be an attraction for private capital to build competing houses and the Federal Government does not have to go in and do it.

Mr. BROWN of Georgia. The company which I have mentioned probably would not be able to borrow over $10,000 from the small banks in their home town.

Mr. WOLCOTT. This does not interfere in any way with a company borrowing from the RFC.

Mr. BROWN of Georgia. This company, as I say, could not borrow enough from the banks in their home town so they went to the RFC and borrowed the money. They are paying the money back.

Mr. WOLCOTT. The RFC still has about $2,000,000 left for just this purpose to lend out without this bill.

Mr. BROWN of Georgia. I am sure we should not talk about the Lustron Corp. in the same breath we talk about the Knox Co., which is the type of company we want to see stay in business.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I have taken this time because several years ago Mr. Bates, the father of the present Member, the gentleman from Massachusetts [Mr. BATES], and myself made an investigation of the military housing problem. To show you how enormous the problem is, in the last 3 years we have disbursed in Federal funds over $1,100,000,000. As you all know, in addition to the pay that a man gets as a member of the armed services, he receives a fixed amount per month, depending upon his rank and his length of service. He also gets a quarters allowance. A second lieutenant gets $75 a month—a first lieutenant $82.50, a captain $90, and so on up to $120, and an enlisted man gets $67.50 a month for the purpose of providing quarters for himself and his family.

So I tried to figure out how we could apply the familiar building and loan principle, under which 75 percent of American homes have been built; namely, to pay a fraction of the cost as a down payment on the quarters and the rest in installments, with interest on the deferred payments. This could be done as to single or multiple dwellings.

That is the way I have figured it out: We would pay a contractor 5 percent of the contract price of the quarters he would agree to build. For every quarters we would pay an allowance that the occupant gets in rent money from the United States Government. In other words, we would take the $75 each month which a second lieutenant gets as his allowance for quarters and pay it to the contractor as a monthly installment on the contract price for the quarters. So in a few years the matter would be paid off, and on these permanent installations we would have houses that would last long beyond the time that the payments were made. In that way we would get some tangible value out of our money. When the houses were thus paid off, the Government would discontinue the quarters allowances for those who lived in such quarters.

Now, what happens? The Wherry housing plan was adopted and is being extensively used. The contractor builds 30 or 40 or 50 or 600 or 900 houses for living quarters in a community. The contractor is on that station as a landlord, you might say, for 33 years. He sets a certain figure of rentals approved by the Government that brings back all of his money to him, with interest, with a guarantee that he will not lose. Of course, he sells his contract to a life insurance company or other lending agency and the result is that for 33 years that he is on that station, in the hair of the local commander of the station, and we get nothing at the end of the 33 years. The men who occupy those places still get their quarters allowance; and the vast sums I mentioned continue to be paid out. Over $5,000,000,000 in the past fiscal year.

To give you an illustration, the lowest rental is $55 a month. If a second lieutenant is in there, he gets $75 a month, and $20 goes into his own pocket and we wind up at the end of 33 years paying over twice the amount of the original cost of the housing, and have nothing to show for it.

Under my bill we would finally, in a period from 12 to 16 years, be the owner of those houses. All the rent money that we pay to these people now would then terminate. Last year we spent over a half billion dollars in giving officers and enlisted men rent money in all parts of the country. Also, the tragedy of all this is that those who get the rent money, in areas like we have in California where houses are scarce, get nothing for their money, when they seek housing facilities off their post in our crowded communities. They spend $100 or $125 for a little squalid set of quarters and get inadequate quarters for their family. Under my plan they would occupy a new house, and their rent money would go to build equities for the Government that would finally pay off this cost of the houses, and reduce the personnel receiving rent allowances. I think if I can ever get the Defense Department to clear that bill of mine and get it before our

committee we would literally in the next 7 to 10 years save hundreds of millions of dollars and perhaps as much as a billion. That is why I am so anxious to get my bill out.

With reference to the bill before us, I think we must have a bill of this type for certain situations.

For instance, Vallejo and Fairfield, Calif., have not the bonding power nor the ready cash on hand to build houses needed by defense workers and service personnel. Private enterprise cannot be expected to build houses in any large numbers, because in a few years the work load may go down and the renters or installment purchasers occupying the houses will be gone. This will leave the man who made the investment in the houses with no occupants. Naturally a man could not be expected to invest his money in that kind of a venture. The Federal Government's defense activity is what created the need for the houses, consequently they must furnish the facilities where workers and service men and women may live.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. SIEMINSKI].

Mr. SIEMINSKI. Mr. Chairman, I am in support of the bill. It will raise the standard of living and thereby increase the purchasing power of those whom it serves to assist. It is not against free enterprise, nor will it deter an expanding economy to which we in America are so dedicated.

In the 5 years that the Communist TNT government ruled in North Korea, not one nail was driven, nor one new home built to accommodate the people. It is the practice of Red regimes to take from and torture people, not to promote their general welfare. Let us not be misled by those who say the passage of this low-cost housing bill will slide us down the road to communism.

In my district, private contractors have built housing units of a type provided by this bill for a cost of as little as $1,750 to $2,050 per room. They have given families in need of low rentals more per dollar in living quarters than is given in nonpublic housing. No frills exist in construction costs. Yet these private contractors have paid prevailing wages and used materials bought as though purchased for private owners.

It is well to note that, in Bayonne, N. J., where the great Bayonne Naval Base is situated, of the first 60 units leased in a low-rental housing project, 71.6 percent, or 43 out of 60 went to veterans whose incomes averaged less than $3,300 a year, with 3 children. There is need for 12,520 more units in Jersey City and Bayonne merely to accommodate registered veterans. Amazing. Such private building as is being done is aimed at capturing the silk-stocking trade. No thought for those on relief, nor for the lame, the blind, the widowed, and the orphaned.

I repeat, the passage of this low-rent housing bill will raise the standard of living and thereby increase the purchasing power of those whom it serves to assist. To the shedders of crocodile tears about the imagined ill-effects of the bill, I address this question: Will you be ready to low-cost house at least 3,000,000 veterans, newly married, in the next 10 years?

Boys are leaving home to enter military service in the Nation's interest. When their hitch is up, they will return home men, ready to wed and raise families. Three million of them. Will you, with the crocodile tears in your eyes, sitting on your hands, choking credit, be ready to accommodate them with low-rent housing? The record says not. You gummed up at the end of World War II, you are gumming up now. Mr. Chairman, I am in support of the bill.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. McKINNON].

Mr. McKINNON. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey [Mr. ADDONIZIO] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ADDONIZIO. Mr. Chairman, the House will soon be called upon to vote on S. 349, the defense housing and community facilities bill. As a member of the Committee on Banking and Currency, I helped to draft this bill in committee. I hope the Members of the House will recognize its importance and act on it favorably. Every day it becomes more obvious that the bill is an essential part of the mobilization program, since it will remove or prevent many serious bottlenecks in defense production and military preparedness.

My district in Newark and the Oranges, N. J., is predominantly industrial, as is the area surrounding my district. The industries and factories in and near my district are again preparing to manufacture electrical instruments, precision instruments, and other articles which are necessary for our defense program. There was a great influx of workers into my district during World War II to man these industries. This created a terrific housing problem, which was never solved and has become acute. Now further-in migration is necessary because of expanded activities.

In addition, in New Jersey we have a number of military installations. The extent of the problem at the military installations has been the subject of recent first-page stories in the Newark press. The stories portray distressing unsanitary housing conditions and excessive rents around Fort Dix and other nearby camps, giving illustrations of rubbish-strewn, festering shanty towns in which servicemen rent squalid huts. The stories give instance after instance of unbelievable housing conditions. I am told that the same thing is true in many other military camps all over the country.

These camps include highly skilled and highly trained men who have already seen many years of service, both in war and in peace. How can we expect these men to remain in the Army, Navy, and Air Force indefinitely and to continue to reenlist as their terms of service expire if they are unable year after year to obtain housing for their families. It is one thing to expect men to be separated from their families during training or combat periods. It is another thing entirely to expect our skilled pilots, tank corps noncoms, and Navy signalmen and other experienced servicemen to volunteer to serve indefinitely, if, even during a tour of duty at a permanent installation in the United States, they find that it is still impossible for them to be reunited with their families. The three military services report that they have lost thousands of such men in the past 5 years and are continuing to lose such men solely because of the lack of housing.

I am sure that other Members of this House have first-hand knowledge of military and industrial defense housing needs in their own districts. Every day we hear reports about the shortage of housing for workers at industrial plants which are being expanded and converted to defense production. In addition, we are faced with the necessity of building some large defense plants, such as atomic-energy plants, in isolated areas. This means that workers have to be moved in from other areas to build and man the plants.

The defense housing and community facilities bill would help to fill this need for housing for workers at defense plants and military installations, and for servicemen and their families. The bill would also help to provide community facilities, such as water and sewer systems, hospitals, and similar facilities, which are necessary to service defense plants and the housing built for the defense workers. My only concern is that the authorizations contained in the bill for funds to provide housing and community facilities will not be sufficient to meet the need. I would have much preferred a bill with sufficient funds to make a full-scale attack on the problem.

This bill will, in no way, prevent the housing industry from furnishing any of the needed housing. In fact, it will help the industry to do so. It contains provisions to assure that private enterprise shall be afforded full opportunity to provide the defense housing needed. A major part of the bill consists of special FHA mortgage insurance aids to private enterprise to furnish defense housing. These special mortgage insurance aids are to be used only in critical defense-housing areas. The bill requires that the present residential credit restrictions shall be relaxed in such areas. The number of permanent dwelling units needed in critical defense-housing areas, together with information as to types, rentals, and general locations, must be publicly announced. There must also be public announcement of the availability of the special FHA mortgage insurance aids in the area. No permanent housing could be constructed in such areas by the Federal Government under the provisions of the bill unless, after 90 days from this public announcement, it is plain that private builders and the lending institutions will not be able to provide the necessary housing. This decision will be based on the number of applications from builders and lenders for

exceptions from residential credit restrictions and for mortgage insurance. In other words, when housing is provided by the Federal Government it could only be to the extent that private enterprise clearly demonstrates that it is unable to provide the housing even with the special assistance provided in the bill.

Our experience during World War II taught us that in some areas housing will be needed for the defense effort but it will not be needed after the defense program is completed. Private enterprise will not want to build this housing. In such cases the Federal Government would be authorized by this bill to provide temporary housing which is of a mobile or portable character and constructed in such a manner that it can be moved to other locations. Temporary housing built during World War II in a great many cases is still in use. Requiring that the housing shall be of a character which can be moved elsewhere for reuse will help to eliminate some of the problems which are created by the continued existence in localities of temporary housing. Congress will provide deadline dates for its final removal from all localities.

In some cases, the towns and counties will not have the resources to furnish the community facilities—such as schools, waterworks, sewers, and so forth—for the housing or the defense installations. Title III of the bill permits loans and grants to local communities for such purposes. Only where the local community cannot provide the facilities, even with the loans and grants provided by the bill, would the Federal Government provide the community facilities directly. In addition, loans or grants would not be made without a certification from the chief executive officer of the local government that the facilities could not otherwise be provided when needed. In the case of grants the certification must also show that the local government cannot provide the facilities without the imposition of an increased excessive tax burden or an unusual or excessive increase in the debt limit of the local government.

The bill contains other requirements to keep Government provision of housing and community facilities to a minimum and to end Government ownership as quickly as possible. For example, where permanent housing is provided by the Government it must, to the maximum extent feasible, consist of one- to four-family dwellings so arranged that they may be offered for separate sale. Such housing will be more easily sold than large multiple-dwelling projects. In this way the permanent housing built by the Government would be Government-owned for a minimum length of time. Preferences will be given to the occupants of the housing and to veterans, including veterans of the Korean conflict, when it is sold.

The bill does not appropriate funds for the Federal Government provision of housing or community facilities. The amount of funds appropriated will be determined by Congress as the needs develop. The bill places cost limits on the dwelling units which may be provided by the Federal Government of $9,000, $10,000, and $11,000 for two-, three-, and four-bedroom units. In this way the number of dwellings provided will be governed by the amount of funds appropriated, and the Congress will have a continuing check on the amount of housing being provided with Government funds. The bill authorizes appropriations up to $100,000,000 for community facilities and services and up to $75,000,000 for housing. I am sure this is not enough. The $75,000,000 which would be authorized for housing would finance the construction of not more than 6,500 to 10,000 units. This will not satisfy the need for housing for the families of servicemen at military installations, let alone the need of in-migrating workers at defense plants which are not taken care of by the building industry.

Title IV of the bill authorizes the Federal Government to provide sites for the development of housing, commercial enterprises, and community facilities necessary to serve isolated defense installations. The provisions are designed to prevent speculation in land and avoid the necessity for Government-owned towns. The Atomic Energy Commission has found it necessary to establish defense installations in isolated or undeveloped areas. An obvious example is the Savananh River project. There will, of course, be other types of defense installations in remote unsettled spots. Until now the Atomic Energy Commission has acquired land for housing which it will build itself but it cannot acquire land and make it available for privately financed housing. This has resulted in Government-owned towns in several places. This bill would provide authority which would assist private enterprise to build and finance housing around such a defense installation. Under the provisions in the bill the Federal Government could acquire the land in an isolated area where a defense installation is to be made and make the general plans for development of the land. In addition, if necessary, site improvements and community facilities could be provided. Then the land to be used for housing and stores and other uses needed to serve the actual defense plant would be disposed of to private developers for residential and commercial development and to appropriate public agencies for public use. Since the land for the housing would be acquired at the same time the land is acquired for the defense installation, land speculation, such as that which is occurring at the Savannah River Atomic Energy Commission project, would be avoided.

The bill also contains provisions for loans by the Federal Government to existing manufacturers of prefabricated housing to help them in the distribution and erection of prefabricated houses and to maintain their production where it is needed in connection with national defense activities. These provisions are additions and improvements to the present loan program assisting the prefabricated-housing industry. Prefabricated housing can be quickly and economically erected with a minimum of skilled labor. This was shown in the World War II housing program, and it is important that the industry be encouraged and assisted to perform its part in the present defense program.

The new authorizations for providing defense housing and community facilities could be used solely for defense purposes. The bill is obviously not a disguised social welfare measure. It will not socialize the housing industry. It will not hurt private enterprise. It is just as essential to the mobilization program as increases in the number of men in the Armed Forces. Without it, those men may not have the weapons and implements of defense they need when they need them. In addition, many of the servicemen need housing for themselves and their families. This bill will assure that the defense housing and community facilities necessary to serve defense installations and defense housing will be available when they are needed.

Mr. WOLCOTT. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. HILLINGS] and ask unanimous consent that he may proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HILLINGS. Mr. Chairman, I have just received news that a very famous American has passed away. Mr. William Randolph Hearst died today at his home in California.

Mr. Hearst was a very controversial figure on the American scene. Many people believed implicitly in him; many others disagreed with his view, but the fact remains that no man surpassed him in Americanism or his strong belief in individual freedom.

William Randolph Hearst served as a Member of the House in the Fifty-eighth and Fifty-ninth Congresses. His father served in the other body as a Senator from California. Mr. Hearst and his newspapers throughout the country were among the first to recognize the dangers of communism and as a vigorous supporter of our American system of government, Mr. Hearst led a fighting and successful crusade to awaken our people to the threat of the Red menace.

My own State of California has benefited in many ways by his charities and interest in the welfare of the people of California and the other 47 States. His loss will be keenly felt throughout the Nation. A great Nation has lost a great American in his passing.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I am supporting this bill. A little earlier in the day, we were asked to advise the House of the critical defense areas as designated by the Housing and Home Finance Agency.

The list is as follows as of July 25, 1951:

CRITICAL DEFENSE HOUSING AREA[1] AND DATE DESIGNATED

1. San Diego, Calif., May 2, 1951.
2. Corona, Calif., May 8, 1951.
3. Colorado Springs, Colo., May 8, 1951.
4. Star Lake, N. Y., May 23, 1951.

[1] These areas are in addition to three areas of Atomic Energy Commission installations in which exceptions from residential credit restrictions are issued pursuant to CR 2 of the Housing and Home Finance Agency.

5. Fort Leonard Wood area, Mo., May 23, 1951.
6. Camp Cooke area, Calif., June 8, 1951.
7. Bremerton, Wash., June 8, 1951.
8. San Marcos, Tex., June 8, 1951.
9. Valdosta, Ga., June 20, 1951.
10. Tullahoma, Tenn., June 20, 1951.
11. Camp Pendleton area, Calif., June 20, 1951.
12. Solano County, Calif., June 29, 1951.
13. Quad Cities area,[2] Iowa-Ill., June 29, 1951.
14. Hanford AEC operations area, Wash., July 3, 1951.
15. Barstow, Calif., July 3, 1951.
16. Camp Roberts area, Calif., July 3, 1951.
17. Brazoria County, Tex., July 3, 1951.
18. Tooele, Utah, July 3, 1951.
19. Dana, Ind., July 13, 1951.
20. El Centro-Imperial, Calif., July 13, 1951.
21. Borger, Tex., July 13, 1951.
22. Huntsville, Ala., July 13, 1951.
23. Mineral Wells, Tex., July 17, 1951.
24. Las Cruces, N. Nex., July 17, 1951.
25. Alamagordo, N. Mex., July 17, 1951.
26. Wichita, Kans., July 25, 1951.
27. Columbus, Ind., July 25, 1951.

It would be well to bear in mind throughout the discussion of the amendments to this bill what is sought to be accomplished by it. There still is a shortage of housing in many areas of the country. The shortage has been aggravated in critical defense areas. We were making headway in the elimination of the housing shortage when the present emergency came upon us. That emergency created new problems. One of those problems was the control of inflation. In controlling inflation we necessarily must make a choice between elimination of all new housing or taking a small amount of new housing together with such inflation as may be created thereby. Another problem created by the emergency was the need to create new defense plants. The creation of those new defense plants necessarily means the creation of new housing for the workers employed in them. The third problem created by the emergency was the shortage of materials for construction.

Concededly there is not enough building materials available or being produced with which to build all of the defense plants that we need, together with all of the defense housing that we need, together with all the nondefense housing that we need. Every American must readily admit that defense plants are a must. When they do so, they necessarily agree that the defense plants without defense workers are useless and that defense workers will not go into the defense plants unless there is decent housing for them. So we are again confronted with a choice between channeling the building materials into the defense areas for defense housing, or letting private industry build when and where it pleases, at whatever prices it can demand.

We know that it is asking too much to expect private enterprise to build homes for defense workers at $10,000 a family unit, or less, if it can build homes for twenty, thirty, or forty thousand dollars. One need not be any great economist to determine that the builders' profit on the twenty-, thirty-, and forty-thousand-dollar home is many times what it is on the $10,000 home.

It is therefore essential that during the existence of the emergency the Federal Government lay down laws, rules, and regulations which will channel the materials into the defense areas for homes for the defense workers. Under this bill every facility is given to private enterprise to do the job. In no instance where private enterprise indicates its willingness to do the job will the Government be permitted under this bill to build any homes. Every possible safeguard that we could devise has been written into this bill to keep the Government out of the housing business. After having devised and written into this bill all of those safeguards your committee went even further and wrote a provision into the bill that will guarantee the Government getting out of the housing business. Not later than 1 year after the expiration of this act the Government must dispose of all Government housing.

The Congress remains in full control of the situation at all times.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the gentleman from Michigan [Mr. WOLCOTT] was interrogated a few minutes ago by his colleague, the gentleman from Michigan [Mr. CRAWFORD] about the amendments that should be introduced to improve the bill from his standpoint. He mentioned three things: One, to take out permanent housing; two, to take out the words "and services"; and three, to take out title IV.

Mr. Chairman, I asked for this time to invite attention to the fact that neither amendment, according to my mind and my view, should be adopted. For instance, the first one, permanent housing. If there were any disposition on the part of the Federal Government to hold on to housing and prevent the people from purchasing housing after the emergency period is over I would be in favor of the amendment, because I do not want the Government in the business of owning homes to rent to people; we want the Government out of that business. I am just as much in favor of the Government being out of that business as any other Member of this House. But if you authorize temporary housing only the result is that you are just creating a slum condition; you are building slums; you are establishing slums all over the country in practice. We have learned from experience that this temporary housing is not torn down; by reason of our increasing population all the time it is very much needed, and always will be needed. In view of that experience, and in view of our experience that the Federal Government is anxious to dispose of housing as quickly as possible when the emergency is over, I think we should authorize permanent housing; then when the emergency period is over, as customary, sales will be made to purchasers. You will have good homes in that event and you will not have slums for the people to live in.

If you take the words "and services" out, you eliminate any opportunity to provide for sanitation facilities; in other words, you will have no operating sewer systems or water systems or anything like that. They are all included in the words "and services." So housing is of very little use unless the words "and services" are retained in the bill for the purpose of giving the needed operating facilities to those who occupy the houses.

Now, concerning title IV, that title is a very necessary part of this bill. It is to prevent speculation and racketeering and only refers to isolated areas like Paducah, Ky., and Aiken, S. C., where they are going to have these large projects constructed. If we do not have title IV the speculators will rush in there, buy the land, then enormous prices will be charged those who purchase the land. The racketeers and the speculators will be in complete charge. The object of title IV is to prevent that. It will only be used in isolated areas.

Furthermore, the amount involved is only $10,000,000. Certainly you are not going to socialize this country with $10,000,000. That is just as ridiculous as saying that the Government by buying land or the site for the building of a post office at Podunk is going to socialize the country. The Government is not going into the housing business on $10,000,000, and title IV has a limit of $10,000,000, which can be used as a revolving fund, true, but with only $10,000,000 it is ridiculous, in my opinion, to say that the Government is going into the housing business. So I respectfully suggest that all three of these amendments when they are presented should be voted down.

No. 1, to prevent permanent housing. That is known as an amendment offered by the gentleman from Illinois in the other body. It is in the bill now. If you were to adopt this amendment and provide temporary housing only, it would not be in conference.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. PATMAN. Mr. Chairman, the amendment then will not be in conference. The conferees will have their hands tied. You will recall that when we had up the slaughtering amendment, I pleaded with the Members of the House not to adopt it because it would tie the hands of the conferees and they could not touch it in conference. But the House adopted it anyway. Consequently, when the bill reached conference, there was a demand on the part of practically everyone to have some kind of an amendment in there that would help the independents, the medium-sized and small slaughterers. But our hands were tied and we could not do it, although the most conservative Members of this body and the other body wanted something done about it. But they could not do it in that bill because the hands of the conferees were tied. If you adopt an amendment here, like the one which was adopted in the other body, you will tie the hands of the conferees and they will not be able to touch it at all. I know that technically we could have done it in conference on the DPA bill, in the case of the slaughterers,

[2] Area of Davenport, Iowa; and Moline, East Moline, and Rock Island, Ill.

but we would not touch it, and I refer to the House conferees, because it was against the spirit of the amendment adopted by the House. I believe the conferees will do the same thing here. If you adopt this amendment you will tie their hands and they will accept it in that form. They cannot do a thing about it and I know it is against the public interest to be tied down that way.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. JOHNSON. What the gentleman is saying is illustrated by two towns out in my congressional district. The city of Vallejo, when this crisis came on during the war, did not have the bonding capacity or the money in the till to put in the extra facilities in the way of sewers, water mains, and the like.

Mr. PATMAN. That is true.

Mr. JOHNSON. And the same is true of Fairfield.

Mr. PATMAN. If the amendment suggested by the gentleman from Michigan is adopted to strike out the words "and services," they will have a fire house and an engine, but no water to put out the fire; they will have no sanitation, they will have no operating service facilities of any kind. The same thing is true with respect to title 4. There is no reason why title 4 should be stricken out. There is every reason why it should be adopted, and may I invite your attention to the fact that commencing at page 17 of the committee report there is a discussion on title 4, pages 17, 18, 19, and down to about one-third of the page on page 20. I hope you will read that part of the report about title 4 and you will find it is absolutely essential. It is necessary. We must have title 4.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. In addition to that I wish to state that in the areas where you have atomic-energy plants it is impossible to get a loan through the FHA, because FHA does not take into consideration the facilities, and therefore the only thing they can do is to borrow the money to build a home. And, what is a home without facilities? And if there is little or no property to tax, and the town has reached its tax limit under its Charter, what are you going to do to get income to provide the facilities?

Mr. PATMAN. Exactly, and that is what title 4 is for, and in order to protect against any desire on the part of anyone to get the Government into the housing business, the limit is $10,000,000. Imagine getting the Government into the housing business on $10,000,000.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. WOLCOTT. You have to multiply that by 10. As I read the bill it is $100,000,000 and not $10,000,000.

Mr. PATMAN. Even $100,000,000. It is not $100,000,000 as I understand it, but even if it were $100,000,000, do you think the Government of the United States is getting into the housing business with $100,000,000? Why, it would be ridiculous, I am sure the gentleman will agree. So, we need this for isolated areas and we need it for protecting the Government of the United States against the racketeering tactics of speculators. The $100,000,000 is for housing. The $10,000,000 is for acquisition of land.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. JOHNSON. In those same two towns we had this sad experience. Five years after the war was over they wrecked all the houses because they were built so poorly, and if we had had permanent construction we could have sold all those houses.

Mr. PATMAN. That is right.

Mr. JOHNSON. But they would not do it.

Mr. PATMAN. Therefore, let us vote down this amendment to have temporary housing only and let us vote down this amendment to strike out the words "and services," and let us vote down this amendment to strike out title 4. They are all absolutely necessary.

Mr. BROWN of Georgia. Mr. Chairman, if the gentleman will yield further, the main purpose of this act was to get rid of Government-owned towns like Oak Ridge, one town in New Mexico, and another in the State of Washington. This bill is designed to let private industry do the building, but if not, the Government will have to build them and then we will have Government towns, and we do not want any Government towns in my section of the country.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Defense Housing and Community Facilities and Services Act of 1951."

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 4, strike out the words "and services."

Mr. CRAWFORD. 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 nine Members are present, a quorum.

Mr. WOLCOTT. Mr. Chairman, this is the amendment that has just been referred to by the gentleman from Texas and which I mentioned in my general statement, that should be adopted. The purpose of it is to prevent the operation of services incident to facilities by agencies of the Federal Government.

I wish you would refer to the definition of "community service" on page 47 of the bill:

"Community service" shall mean any service necessary for carrying on community living, including the maintenance and operation of facilities for education, health, refuse disposal, sewage treatment, recreation, water purification, and day-care centers, and the provision of fire protection and other community services.

So you see this provision goes a little further than you have been led to understand in respect to the Federal Government's creating community facilities.

The Federal Government under this definition in any of these areas could go in and operate these facilities regardless of whether or not they had been constructed with Federal money.

"'Community service' shall mean any service necessary for carrying on community living" including all of the things for the construction of which the Federal Government might give grants-in-aid and loans, and then "other community services."

Do we want the Federal Government to operate our hospitals? Do we want the Federal Government to operate our schools? Do we want the Federal Government to operate our health centers? Do we want the Federal Government to set up a program of recreation and day-care centers and operate recreation and day-care centers?

You give certain men in high places in this Government jurisdiction over the care and education of the youth of this country, and this country can change its form of government by popular acclaim inside of 20 years, because this youth will be indoctrinated into the forces which we have been combating here for the last 20 years.

Mr. Chairman, let us be honest with ourselves about this situation. We have seen after every election just a few more of those who, according to the standards which were popular 15 years ago, reflect radical thinking, who reflected the desire of many for a change in the very form of the American Government, enter Government in various offices, including the Congress of the United States. A good many of us have been denounced by those in high places. We have been denounced even though our only sin is in the zeal of protecting the system of the American Government. I have the unique distinction of having been called a mossback by the President of the United States, himself, because of the interest I have shown in denying to him the powers instigated by certain of his advisors which, if misused by his advisors, as was intended, would destroy the American system of government.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. WOLCOTT. Mr. Chairman, it matters not what others may do as Members of this great Congress of the United States, but I took an oath when I came here—an oath which I have repeated every 2 years for the last 20 years—to protect and defend the Constitution of the United States from all enemies, foreign and domestic. So long as I am here representing a free people, I will feel it my obligation to do everything I can to protect that freedom and to do everything I can to destroy the forces which would destroy America—let the political consequences be what they may.

I hope I am not lacking in courage to stand up here and fight for America, which I understand is becoming increasingly unpopular day after day. But I think it is up to you and me to cause a renaissance of patriotic feeling in the United States so that it will not be unpopular any more to stand up in the well of the House of Representatives and say something good about the American system of government. To me this is one opportunity which we have to protect the American system of government. It is one opportunity which we have to get up here and brag a little bit about the American system of government which has made this Nation the greatest nation under God's canopy. Let us continue that system of government. Let us see just how much courage we have to fight for America on the floor of this House. There is not one of you who would not offer his life. Many of you—perhaps the majority of you—have offered your lives on the field of battle. Let us find out in what direction we are going in this country. Are we going socialistic? Are we going communistic? Are we going to destroy the things that have meant so much to us through the years—the things that our forefathers fought and bled for? Are we going to destroy the principles that have made this country the greatest country on earth and have made it possible for us now to finance, we hope, the reawakening of patriotic, democratic thinking throughout the world? It cannot be done if we destroy our democracy. It cannot be done if we flex the Constitution to the point where we change the form of our American Government.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. BAKER. How would the gentleman's amendment affect existing governmental communities such as the community at Oak Ridge?

Mr. WOLCOTT. It would not affect it at all.

Mr. BAKER. It would not affect the maintenance of schools and other services?

Mr. WOLCOTT. It would not affect at all the facilities and services already created. It would only affect the critical defense areas created under this bill.

Mr. BAKER. It would only apply in the future?

Mr. WOLCOTT. Yes.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have enjoyed the patriotic address of my distinguished colleague from Michigan [Mr. WOLCOTT]. I remember an old lawyer at home who addressed the jury and he said: "Gentlemen of the jury, I shall touch lightly on the facts, and then I shall branch out into the broad field of general declamation."

I am in favor of the insertion of "services" in this bill. Being in favor of that provision, I do not think I am destroying my Government or tearing away the pillars that support it. I do not think, in being for "services" that I have turned Socialist. Facilities are created to render services. We are going to help these local communities obtain facilities. What is a facility? A facility is a fire house. A facility is a police station. A facility is a hospital. A facility is a street. A facility is an incinerator to do away with refuse. Are we going to build them and let them stand there without anybody to service them? Facilities would be useless things if they did not support services. What would be more lonesome looking than a hospital built to serve the people with nobody there to attend it? We are requiring the local communities to organize and man these facilities if it is possible for them to do so. We say, "You must furnish these facilities, if you can; but if you cannot furnish them, the Government is going to the expense of constructing them." If we go to that expense, are we to get no service out of them? That does not seem to be common sense to me. The allegation that trying to operate facilities and see that we get service is socialism is absurd.

I cannot understand why the gentleman would object to the word "services," if you are going to the expense of creating facilities, for facilities without service are a nullity and do nothing but cause an immense expenditure of money without any corresponding benefit.

I think we ought to look at this thing in a practical manner. Every time there is any bill here that seems to give to any local community any benefit, somebody rises and says we are subverting our form of government. I believe in private property. I believe in personal liberty and personal security. I believe in all the things that our Constitution guarantees, and you cannot subvert the Constitution by advocating measures such as this.

Thomas Jefferson said, "Government is best that governs least." That is a fundamental principle. However, it is difficult to conform to it in times like these. We find that everybody is seeking some governmental benefit; that everybody wants to put his hand in the Public Treasury. Under the circumstances, I am willing to let them put it in with reason, but not too deeply. Some of these men who talk socialism would take over the Treasury if they could get it.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Will the gentleman define the word "reasonable" in connection with putting his hands in the Public Treasury?

Mr. SPENCE. Well, some of the bills that would provide governmental help were very unreasonable from any standpoint.

I like the ardent patriotism with which the gentleman supported his amendment. He did not talk much about it. He talked about the evils of socialism and the destruction of the fundamental principles of our Government. If that will have any effect on you, I certainly am disappointed in your judgment in those things.

I hope you will consider this amendment in its broad sense and all of the benefits that will accrue to our defense workers and to our military personnel, and that you will see that services continue in the bill, because facilities have been put in there in order that services may be furnished to the people who are affected.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BURDICK. Suppose the Government provides school facilities for a community——

Mr. SPENCE. The debate growing out of the school question is not agreeable to me. I am going to introduce an amendment to strike out schools and school facilities wherever they appear in this act and I am going to take it back to the Committee on Education and Labor and let them report a bill that they think is proper in this respect. Then we will have the law with reference to education as it now exists, and it will not be in this bill. There is no use discussing it.

Mr. BURDICK. Under the circumstances I will not ask the gentleman the question.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield to me?

Mr. SPENCE. I yield.

Mr. COLE of Kansas. Does not what the gentleman has said with reference to schools clearly illustrate the difference between grants for facilities and grants for services?

Mr. SPENCE. No.

Mr. COLE of Kansas. When the Government grants money for facilities they build the buildings, but when they provide the services then they provide the things which the Federal Government has never undertaken to do before.

Mr. SPENCE. It was not on that ground that I introduced my amendment; it was on the ground that I did not want to bring up here any religious discussion or anything connected with religion, and I thought we had better not have that argument in regard to a bill which should not have any effect upon that subject. I am therefore going to offer an amendment to strike that out in order that it may not be considered in connection with this bill and in order that the schools may still be controlled by the existing laws. I think it would be a futility to create these facilities if they could not serve the people.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. CURTIS of Missouri. I wonder if the gentleman would answer this question: Who pays for the services in the local community?

Mr. SPENCE. The local community, if it is able.

Mr. CURTIS of Missouri. Through taxes, does it not?

Mr. SPENCE. Yes.

Mr. CURTIS of Missouri. Why should not these communities where people live who will own their own homes and have their wages pay their local taxes the same as you and I?

Mr. SPENCE. We are building facilities there, but it may not be possible to secure some of these facilities because the local people cannot furnish the necessary funds.

Mr. CURTIS of Missouri. But they can still pay for the services.

Mr. SPENCE. They are given the installations, they are installations in communities that need them; they need them for the comfortable living of the people. We have established the facilities, and if the community cannot furnish the services I think the Federal Government will have to.

Mr. CURTIS of Missouri. If the gentleman will yield, why can they not furnish the services? They are paying local taxes, are they not?

Mr. SPENCE. Mr. Chairman, I do not yield further.

Mr. CURTIS of Missouri. I am asking the gentleman a question and would like an answer.

Mr. SPENCE. I think it is obvious that they are paying taxes; anybody who owns a home pays taxes somewhere; but they may not have enough funds to furnish the services.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BAKER. I would like to ask the distinguished chairman of the committee what effect this bill with the provision for community service has, in the gentleman's judgment, on the town of Oak Ridge, Tenn. There is much talk in the report about the elimination of company towns. That is a company town, to be specific; they are building homes down there now. Will that come under this bill?

Mr. SPENCE. That would come under this bill. But if you did not enact this bill every one of those homes if there are additional homes, would be built by the Government, would be owned by the Government, and would be rented by the Government. The Government now owns the homes there. Not long ago a delegation came to my office and said they wanted to make an adjustment of the rents that they paid to the Government. All that will be obviated and the Government will not have to build these homes directly if they can get private enterprise under the favorable conditions that will prevail under this act, to build them; and I think private enterprise will be able to build them.

Mr. BAKER. Oak Ridge is in the district I represent. If this amendment were adopted striking out the word "service" then as to the future would it mean that in Oak Ridge or any other AEC community they would have to have some different method of school system?

Mr. SPENCE. A different what?

Mr. BAKER. A different method of school system, sewers, water and so forth.

Mr. SPENCE. If they could not establish that themselves, and the Government would be prohibited from doing it, of course they would not have it. They would have to afford it or they would not have that. A condition might exist where you created a facility, where you created a police department or a fire house and you would have nobody to service it.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. NICHOLSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have had this matter before us for a long time. A great many weeks were put in on this by the Committee on Banking and Currency. Now the cat has just jumped out of the bag. We are going to take out education so that they can get the bill passed because they know they could not get it passed without striking that out of the bill.

Mr. Chairman, I have never mentioned that anybody was or is a socialist around here although I have heard all about these beautiful things that have been passed which were socialistic. But when I build a house and pay for it, and I work 15 or 20 years to pay for it, and you ask me to build a house for somebody else and take the money out of my pocket, that is socialism because that other fellow had just as much of an opportunity to build a house as I did.

If we get into a critical defense area, like that represented by the gentleman from Tennessee, at Oak Ridge, the Federal Government pays for all those services. Why should it not? It is a Federal Government installation and it should.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Tennessee.

Mr. BAKER. I doubt the gentleman's construction, although I have a high regard for the gentleman's ability. Oak Ridge is expanding, there are hundreds of new units, and if this amendment is adopted, would that preclude the expanded areas from having the advantage of a school system, water, fire prevention and so forth? That is a very serious question.

Mr. NICHOLSON. The Government owns Oak Ridge, it owns the land that is all fenced up around it. It owns the land. So if somebody comes in from the outside the Federal Government could charge them for teaching the children just the same as we do if somebody comes from the outside into our district.

Mr. Chairman, we just went through a pretty big World War—World War II. All of these big installations and all of the construction were adequately taken care of and it will be taken care of now, because the industries of this country are capable of producing anything. I do not believe we need to be in such a hurry, even if we do get all of this propaganda from the State Department and the War Department about how we are going to be mowed down into dust in a year or so. They are just trying to frighten you. There is no more reason to believe that Russia is going to fight us than there is reason to believe any other absurdity.

These bills that come in here under the guise of national defense to have these Socialistic measures put on the books is all wrong. Does anybody deny that what Oscar Ewing stands for is socialism? If any of you deny it, you are about the only ones who do, because everybody in this country knows that they are socialistic. There is socialized medicine and everything else of that nature, and under this bill he may build a hospital, man it, and nobody can deny that he does it.

So, Mr. Chairman, it is well that we look with a little suspicion on this bill and listen to the gentleman from Michigan who is afraid that this country may go socialistic or communistic. Every other country has done so. This country can do it if they get that subtle kind of education, and we are just preparing them for it when we give them these little doses in easy drops, and they take it, and the first thing you know, the children will not want to take care of their mothers and fathers any more like they did when we were boys and girls. So, I think we better do a lot of thinking and accept some of these amendments that soften it up; yes, take the one offered by the chairman of the committee, and the other gentleman who was once the chairman.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I want to speak on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT] for just a moment, which seeks to remove community services as defined at the bottom of page 47 and the top of page 48.

Mr. Chairman, I believe I have some knowledge of this subject, because I have served on the Atomic Energy Committee for about 5 years, and I have visited these atomic-energy towns. I have been on subcommittees that have investigated the subject tof community facilities and community services. In my opinion this is an absolute and necessary safeguard. We are building these projects for the purpose of national defense in unincorporated areas, such as Aiken, S. C., and Paducah, Ky. Now, you cannot go into those areas and expect the people who move into those towns that are built, or aggregation of houses that are built, to pay the taxes, to produce the money to operate the community facilities which may build for them. Therefore, the Federal Government must, of necessity, operate these facilities for the time be-

ing, for the time that it is necessary to give them those services, and, further, if you leave these towns without these services and without any way of getting these services, they will labor under a severe handicap. There is no inducement for free enterprise to go in to these communities and run a fire department, there is no profit incentive to cause free enterprise to clean the streets, provide sewage and sanitation, garbage pick-up, and all that sort of thing. There is just no inducement there. Most of the community services will be operated at a loss in these towns as they are in other Federal towns. The people are transients. They will not put their roots down there permanently, and they are simply not interested in taxing themselves. They go there for the purpose of obtaining employment in these defense industries, and when the defense industries shut down, which they might do in a year or two, they move away. Now you will not get them to go there in the first place if you do not have a school and school teachers in the schools. They will not go there unless you have fire protection and waterworks and water in the waterworks that any community needs.

We must not forget that these defense communities are just as much a part of the national defense as a bomber or a battleship. Their one purpose and justification is production for national defense.

They are an obligation of the Federal Government as a direct result of Federal action. These obligations should not be charged to adjoining towns, county governments, or local schools and sanitation districts. In most cases these local bodies are at or near their bond-funding limit. In no case should they be forced to bear the burden alone, of a national-defense effort which happens to be located in their area.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES. Mr. Chairman, may I address my remarks to the chairman of the committee, as I have some questions I should like to ask him?

In the city of Richland, Wash., the center of the Hanford Engineering Works, we have an Atomic Energy Commission city, unincorporated, of approximately 25,000 people. That city and the contiguous area, with many of the towns, has been ruled a critical defense area by the Critical Defense Area Commission. They will be expanding the city of Richland and they will be expanding the contiguous towns with defense housing. Will they not in turn have to expand the services necessary for the unincorporated town of Richland to take care of those expanded housing facilities?

Mr. SPENCE. Absolutely.

Mr. HOLMES. Under certain conditions, if they expand rapidly, will they not have to put in additional facilities even in those contiguous towns to take care of the new housing going into those towns?

Mr. SPENCE. No doubt about that. You would have a very unsanitary condition there, otherwise.

Mr. HOLMES. That is the question I wanted answered.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I have been a Member of this House for 9 years. During that 9 years I am sure that had we adopted all the programs that President Truman and his New Deal crowd wanted us to adopt we would have had a complete socialization of this country.

The chairman of this committee, Mr. SPENCE, says he does not believe in socialism, but all you need to do is dig up the Spence bill and read it. It is a complete blueprint for socialism, where you would smother free enterprise. It is a slow, creeping paralysis and plan which is nothing more than a first cousin to communism. I am not accusing the gentleman of believing in the bill, because recently he said the bill was dead and he did not want to have anything to do with it.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Kentucky.

Mr. SPENCE. No hearing was ever had upon that bill.

Mr. MILLER of Nebraska. The gentleman disowns it?

Mr. SPENCE. No report was ever made on it.

Mr. MILLER of Nebraska. The gentleman did introduce it?

Mr. SPENCE. It did not entirely express my views, either. I dropped it in the hopper, but that is the extent of it.

Mr. MILLER of Nebraska. I certainly appreciate that admission, because someone got the gentleman to introduce it. What is the plan of the New Deal? Socialized housing, socialized medicine, socialized education, a complete overhaul of the institutions of this country with valley authorities and regimentation. That is a blueprint for socialism. It was in a bill which the gentleman says now he did not follow, and I do not blame him. I would not, either.

George Washington, that great American, on December 26, one day after Christmas, 1776, when he was facing the Hessians across the river at Trenton, N. J., when this new Republic was in serious trouble, issued a famous order, which read like this: "Let only Americans be on guard tonight." I say to you, my colleagues, if we are going to stop some of the socialistic program we had better adopt the amendment offered by the gentleman from Michigan [Mr. WOLCOTT] and stop this socialism, and "let only Americans be on guard tonight."

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I suppose we on this side as long as we remain here will have to listen to the tirades about socialism and communism and watch the men on the other side wrap themselves in the American flag. Some of us may be here long enough to see them, some day, come forth with some real, tangible, concrete ideas that will advance Americanism, something other than their tirades and empty talk.

There is nothing in this bill that will promote socialism or communism. We have tried to put into this bill the lessons we learned from our experience during World War II. Under this bill we will have no more slums, we will create no more slums, we will create no communistic or socialistic housing. In every community that needs housing, that does not have the finances to build community facilities, this bill will give private free enterprise the opportunity to create private housing. The bill will also provide the community facilities without which the housing is uninhabitable. As the gentleman from Texas [Mr. PATMAN] very properly pointed out, your fire houses and your fire engines are useless if you do not have the water and the manpower with which to operate them in the event of a fire? What good is your house without the sanitary facilities? Do you want to herd these defense workers into these communities, and then say, "Shift for yourself and get along without any health facilities and without sanitation." If you do not build these community facilities in these new communities, and you do not provide the wherewithal to serve them, then let us not appropriate any money for the defense effort. Bring it to an end now. If you are sincere in your desire to build up this Government so that it can fight the enemy you are always talking about from within and without, then you will pass this bill as it has been presented to you by the committee. You thereby help these communities to build up in the American way, under the American standard of living, and we will have no more slums, and we will have no unsanitary conditions.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Chairman, I rise in opposition to the amendment because of the peculiar condition at Oak Ridge, Tenn., which is in the district that I have the honor to represent. As I see it, too much discussion has been about the bill, rather than about this amendment. The amendment is to strike out community services which would mean education, fire and water facilities in these Government-owned plants or so-called company towns. I am against socialism and company towns. But I feel if a place like Oak Ridge, existing as it does now with thirty or forty thousand people, and in the process of rapid expansion with hundreds of units, is to be deprived of the privilege of fire protection and water and sewage disposal and educational facilities which these people now have, then I shall vote against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. BROWN].

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Georgia.

The CHAIRMAN. The Chair cannot recognize the gentleman for that purpose.

Mr. BROWN of Georgia. Mr. Chairman, let us put away the smoke screen

about this bill. Consider one of the plants, an atomic-energy plant in South Carolina, just across the river from my district. Nobody there wanted this plant. Nobody asked for this plant. Nobody wants it now. It was imposed on them by the Government of the United States. For what? For the purpose of protecting our gallant sons who fight the battles for this country on every battlefield throughout the world to protect the lives of millions now and in the future. Why should one or two speakers brand this bill as socialism when people are being driven off 250,000 acres of land where an atomic-energy plant to be built will cost about a billion dollars and when you cannot spend over $100,000,000 for facilities, services, and so forth, on all the atomic-energy plants and all other critical defense areas. Do you not want to do justice to these people when you drive them from their homes and take the land off the tax rolls? Do you tell me that you are not going to give facilities to the people when the Government is taking their land? What do you mean? Is that socialism? If so, you will brand most of the fair-minded and reasonable men as socialists. The idea of anybody saying that this is socialistic. Are you people who are opposed to this bill advocating that it is not right to get the money from the Federal Government for facilities and services when the local people cannot supply it and the Government is taking their lands off the tax rolls, taking three towns, schools, and everything else. You cannot get the guaranty from the FHA except to build the houses. Why? I repeat, the service of these atomic-energy plants is for all the people of the Nation. Why should the local people bear more than their share of the burden? Here you are, driving these people from their homes, saying to them, "You cannot have a schoolhouse; you cannot have your land to pay taxes. Go away and find your home. That is the way America is going to treat you." For God's sake, vote down this amendment.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. BROWN] has expired.

The Chair recognizes the gentleman from California [Mr. MCKINNON].

Mr. MCKINNON. Mr. Chairman, I too, among many others in this Chamber, believe in the free-enterprise system and in the things that have made America great. One of those great principles is to pay back our obligations. When we go into this defense program we create great military installations around the country, and we, as a Federal Government, create a lot of impact problems in adjacent communities. It is up to the Federal Government, just the same as it is up to us as individuals, to take care of the obligations we create. That is why we attempt, in the community facilities and services section of this bill, to recognize the principle that the Government should pay its way. If it puts in a big installation in South Carolina or Texas or California, or any other place, then instead of putting that obligation upon a little community, we should by all rights assist that community in taking care of the obligation that the Federal Government creates.

Now, let us read what is in the bill and see what the bill provides. Turn to pages 4 and 5 and you will notice that under the terms of the bill the Federal Government does not go in and create these facilities or render this service itself. It only assists the local government in carrying out the obligation. It recognizes the principles of States' rights. The only time the Federal Government comes in to administer the service is when there is no local government or when the local government demonstrably is unable to do the job. Therefore, the Federal Government is not moving in and establishing a social-welfare pattern. It is assisting a local community to discharge the responsibility that has been created by the Federal Government.

I think it is up to us to discharge that responsibility. It is a principle we should adhere to. That is all this section provides—that we shall assist by financial aid those communities which suffer from the impact of a military or procurement program. It has no insidious socialism about it at all. It is merely the recognition of a problem that we create, and the discharge of that obligation.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, the defense housing and community facilities bill, S. 349, embodies urgent and essential legislation which is long past due. The mounting number of stories which are coming to all of us concerning the deplorable housing conditions of the families of servicemen is only one indication of the need for this legislation. Many new defense plants are beginning to have increased difficulty in recruiting personnel because of the lack of housing. The defense housing bill should have been enacted 6 months ago. It is up to us now to enact this bill quickly and provide adequate funds to do the job which needs to be done.

This is a good bill as far as it goes, but there are not adequate amounts authorized for necessary Federal housing or for the provision of community facilities and services. The bill authorizes the appropriation of not more than $75,000,000 for housing and $100,000,000 for community facilities and services.

It is a simple matter to determine the inadequacy of these authorizations. The bill limits the unit cost of federally provided permanent housing to nine, ten, and eleven thousand dollars, depending on whether it is a two-, three-, or four-bedroom unit. These limitations can be increased by not more than $1,000 in high cost areas. Thus, with these cost limits, not more than 6,500 to 10,000 dwellings could be provided with the amount of money authorized by the bill. This will not take care of the families of military personnel. Private industry is reluctant to provide housing for them because it has no assurance that there is a permanent need for it. Where it is plain that the need for the housing will not continue, temporary housing of portable or movable character could be provided under the bill. However, experience has shown that temporary housing, when all the costs are counted, costs almost as much as permanent housing.

Therefore the report of the Johnson Subcommittee of the Senate Armed Services Committee covered only three military camps. The subcommittee reported shocking housing conditions at these three camps for the families of servicemen. This demonstrates beyond doubt that the total authorization in this bill could be used for housing for the families of servicemen and their needs would still not be met.

In addition to the need of the families of servicemen is the need for housing for defense workers in new defense plants and expanded defense industries. Private enterprise will be aided by the bill to provide such housing. In some places the uncertainty of the duration of the defense activity makes it unlikely that private enterprise, even with the aids provided in this legislation, will want to supply sufficient housing for immigrating defense workers in these plants. In such areas the Federal Government under this bill would provide the housing when it has made certain that private industry is not going to do it. Sufficient funds will be necessary, however.

Housing, whether private or public, cannot serve the needs of defense workers unless there are community facilities and services, such as water, sewers, schools, hospitals, and fire and police protection. Local governments have been hard pressed to keep up with the increase in population, World War II needs, and the shifts in population occasioned by World War II. Many of them in financing necessary schools, waterlines and other community facilities and services have already reached their statutory debt limits. The evidence presented to the Banking and Currency Committee makes it plain that they are not in a position without Federal assistance to furnish the necessary community facilities and services which will be needed to serve defense installations in their communities.

The defense housing and community facilities bill should be passed immediately in order to meet these obvious needs.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BARRETT. I yield.

Mr. BROWN of Georgia. Of course, if the Government undertakes to build these towns, it will cost the Government many times more than it would cost private enterprise to build the homes and the facilities provided under this bill, and they will be built only in critical areas. I hope the people understand that. Take Oak Ridge, and the other two atomic energy plants in the State of New Mexico and Washington State, it cost the Government last year more than a million dollars to operate them; just to operate the towns. I am talking about saving money. That is what this bill is designed for. It is to save money to the people of this country so that free enterprise can build the homes, and operate the facilities.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky, [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I do not intend to answer the arguments the gentleman made that I have socialistic tendencies; I think everybody who knows me knows that I have no regard at all for socialism nor the principles it teaches. I think the charge of socialism is a pretty threadbare argument as applied to every measure we bring up here designed to protect us during war. I think the gentlemen on the other side, for many of whom I have a very great affection and regard, must find some new arguments. I have been here for 22 years, and in all of that time I have served under a Democratic administration except the last 2 years of President Hoover and the 2 years when JOE MARTIN was Speaker of the House. As long as you continue to pursue the course you are now following I think the Democratic Party will stay in power indefinitely, if you do not get some better arguments to attack progressive measures that are offered.

I hope you will not be destroyed; I want you to stay as the opposition party; we have been working with you too long; you have helped us too much; we want to keep you, but I want to say to you that if you do not soon get a different type of argument than to attack every progressive measure that is offered I am afraid another party will take your place as our opposition and that would distress me greatly. I mean that; we have fought you so long, we know you so well, we have done so well with you as the opposition. We have not stayed in here because of our virtues entirely; you have helped us, and we want you to help us in the future.

This is a war measure. We are at war. We talk about giving the people these needed installations in defense areas where conditions are unsanitary, where there may be great health perils, and then hear you argue that to provide such services in such areas is to go socialistic, that just does not make sense; it does not make sense to me; it does not make sense to the American people I know. I hope you will try to find some better argument, some better reason to strike down the bills that the majority party offers to you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken and on a division (demanded by Mr. WOLCOTT) there were—ayes 98, noes 94.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. WOLCOTT.

The Committee again divided; and the tellers reported that there were—ayes 122, noes 125.

So the amendment was rejected.

The Clerk read as follows:

TITLE I—CRITICAL DEFENSE HOUSING AREAS, PROCEDURES FOR EXERCISE OF AUTHORITY, AND EXPIRATION DATE

SEC. 101. (a) Notwithstanding any other provisions of this act, the authority contained in titles II, III, or IV of this act shall not be exercised in any area unless the President shall have determined that such area is a critical defense housing area.

(b) No area shall be determined to be a critical defense housing area pursuant to this section unless the President finds that in such area the following conditions exist:

(1) a new defense plant or installation has been or is to be provided, or an existing defense plant or installation has been or is to be reactivated or its operation substantially expanded;

(2) substantial in-migration of defense workers or military personnel is required to carry out activities at such plant or installation; and

(3) a substantial shortage of housing required for such defense workers or military personnel exists or impends which impedes or threatens to impede activities at such defense plant or installation, or that community facilities or services required for such defense workers or military personnel are not available or are insufficient, or both, as the case may be.

With the following committee amendment:

Page 2, line 6, after "area" insert "all."

The committee amendment was agreed to.

Mr. COLE of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of Kansas:

Page 1, line 9, change the word "titles" to read "title" and strike out "III, or IV."

Page 2, line 20, insert new subsections (c) and (d) as follows:

"(c) Notwithstanding any other provisions of this act, the authority contained in titles III, or IV of this act shall not be exercised in any area unless the President shall have determined that such area is an isolated or relatively isolated area.

"(d) No area shall be determined to be an isolated or relatively isolated area pursuant to this section unless the President finds that in addition to all of the conditions set forth in subsection (h) such area is not within reasonable commuting distance as determined by the President to an established community."

Page 4, line 11, change the words "a critical defense housing area" to read "an isolated or relatively isolated area."

Mr. COLE of Kansas. Mr. Chairman, the House recently by a very narrow margin turned down the amendment offered by the gentleman from Michigan to eliminate the word "services" from the bill.

What I am attempting to do is help people like the gentleman from Georgia [Mr. BROWN] and the gentleman from Tennessee and those others who have critical defense areas which are in isolated or semi-isolated areas.

This amendment if adopted will provide for Federally-built houses only in isolated or semi-isolated areas. It will also provide for the Government to obtain land to be developed for housing for defense purposes only in isolated or semi-isolated areas.

Mr. Chairman, as this debate has progressed we have seen a rather interesting confusion take place upon the floor. We have debated the bill in general terms. We have talked about the need for certain facilities and certain services and certain Government-built houses, and we have discussed them in general terms. But the people who have proposed the bill have debated it solely on the premise that we needed Government-built houses, facilities, and services in isolated or semi-isolated areas.

There are in this country, of course, let us say half a dozen such areas which are critical, and in which Government-built houses may be necessary, in which the Government may be required to provide facilities and services. If that is true, then we should permit that to be done, but we should limit the bill to such an extent that the facilities with the services with the Government-built houses, with the acquisition of land for housing development, be only in those areas.

I repeat, what this amendment does is permit the building of Government houses, permit the use of Government facilities and Government services, permit the acquisition of land for defense purposes, only in isolated or semi-isolated areas. That is all the amendment does.

Mr. Chairman, a little over a year ago I visited England, and there I saw what occurred when the Government built houses. At that time not a single house could be built by a single individual or corporation. All housing in England at that time was built by the central government or by the town and county planning board or by some municipality. Not a single house was built by an individual, and not a single house was permitted to be built by an individual. Whether that is socialism or not, I think it is bad. Whether it is this ism or that ism—I think it is bad. I think if we permit ourselves to pass legislation which will be the foot in the door to permit Government agencies to determine where and how houses shall be built and for whom they shall be built, without any limitation, and under the guise of defense housing, then we shall rue the day as long as we live.

Mr. MULTER. Will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. MULTER. Under the gentleman's amendment, would he say that Wichita, Kans., would be included as a semi-isolated or isolated area?

Mr. COLE of Kansas. Wichita, Kans., is definitely not a semi-isolated or isolated community. If the Government builds a defense installation on the outskirts of Wichita to such an extent that the people working there are not within commuting distance of Wichita, then under the definition of my amendment, the plant would be in an isolated or semi-isolated area. The thing I am saying is that you cannot declare that Wichita is an isolated area, but there are areas very near Wichita which might be semi-isolated and under my amendment you would be able to provide housing built by the Government, and you would be able to provide community facilities and services for that area.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. FURCOLO. I wanted to ask the gentleman what he had in mind as to isolated or semi-isolated areas so far as population entered into the picture, but I believe the gentleman has answered

the question sufficiently to clarify the point I had in mind.

Mr. COLE of Kansas. I thank the gentleman.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. MULTER. Under your definition, I believe, you are in agreement that these areas, which thus far have been designated as critical defense areas, do need this help which we are seeking to give them under this bill.

Mr. COLE of Kansas. No; I do not agree with the gentleman. I say those areas like Wichita and Kansas City and St. Louis and Pittsburgh are not isolated areas, and we should not provide Government-built houses in those closely compacted areas.

Mr. MULTER. It is not a question of Government-built houses.

Mr. COLE of Kansas. It certainly is.

Mr. MULTER. Under this bill we are trying to provide defense housing.

Mr. COLE of Kansas. Yes; but you do not limit it to that.

Mr. MULTER. It must be done by private enterprise, and the Government does not step in until private enterprise fails. The question I am asking the gentleman is: Do these critical defense areas need defense housing?

Mr. COLE of Kansas. That begs the question. Unless you pass the amendment I have offered, you will permit Government houses to be built in Chicago, St. Louis, and Kansas City, and you will permit the Government to go into those areas and provide community facilities and community services. You will permit the Government to go in and buy land for development unless you have this limitation.

Mr. MULTER. Let us see if what the gentleman says is so. In these areas, is private enterprise ready to go in and build? Will private enterprise build housing in these areas?

Mr. COLE of Kansas. They will if the Government will permit them to do so. If you are willing that the Government permit them to do so, then you will vote for my amendment.

Mr. MULTER. Does the Government stop them from doing it now?

Mr. COLE of Kansas. Yes; it is stopping them from building in Topeka, Kansas City, and in Wichita, Kans., today, and in many other areas.

Mr. MULTER. How is the Government stopping them from doing it now?

Mr. COLE of Kansas. By regulation X and by channeling critical material away from them, and by other regulations which the Government has placed upon them to strangle the building industry in those areas.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. COLE of Kansas. I yield.

Mr. PATMAN. The gentleman uses the phrase "within a reasonable commuting distance." How far would you say a reasonable commuting distance would be in, let us say, South Carolina or Kansas?

Mr. COLE of Kansas. I will admit that I do not know. I admit that it is rather difficult, but I will say further that that is a reasonable suggestion. It is a reasonable distance, which, if these agencies are able to determine other problems in connection with housing, certainly they can determine what a reasonable distance is.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. BROWN of Georgia. Augusta, Ga., is just across the river from Aiken, S. C. It is so overcrowded the people can hardly walk on the streets. What would Augusta do under your amendment?

Mr. COLE of Kansas. Under my amendment they now have, under a law which was passed by this Congress, aid and assistance for community facilities, for education, for health, and other things which Augusta now has. It does eliminate any metropolitan area.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BROWN of Georgia. Will the gentleman please point out the law? That is something we have not been able to find yet.

Mr. COLE of Kansas. I do not remember the number of it, but it was approved by the Committee on Education and Labor.

Mr. BROWN of Georgia. You mean the community facilities?

Mr. COLE of Kansas. Yes; education and health. Health facilities are assisted by other legislation.

Mr. BROWN of Georgia. Up to this time we cannot find any law by which we can get any relief at all. That is the reason we want this bill passed.

Mr. COLE of Kansas. If your local community is a metropolitan area, the Government should not grant it community facilities. I am talking about a municipality where you have all of your local facilities. That is the issue.

Mr. BROWN of Georgia. Thirty-six thousand people are moving there to work. That means there are over a hundred thousand people just across the river. They do not have any place to live.

Mr. COLE of Kansas. Augusta has the benefit of the taxes received from those people living in that area. That is the issue and it is a simple issue. If you want to grant money to those metropolitan areas to build schools, to provide facilities and to provide services, then you should turn down this amendment. Otherwise, you should vote for it.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment provides that the provisions relating to the needed housing and the construction of needed housing and the acquisition of sites for that purpose shall not apply except to an area that is isolated or a relatively isolated area. What is a relatively isolated area? I do not know. I would not like to give the power to anyone in Government, either the legislative or the executive branch, to determine. That is very broad power. In addition to that there is another strait jacket in the amendment. It provides that the President, in determining what is an isolated or a relatively isolated area, shall be confined to this condition, that such area is not within reasonable commuting distance, as determined by the President, to an established community. In some places 50 miles would be a reasonable commuting distance. In other places, it might be a few miles, possibly. That is giving the people who have charge of the administration of this act a lot of power and a lot of authority. Let us for the moment confine our discussion to the Aiken, S. C., project, where they are going to spend a lot of money on this hydrogen bomb plant. Aiken, S. C., is only about 25 miles from Augusta, Ga., just across the river. There are good highways from Augusta, Ga., to Aiken, S. C., and the area that will be occupied by this enormous plant. If this amendment should be adopted and an effort is made by someone who has the money and would like to have a little Government help for facilities and services to build houses nearer this plant, objection would be urged and would be sustained, for the reason that the one in charge of the administration of the act would say that that is within reasonable commuting distance of Augusta, Ga. Also you would exclude such places as Wichita, Kans., Fort Worth, Tex., and other places. Therefore this would effectively scuttle and destroy this housing bill.

This bill goes much further than just building houses for some; this is a war measure, as the chairman of the committee pointed out a while ago; this is a war measure. As the gentleman from Georgia pointed out, the people down in South Carolina did not want this project, but the great Federal Government went in there and took over 250,000 acres. The Federal Government necessarily dispossessed thousands of families, moving them out, and there are not very many people there to pay taxes. They destroyed three towns; there is nobody there to pay taxes. This is a new area, it is in the interest of the entire country, it is not socialism and communism; it is fighting communism and socialism with the object of making our country strong and sufficiently strong militarily that our enemies will fear us and we will not likely have a war, and if we do have a war we can bring it to a successful conclusion. So I respectfully suggest that this amendment along with those which we have been given notice will be proposed during this consideration will be defeated by an overwhelming vote for the purpose of better preparing our country's military security.

I hope this amendment is voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 85, noes 98.

So the amendment was rejected.

Mr. SCHWABE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask the chairman of the committee one or two questions: I would like to know what is the process or the mechanics by which information is brought to the attention of the President upon which he may make a determination or designation that any particular community is a critical defense housing area?

Mr. SPENCE. That is left to the discretion of the President.

Mr. SCHWABE. Who brings that to his attention, is my question.

Mr. SPENCE. The community brings it to his attention or he can use any means of information he may have or any information he may acquire.

Mr. SCHWABE. And is that information ever made public? Or is that discretionary with the President?

Mr. SPENCE. I do not think that information will be published in any Federal Register or anything of the kind. It is information upon which the President acts.

Mr. SCHWABE. There are those in the community who may bring it to his attention and there are those who may oppose it.

Mr. SPENCE. I guess there are.

Mr. SCHWABE. The question is, Are they ever allowed to oppose each other or to know who are the opponents?

Mr. SPENCE. I suppose the local community brings information first to him; the military department, the Atomic Energy Commission, and other interested persons would bring it to him.

Mr. SCHWABE. I thank the gentleman. I have information from the committee that determines this to the effect that it may be brought to the attention of the President by any public official, Federal, State, or local, and that those are the chief sources of such information.

Mr. SPENCE. I think initially probably the Atomic Energy Commission or the Secretary of Defense would bring it to him because they would know what they desire and what they needed, and the President would probably make an investigation and act upon the information brought to him. I think there should be some presumption in favor of the President doing his duty.

Mr. SCHWABE. Then after the matter is brought to the attention of the President by someone, the local community, State, Federal, or local officer, then is there a hearing to be afforded to those who might want to oppose?

Mr. SPENCE. No. The President acts upon the information that is brought to him. I do not see any reason why there should be a hearing. The President is acting in the interests of the national defense and probably an expeditious decision is necessary. I do not see anything that would induce the President to declare an area critical, a defense housing area, unless it were true.

Mr. SCHWABE. I happen to know, Mr. Chairman, that there are pending a number of these situations today where they are under consideration by the committee that is delegated to handle this situation. There are no public hearings granted, there is no opportunity presented for anyone to oppose it, whether it be the Chamber of Commerce or the civic bodies of the community, the municipal organization or whatnot. No one is allowed to know who gave the information and who has asked for the area to be considered and designated by the President as a critical defense housing area.

May I suggest to you that the Federal Reserve Board of Cleveland, Ohio, in a bulletin issued on July 21, 1951, summarizes the advantages and the disadvantages that may follow where such an area is so designated, and I want especially to call your attention to No. 4 of the disadvantages in which the Federal Reserve Board of the Cleveland, Ohio, district, said in its bulletin of July 21, 1951, these words:

> A fourth disadvantage is perhaps the chief one, at least as far as major diversified industrial areas are concerned. At the time the Critical Areas Committee certifies a given community as being a critical area, it notifies other Federal agencies of this fact. It recommends that no additional facilities, procurements, or military activities be located in the area if alternative locations offer more ample community resources. In other words companies seeking additional defense contracts could be severely handicapped if operating in a critical defense area. This would be particularly true if such contracts were of a size as to require the company to expand its operations and to recruit labor from other areas.

It behooves us to watch carefully what we are doing here.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the argument made by the gentleman from Kentucky [Mr. SPENCE] was extremely touching, and I hope that the Republicans will take it to heart. His solicitude for the future of the Republican Party should make us all weep, especially when we remember how the New Deal and the Pendergast machine in Washington have seduced Republicans who were forgetful of the principles on which our Government is based, who were personally ambitious by high places in the administration. Apparently he is fearful that without a party of loyal opposition his party will ruin the Nation. Do not follow his advice. He said we would have to get some new principles, or new programs, something that was liberal and progressive. Now, we cannot even win along that line, because there is not a thing that his party has not given away money, principles, independence of the Nation, the freedom of the individual. I noticed in the press just yesterday where the administration intends to spend a million or two hiring somebody to go over and find out if Burma cannot use a little more of the taxpayer's money. Now, with that kind of a program how in the wide, wide world can Republicans become more liberal—when you are paying advocates of spending who are always at a loss on how to spend more, a million dollars to discover a way to give away additional dollars? The hundred and twelve billion we have given to other nations is not enough, he gages. But, there is not much we can do about it. Some of the folks say I am always "agin" everything. Of course, the Ten Commandments are also against a lot of things. Do I hear anyone arguing against the Ten Commandments? But, I do think if the Republicans would adhere to principles, that is, the principles of the party that some of us seem to have forgotten, if we would adhere to those principles and make an aggressive fight here on the floor day after day—and we are away behind our people—I have an idea that maybe we could politically skin these fellows over on that side of the aisle if we could save the money they have spent buying votes. And, I go away back to the report of a Democratic committee which investigated conditions in Texas and reported the use of Federal money for political purposes, and going over to this other one where they investigated conditions in the gentleman's home State, another committed the use of the tax dollar to influence votes, a use which resulted in the election of a great statesman—that is, I assume he is a great statesman—to the other body. They came in and said that the money appropriated to take care of the old people, the unfortunates, and the needy had been used to buy votes. Now, that was a Democratic committee; that was not a "dirty Republican" committee that conducted that hearing, made that report. That was not dirty Republicans who dug that up. Right now there is information—it was not secret at all, because I do not pretend to have any secret information—but they are doing something up here around Toledo that is not what it ought to be, and I understand that one of the Cabinet officers has tried to cover that up, and has been sending word or advice to some fellow on the Democratic side to let it ride or go easy for the present. The suggestion was made: "Why, we should not go into that; we should not disclose that, because the confidence of the people in the Democratic Party in the administration will be destroyed." You cannot destroy something that does not exist.

I should say something about the gentleman from Texas [Mr. PATMAN], who argued that we must have housing for workers at a certain plant, too. He said that here we are, and we would have to take some action. Sure. You fellows on that side of the aisle are the most skillful, adroit and successful in getting us, this country, I mean, into a hole, a spending and trouble-making group such as has never existed on this country at least since I came here in 1935. And, what are you doing? First you got us into a World War; then you frightened us to death with the threats unless we spend and waste over $100,000,000,000 we will get into another world war, and that war threat calls for something else; that calls for atomic plants, it calls for $56,000,000,000, for $4,800,000,000, for $8,500,000,000—yes, let us just say billions and leave the number to the future. You are buying, he said, something like 250,000 acres—I do not know just what it was, maybe I am wrong, but you would have a lot of land, and then

you must have housing there. Sure, sure. One thing leads to another, it is just like that broad and easy road that leads to destruction. But that road is a slippery and deceptive one and will eventually lead us to national disaster, the loss of our individual freedom. That is the road we are traveling. And the gentleman points down it with pride. Shove us in and then ask our help to bail the Nation out.

The Clerk read as follows:

SEC. 102. In order to assure that private enterprise shall be afforded full opportunity to provide the defense housing needed wherever possible, in any area which the President, pursuant to the authority contained in section 101 hereof, has declared to be a critical defense housing area—

(a) first, the number of permanent dwelling units (including information as to types, rentals, and general locations) needed for defense workers and military personnel in such critical defense housing area shall be publicly announced by the Housing and Home Finance Administrator;

(b) second, residential credit restrictions under the Defense Production Act of 1950 shall be relaxed in such manner and to such extent as the President determines to be appropriate and necessary to obtain the production of housing needed in such area for defense workers or military personnel;

(c) third, the mortgage insurance aids provided under title II of this act shall be made available to obtain the production of housing needed in such area for defense workers or military personnel; and

(d) fourth, no permanent housing shall be constructed by the Federal Government under the provisions of title III hereof except to the extent that private builders or eligible mortgagees have not, within a period of not less than 90 days (as the Housing and Home Finance Administrator shall specify) following public announcement of the availability of such mortgage insurance aids under title II of this act, indicated through bona fide applications (which are eligible for approval) for exceptions from such residential credit restrictions or for mortgage insurance or guaranty that they will provide the housing determined to be needed in such area for defense workers and military personnel and publicly announced as provided by subsection (a) of this section.

With the following committee amendments:

Page 3, line 5, after "announced", insert "and printed in the Federal Register."

Page 3, line 25, after "applications", strike out "(which are eligible for approval)."

The committee amendments were agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 3, following line 6, strike out subsection (b) and insert in lieu thereof the following:

"(b) second, residential credit restrictions under the Defense Production Act of 1950 shall be suspended for such period or periods as the President shall determine to be appropriate and necessary to obtain the production of housing needed in such area for defense workers or military personnel."

Mr. WOLCOTT. Mr. Chairman, it will be recalled that by quite an overwhelming majority we wrote this provision into the Defense Production Act. In conference, as a matter of compromise, so we would not have to stay there another night, we yielded with the understanding that this amendment would be offered when this housing bill was taken up for consideration.

The language of the bill as it appears presently has as one of the standards that must be met before the area is designated a critical housing area that regulation X shall be relaxed in such a manner and to such extent as the President determines to be appropriate and necessary to obtain the production of housing needed in such area for defense workers or military personnel.

It was the opinion of this House when the Defense Production Act was passed, and it should continue to be the position which we should take, that in these areas where it is necessary to get the maximum amount of production of building units, home units, regulation X should be suspended.

I have made the statement, and I reiterate, that there is no need for this bill in these areas provided they suspend regulation X and divert some materials, if necessary, to these areas for the construction of housing units.

The only way we can possibly get sufficient houses in these areas short of the Government's building them itself is to suspend regulation X and allocate to the areas sufficient materials to assure sufficient housing. Unless you do those things you make it impossible for private enterprise to build the homes and make it necessary for the Federal Government to come in and build the homes.

It seems to me this amendment is another key which locks this door which so many people have been knocking at so long. On the other side of this door lies danger to America. I know that statements so far today along that line have not had too much effect, but I am going to continue to make such statements with the hope that some time enough people will be converted to the American system to guarantee its perpetuation.

As we did in the defense production act, so we should do in this bill. We should suspend regulation X in these critical defense areas until such time as th President finds there have been sufficient housing units constructed to meet the demand.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is rather surprising to hear the gentleman from Michigan make his argument in support of the amendment he has just offered. I thought he was one of the strongest and foremost advocates for credit control as one of the ways of beating inflation. He now tells us that what we must do is to suspend regulation X. That is the regulation by which we control real-estate credit.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. WOLCOTT. You are talking about using credit controls to control production. If you charge me with being in favor of credit controls to prevent inflation—I am—at the source of the credit, which is the Federal Reserve System and nowhere else.

Mr. MULTER. Then, I understand, you are opposed to regulation X in nondefense areas as well as in defense areas?

Mr. WOLCOTT. The gentleman has asked me a question, and has invited an answer. I will give the gentleman this answer: That the credit which is controlled under regulation X and the credit which is controlled selectively under regulation W has no more effect on the volume and velocity of credit to the point where it effects the value of our currency than you would if you rested your hand slightly on a child's toy balloon and tried to prevent its inflation.

Mr. MULTER. What this amendment would do is prevent the control of credit in those areas where you need it most. The bill now provides that in those areas which are declared to be critical defense housing areas, regulation X be relaxed so that you then may get the construction of housing there—not in unlimited quantities but to the extent that you need it in the defense area. In other words, in order to determine that there is a critical defense housing shortage, the various agencies charged with the duty of making the determination, which include the Defense Production Authority, the Department of Labor, and the Home and Housing Finance Agency, must all get together and determine how many houses you need in this community because of the impact of defense installations. Having made that determination, they then say "We need a thousand or two thousand or five thousand housing units." They then relax regulation X in that area so that you can build and sell or rent the 1,000, 2,000 or 5,000 units. What this amendment would do is to say that once you go into the area and make that determination that you need 1,000, 2,000, or 5,000 units, you suspend regulation X and let the builders rush in and do all the building they like free of any regulation and free of control. If you are going to do that, then you do not need any of the control features which we wrote into the Defense Production Act, and we do not need this bill either. You will then let private industry go on its merry way and let them go into high cost areas where they can make the maximum profit. You will let them build there until the market is saturated. If you suspend regulation X in the critical defense areas and let these builders do all the building they please, then you cannot channel the material into that area for defense housing that may be needed. Instead of getting the defense housing where you will need it, you will have maximum production of nondefense housing on which private enterprise can make the maximum profit. That is not what we are trying to do under this bill. What we are trying to do is to make it possible to build first what you need in these defense areas for defense workers. In these times of emergency you must understand that you cannot let free enterprise run wild. When you do not have enough materials with which to build in every part of the country, you must channel the materials into the areas where you need it most. Once the emergency is taken care of

in the critical areas, you can let the materials go to these other areas.

Mr. COLE of Kansas. What disturbs me about an agency attempting to determine how many houses should be built is this: How can you or anyone else in a given area tell how many houses or what sort of facilities in those houses are necessary? How can you possibly come to that conclusion?

Mr. MULTER. The answer to that is very simple. Up to the present time we have had from 30 to 40 or more different communities come in and say they are short of houses because of defense installations.

The CHAIRMAN. The time of the gentleman from New York [Mr. MULTER] has expired.

Mr. MULTER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. We declared those areas as critical defense-housing areas. No one has complained that you should not have done it. As a matter of fact, other areas have said, "We, too, should be declared critical defense-housing areas." We are trying to correct the situation in those areas. This bill will help correct the situation. Other areas from time to time will come in and show that in accordance with the criteria laid down in this bill they, too, need help, and when they do that we can give them the help they are entitled to.

Mr. COLE of Kansas. But what I am complaining about is that you are leaving it up to a board here in Washington to determine what type of houses, where they shall be located in every given critical area in the United States. I do not believe, if the gentleman will permit me to say so, that that board can do an effective and good job.

Mr. MULTER. But they are doing it, and in doing it they are relying on the people of your community. When your people come in and say, "This is our situation, and we need X number of houses," they either agree or disagree with you. They may say, "We do not agree. We say that you need Y number of houses."

Mr. COLE of Kansas. The people in my community cannot determine it themselves.

Mr. MULTER. Somebody must make the determination, and your people are the ones who will supply the facts.

Mr. COLE of Kansas. It could be more properly made by the people who need houses being able to buy them from people who will be able to construct them. Private enterprise has always had the best market in a free market.

Mr. MULTER. That would be so if we were not confronted with the existing emergency, when you do not have a free market. You do not have that situation today. We do not have enough materials to go around. You must channel them into the areas that need them more than others. There is no free market when production is not supplying enough to meet the demand.

The people in my city and State are clamoring for more housing. Should I say that since they can afford to buy the housing they should get first choice? I say to them that until the housing is furnished to the defense workers in the critical defense areas they must wait.

To the builders in my community who want to continue their operations I say go and build first in the critical defense areas. When they are supplied come back and continue to help relieve our nondefense housing shortage.

The CHAIRMAN. The time of the gentleman from New York has again expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 96, noes 91.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. WOLCOTT and Mr. PATMAN.

The Committee again divided; and the tellers reported that there were—ayes 108, noes 105.

So the amendment was agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 3, line 5, after the words "publicly announced" insert a comma and add the following words: "published in a newspaper having general circulation within the critical defense housing area."

Mr. CRUMPACKER. Mr. Chairman, this section of the bill provides, in substance, that private enterprise shall be given 90 days, after an area has been declared critical, to demonstrate readiness to provide the necessary housing. Their ability to do so would be predicated in the first instance on their receiving actual notice of the action of the Federal Government in sufficient time to prepare the necessary plans. My amendment is designed to assure them such actual notice by providing that notice of the Government's action in declaring a particular region to be a critical defense housing area shall be published in a newspaper of general circulation within the critical area. The committee amendment provides that notice shall be printed in the Federal Register. While it is true that the Federal Register has a very wide circulation, it is also true that the likelihood of the average small private builder ever becoming aware of the contents of a notice printed in the Register is rather slim. I feel, therefore that adoption of my amendment is necessary to insure that such builders receive actual, as well as legal, notice.

Mr. SPENCE. Mr. Chairman, I see no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was agreed to.

Mr. CURTIS of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my purpose in taking this time is to ask a question or two about a part of the bill that has not been discussed a great deal. I assume it is the intention that existing housing facilities be used to the greatest possible extent, first, so that housing will be provided, and, secondly, because it will save money.

There is a housing project near a defense facility, a naval facility, that is being expanded. That housing facility is being operated by the housing authorities here in Washington under authority that expires on August 15. What does this bill do in reference to extending that time?

Mr. MULTER. I direct the gentleman's attention to section 611 of the bill, page 60. If this bill is adopted that time will be extended and we will be permitted to use existing facilities wherever possible, and such facilities that may need some repair and will not cost too much to repair so that they can be used.

Mr. CURTIS of Nebraska. The housing project I first asked about was the Spencer Park housing project at Hastings, Nebr., near the naval ammunition depot. Not many miles from there is another housing project, known as Harvard Courts at Harvard, Nebr. At one time that was declared surplus and was not being used. At the start of the Korean war it was taken off the surplus list and is now needed for housing purposes. It is of good construction, but it needs renovating and redecorating and certain fixtures must be installed. Is authority granted in this bill for the housing authorities to spend money on this type of a project, open it up and make it available for defense workers? And is it the intention of the committee that housing facilities such as the Harvard Courts be prepared for use and made available to tenants?

Mr. MULTER. Yes.

Mr. CURTIS of Nebraska. I thank the gentleman.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 3, line 1, strike out the word "permanent."

Mr. WOLCOTT. Mr. Chairman, this is a very simple amendment. In determining a critical defense housing area the President, under the present language of the bill, must first ascertain the number of permanent dwelling units needed for defense workers and military personnel. The purpose of this amendment is to prevent the Federal Government from building permanent units under the authority contained in this bill.

On page 30, if this amendment is adopted, an amendment will be offered which will strengthen the authority of the Federal Government to build temporary structures in critical areas and in isolated areas for the construction gangs that they are talking about down on the Savannah River, Paducah, Ky., and everywhere else where the area has already been designated to be a critical area.

Now, do not become confused between temporary employment and permanent

employment in these areas. There is need for temporary housing. In many of these areas the construction gangs go in and construct the plants, and then they move off. You might call them barracks or construction shacks, but whatever you call them, they are on the job and they are intended to be demolished as soon as the construction gang leaves and passes on to a new one. Then come the workers of the factories and the plants, and they must have permanent homes, and it is my contention that the permanent homes can be furnished by the application of the Wherry Act, if necessary, in these critical areas and isolated areas, and by the application of the amendment which we have just adopted to suspend regulation X in these areas, with possibly more materials allocated to these areas, all under laws which have been on the statute books for months. Consequently there is no need for any authority in this act to build permanent homes. That is why I have stressed the difference between the temporary nature of the units and the desirability of giving the Federal Government authority to build temporary structures, and the permanent structures which should not, under these circumstances, be built by the Federal Government.

It is possible under this bill as it is written—I am going to emphasize this—it is possible under this bill as it is written to set up a socialized medicine program and a socialized education program. Laugh if you please when I use the word "socialism," but you will not laugh 20 years from now if this country continues to go the way it has been going in the last 15 years. You will remember 20 years from now the warnings which were given you about what is happening here in America. I say that under his bill you can set up a socialized medicine program, you can set up a socialized education program, and you can set up a socialized housing program. In these communities which are established as critical areas under the authority contained in this bill they can build their housing units and then lock, stock, and barrel transfer them over to the public housing program. So you can socialize medicines, you can socialize education, and you can socialize housing under this bill. You do it if you want to. I do not want any part of it.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to announce that after the vote on this amendment I will move that the Committee rise.

The gentleman again has talked about socialism. We have done everything we could to stimulate private enterprise to build these homes. We created a fund of $6,000,000,000 that is available for that purpose. We have stimulated them by insurance. If they do not act and we need the facilities and we need the homes, somebody has to build them; and the Government will have to build them if we are going to proceed with our defense effort.

The ultimate purpose of this amendment is to strike from the bill the provision giving the President the power to build permanent homes. The President will then only have the power to build temporary homes. I know of nothing that will stimulate socialism or any other form of government inimicable to our Government more than to house the people permanently in temporary homes. That is what always has resulted when we have built temporary houses because, by reason of the increase in population, there has always been a housing shortage and a use for them and when they are built around centers of population they have turned into slums.

Why tie the President's hands with regard to building permanent homes? In this bill there is a provision that as soon as the purposes for which these houses have been built no longer exist, they will be sold. Of course, they will be sold. But if you build temporary houses, nobody will buy them. The Government will have to maintain them. The Government will have to allow people to live there even though the conditions will be unsanitary, and even though they produce the slums. I do not see any reason in the world for the introduction of this amendment except to render the President less able to carry out the defense measures which are necessary to preserve our liberty—the liberties of which the gentleman is always talking, the liberties that mean we will always beat down socialism whenever it raises its head. There certainly can be no argument offered for the extension of the building of temporary homes, if permanent homes can be built to house people decently under sanitary conditions, especially when they will be sold just as soon as the purpose for which they have been erected has been served. Do you think the Government wants to hold on to these houses after all the objectives have been achieved for which the houses were erected? Of course not. Then, you will find ready buyers for permanent homes. They will be disposed of, but the temporary housing will not be disposed of. The temporary houses will continue to be occupied by tenants much as the Lanham houses have been occupied, and when the order comes to destroy them the pressure will be so great that they cannot be destroyed.

Mr. Chairman, I ask that this amendment be voted down.

Mr. BROWN of Georgia. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, it has been stated that there is no need for any Government construction of housing in defense areas because private enterprise is providing all of the housing required. On the basis of what is now happening in my own district, as well as elsewhere throughout the country, I can tell you that this is not true. Private enterprise is not providing all the housing needed in the Savannah River area to support the atomic energy installation and other defense activities there. The basic reason for this is that existing mortgage lending and building practices, including the present programs of FHA and VA, are geared to the normal needs of a community. The needs created by the rapid expansion of a defense area, such as Savannah River, are substantially different from the usual needs of a community and are not capable of solution by the usual methods.

The Atomic Energy Commission has taken over 250,000 acres of land in Aiken and Barnwell Counties, S. C. The Commission has detetrmined that none of their permanent employees can be housed on the reservation. The plant requires 6,000 persons directly employed. This means a permanent increase of upward of 30,000 people in this area—a population of about half the size of Augusta and more than four times the size of Aiken. It is impossible for Allendale, Barnwell, Sylvania, Waynesboro, and the other local communities to house these people. After a careful survey of the area and the requirements of the atomic energy installation, it was estimated that a minimum of 3,600 permanent housing units would be needed there this year. Of that number, plans for only a few hundred are under way, and only a handful of the rental housing needed for the area is under construction.

At the present time the only action which can be taken to assist in solving this emergency problem is the relaxation of the credit restrictions. Experience clearly shows that this action is not enough.

Workers moving into this area need rental housing. The incentives provided by FHA insurance are not sufficient to induce builders to produce the quantity and type of rental housing needed. This is true not only in my district but at the Atomic Energy Commission installation at Paducah, Ky. At Paducah no additional rental housing has been provided by private enterprise since credit controls were relaxed several months ago.

Credit controls were relaxed and not a single house has been built at Paducah.

Also, FHA insures mortgages only on the amount of housing which is within the long-term needs of the community. Lenders follow the same standards in making conventional mortgage loans.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Georgia.

Mr. LANHAM. Is it not also true that the big financial institutions, the private money lenders, have retired from the mortgage market, and will not make loans? They certainly will not in my district where there is a very critical area, where the B-47's are to be built. Private lending agencies said they will not make loans, although guaranteed by the FHA.

Mr. BROWN of Georgia. The gentleman is absolutely correct; not only in his area but in other areas throughout the United States.

Mr. LANHAM. They have gone on a sit-down strike. If the laborers did that they would be roundly criticized for it, but the big financial institutions are literally on a sit-down strike for higher interest rates.

Mr. BROWN of Georgia. This problem is encountered in almost every defense area. An example, in addition to

Savannah River, is Brazoria County, Tex. The largest community in the county is Freeport whose population in 1950 was 6,008. It has been determined that there is a deficit there of some 1,300 housing units for defense workers. Because of uncertainties as to the long-run operations of the defense industries in the locality, less than half of this deficit can be supplied under existing mortgage-lending arrangements. The same problem has been encountered in a large number of areas where military installations are the chief source of the difficulty. Fort Leonard Wood in Rolla, Mo., is an example. This is a temporary installation, and the long-term need for housing by the small communities adjacent is not large. It has been estimated that a deficit of some 7,000 family units exists. However, a survey by the Housing and Home Finance Agency indicates that relaxation of credit controls will result in the construction of only about 250 units.

Even with the additional assistance to private housing contained in title II of this bill, important parts of the defense housing need cannot be met by private enterprise. This is clear from our experience during World War II when even more liberal mortgage insurance was provided. Private enterprise cannot be expected to build where the need is purely temporary. In addition, there are areas in which the need is of such uncertain duration or in such location that private lenders are unwilling to finance the needed housing even with insured loans. It may be necessary to bring workers into other areas, such as my district, on such a large scale and within such a short time that local builders cannot furnish the housing within the time required for defense purposes. Unless the Government builds in these cases, it is failing to do its part in the defense program.

BANKS DID NOT STAGE SIT-DOWN STRIKE

Mr. CRAWFORD. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, if I understood the gentleman from Georgia [Mr. BROWN] correctly, in his closing remarks he pointed out that this need should be construed as purely temporary. If the need is purely temporary, on what grounds would you build permanent houses? What would you do with the housing after the temporary need has expired? That might have something to do with the method of financing. I think the gentleman from Michigan is on entirely sound ground in opposing permanent structures.

The other gentleman from Georgia [Mr. LANHAM], has pointed out that in his opinion, as I understand it, lending institutions are on a sit-down strike. I do not know what the gentleman meant by those remarks, but let us look at some of the cold-blooded facts in the Defense Production Act passed about last September.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Wait until I make a point; then I want to yield to the gentleman because I think he will wish to change his remarks. The President of the United States was given the power to approve voluntary agreements between lending agencies to restrict credit so as to cut down the forces of inflation. I ask the chairman of the committee to correct me if I am in error. Under that authority the President of the United States went to the Federal Reserve Board, the Federal Reserve Board in turn went to the clearinghouse associations throughout the country, the membership of which is made up of the local banks of this country, and induced the clearinghouse association to bring about these voluntary agreements to restrict credit and confine lending activities so that the fires of inflation and speculative loans would not be granted to the people of this country. If I am in error on that I call upon the chairman of this great Banking and Currency Committee to correct me. I yield for that purpose. There is silence. Those voluntary agreements went into operation.

Mr. SPENCE. I think those statements are substantially correct, but how does that affect this situation?

Mr. CRAWFORD. The lending institution itself entered into those agreements and credit has been restricted for the purpose of preventing this inflation from eating up the buying power of the savings of our people.

Did the Treasury Department plead with the insurance companies, which companies had historically made loans for the construction of homes, apartment buildings, and so forth, to not sell Government bonds so as to raise money with which to furnish the dollars to finance homes? Go study the records of the Treasury Department. Now I think the gentleman from Georgia, if I understood him correctly—and I am going to yield to him—I think the gentleman from Georgia was unfair to the lending institutions in charging them with having staged a sit-down strike. I now yield to him, if he wishes.

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. No; I yield to the gentleman from Georgia if he wishes me to.

Mr. LANHAM. I am sure the gentleman knows that these voluntary agreements applied only to commercial loans and had no reference at all to loans on real estate and for building homes, especially in critical defense areas; and I am sure the gentleman does not intend to say that the President has asked the insurance companies not to make such loans. In my own district there are 600 units ready to go right now in Bartow County, were the money available.

Mr. CRAWFORD. Mr. Chairman, I decline to yield any further, because I entirely disagree with the gentleman's construction of voluntary agreements; I entirely disagree with it.

You show me, if you please, where the President of the United States or the Secretary of the Treasury, Mr. Snyder, or the Board of Governors of the Federal Reserve System, or the clearinghouse association have put into the language directly or indirectly where credit was to be continued to be extended on these homes.

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. In just one moment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McKINNON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California is recognized.

Mr. SPENCE. Mr. Chairman, will the gentleman yield for a consent request?

Mr. McKINNON. I yield.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. McKINNON. Mr. Chairman, for those who genuinely oppose public housing, I think a vote for the Wolcott amendment would be a tragic mistake. I come from San Diego and we have reason to fear the results such a motion could have.

It will be recalled that San Diego was an impact area during World War II. We had big plane plants there; and we had one of the world's largest naval bases. To house the influx of families the Government built 17,000 units of Lanham Act housing. We still have that housing there and the temporary part of it poses many problems.

If we are going into another Government housing program most of the people in San Diego would not want any more temporary housing. We say that as a matter of experience. Furthermore for the good of the Government this temporary housing is not a good deal. It may be satisfactory in places where you have a temporary installation and have need for it for a short time only, but in permanent installation construction of temporary housing is not good business—for the community nor for the Federal Government.

In this bill we have tried to provide every guaranty we could think of for the private builder, because we believe that the principle of home ownership and of private industry creating the necessary housing is sound, and with what we have in the bill, plus an amendment to be offered by the gentleman from North Carolina [Mr. DEANE], we are going to have a good workable program for the private builder. But if we do have to go into Government housing, we in San Diego want permanent housing, not temporary.

Temporary housing is very expensive to the Government. I show you here some pictures of war housing in the city of Washington. To relieve the impact, the Government built several thousand units in 1941 and thereafter.

Some were of a temporary nature. Each of those units cost the Government $4,254 to build. On the other hand, some were permanent houses which cost $4,354 per unit to build, a difference of about $100 a unit more for permanent over temporary. The same thing goes for another section of town where the Government built some temporaries that cost

$4,129 and some permanents costing $4,-354. All through the Nation you will find on an average the temporaries cost nearly as much to build as permanent houses, yet the temporaries brought back to the Government a net yield of only about $475 a year, while the permanents brought back about $600 a year net yield to the Government because of lack of expense in keeping them up.

Furthermore, when it comes time to dispose of those houses, we have a provision written into this bill that requires the Housing Administrator to sell those houses to the people living in them or to returning veterans, whereas in connection with temporary housing built under this bill you must tear them down when and if the emergency is over. When you start destroying houses in an impact area, where you have more people wanting houses than you can supply, you get tremendous pressures not to tear the houses down. We have had that experience in San Diego, we have had it throughout the country, as indicated by the Hays report of the Banking and Currency Committee and the Hardy report of the Committee on Expenditures. You practically cannot get rid of that temporary housing. On the other hand, when you start selling the permanent houses to the occupant or to returning veterans, you have no objection to that at all. That has been our experience in San Diego.

The Federal Housing Administration has been making ready to sell this permanent housing in San Diego and there have been no repercussions, no opposition to it whatever. On the other hand, so far as temporary housing is concerned, every time a move is made to get rid of those units, there is great pressure because the people have no place to go and they cannot be turned out into the street. You cannot get rid of your temporary housing when you get them built. You can always get the Government out of the housing business when you build permanent housing by selling them to an occupant or to the returned veterans.

Now, so far as the matter of expense is concerned, when it comes to getting rid of the temporary houses you get nothing back. Your whole investment is practically lost. However, when you start selling your permanent houses you can get your full amount back to the Government—or nearly so. In other words, you reclaim about the entire amount that you have invested in your housing effort and thus the cost is small, indeed, for permanent units.

In the matter of expense, therefore, it would serve the Government better to build permanent houses at permanent installations. As far as getting the Government out of the housing business you can do that when you are able to sell your houses to the occupant. But you cannot do it when you have this temporary stuff and you have to move people out into the street. No matter how disreputable the temporary housing becomes, it still is better than no shelter at all. As a result, no person with half a heart can close these places up. So the Government remains in the housing business.

Furthermore, when you build these temporary structures, you are only creating slums in your cities. You are only building up pressures for more public housing, the thing you are trying to avoid.

So I submit to you on the ground of economy, on the ground of getting the Government out of the housing business, and on the ground of eliminating slums, let us not be so shortsighted as to vote for the Wolcott amendment, but let us keep this thing on a sound basis by allowing the administrator the selectivity of temporaries or permanent when—and if—the Government builds houses in critical impact areas.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, the gentleman from California [Mr. MCKINNON] has made such an excellent argument and covered the territory so well that little is left to say. I asked for recognition primarily because I was chairman of the subcommittee which made a study of the housing situation on the west coast, and I would like to pass on to the House the result of some of my observations there.

The gentleman from California is absolutely correct about the wisdom, from the standpoint of good financing, of putting up permanent rather than temporary housing. When we went into the city of San Diego we found just the situation he described. And I remember it was so acute that when I casually observed that I did not believe the Congress would allow anyone to be put out on the street as a result of the destruction of the temporary houses, it seemed to give the people a lift in morale. Congress backed us up in the assurances we gave them by enacting the law that made it possible for the people to continue in those homes a while longer. They are temporary homes, but we found in that part of the country and elsewhere the need to have permanent structures.

Mr. THOMPSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Texas.

Mr. THOMPSON of Texas. I merely want to supplement something that the gentleman from Georgia said about the town of Freeport, which is in my congressional district. The Dow Chemical plant has a vast enterprise which was started prior to the Second World War, and which is being added to at the present time. The people working in that plant are living now in five counties surrounding that plant, and the county in which that plant is located has recently been declared a critical defense area. There will be some temporary housing construction necessary, but what they need is permanent housing, and that has been demonstrated over the past 10 years, especially in the last 5 years.

Mr. HAYS of Arkansas. In the city of Richmond, Calif., there are living today perhaps 50,000 people in houses that were constructed to last 5 years. Eight years after those houses were put up it has become necessary, because of the housing shortage, for people to continue to live in them. The Government will not lose money by authorizing, in certain areas, the construction of permanent housing. If I felt that this opened the door for widespread abuse on the part of the administrator, I would oppose it. There are some situations where temporary housing ought to be used, but he ought to have authority, in special situations, to construct permanent housing.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentlewoman from Utah.

Mrs. BOSONE. I would like to have the gentleman from Georgia know that I support him in his statement regarding what he said about the lending agencies of this country, particularly the bankers. I believe the gentleman from Michigan is wrong, or his observation is incorrect. I think I know one of the most successful bankers in this whole country, a man who owns a chain of banks. He and another progressive banker had quite an argument with the banking institutions at a banking convention. He said to the big bankers practically what the gentleman from Georgia said: "You are on a sit-down strike; you are getting lazy; you are making too much money on Government bonds, and you ought to get busy and get your money out of the banks and start doing business a little more ambitiously." These two men are some of the finest men in the whole United States.

I would also like to make this observation, if the gentleman will yield further, that this bill is not an enigma to the people who live in defense areas. The questions on it have been asked by people who do not live in defense areas apparently. If they did, their questions would not have been asked.

Mr. LANHAM. I appreciate the contribution of the gentlewoman from Utah. I am sure she is correct. As a matter of fact, the bankers of America have been accused of lazy banking by the people in their own trade.

I am sure that is true. I wish that all this defense housing could be built by private enterprise in my own district where housing is so badly needed if we are to have the C-47's we must have. Private industry is ready to build these houses, but they cannot get financed at all. Although FHA has approved projects already, they simply cannot get financed. It might be all right to build temporary housing in isolated areas, but it is almost criminal, in my opinion, to build temporary housing in those areas where the housing will be used after the emergency has passed.

Mr. Chairman, the need for the enactment of S. 349 is so acute in my own district, the Seventh of Georgia, and the same is true, I am sure, in other critical defense areas throughout the country, that I urge the enactment of the present bill without crippling amendments. I hope that the amounts authorized in the bill to be appropriated for community

facilities and for defense housing will not be reduced but allowed to remain as the committee has fixed them with $100,000,000 for community facilities and $75,000,000 for defense housing. As I have said before, I hope that private enterprise will be able to build and finance, with the help of the FHA, the bulk of our housing needs. But if private industry cannot or will not do the job, then the Government must do it, for we are compelled to have housing, water, sewage, schools, and roads for this defense area where there has been a large influx of workers needed to produce the sinews of war.

Mr. Chairman, as I have said, this problem is quite critical in Marietta and Cobb Counties, Ga., where the huge bomber plant formerly used by Bell is being reactivated by the Lockheed Aircraft Corp. for the repair of B-29's and the making of B-47's. To give the House a clear picture of the extreme necessity for the passage of this bill, I shall ask when we return to the House the privilege of including with my statement detailed information showing the need for community facilities and housing in the Marietta and Cobb Counties areas.

I. LABOR SUPPLY AND HOUSING

A. The present labor force in the Atlanta metropolitan area (Fulton, De Kalb, and Cobb Counties) breaks down as follows:

	Number of workers
Construction	17,600
Manufacturing	62,600
Transportation, commerce, and public utilities	30,500
Wholesale and retail trade	73,400
Finance, insurance, and real estate	15,100
Service and miscellaneous	31,900
Government	31,300
Total	262,400

B. The figures above, despite their size, do not indicate that the Atlanta area has a supply of defense manpower adequate to the needs of a plant employing 30,000 workers or more—many of them required to be highly skilled.

1. Present defense efforts, not only of the Air Force but of the Army and Navy as well, will undoubtedly result in a substantial increase of defense contracts in the area—some of them Lockheed subcontracts. The pool of workers who might be diverted to Lockheed will also be needed to staff other industries in this area.

2. Of the 17,600 workers indicated as being employed in the construction industry, it is unlikely that any can be shifted to the requirements of Lockheed. This is based not only upon the expected need for housing construction but on a projected industrial construction program in the Atlanta area during 1952.

3. Of the 62,600 in manufacturing, a major portion will be doing defense work in their present connections. Ford, General Motors, International Harvester, and the other large manufacturing concerns will schedule a great deal of their subcontract work in the Atlanta area. In addition, they are likely to divert a fairly large percentage of their highly skilled labor to new plants which they are building throughout the United States.

4. Of the 30,500 workers in transportation, commerce and public utilities, few will be usable at Lockheed.

5. Of the 73,400 in wholesale and retail trade, a very large percentage will be men and women of no technical skills who will have to be trained extensively to be usable at Lockheed.

6. The 15,100 indicated in finance, insurance and real estate are largely clerical and will probably be sufficient to Lockheed's needs.

7. The 31,900 in service and miscellaneous work wil continue to be needed where they are, as a result of both normal expansion and the abnormal impact of defense work.

8. The Government force of 31,800 will itself need to be expanded as a result of stepped-up Government activities.

C. The Atlanta metropolitan area will of course be the largest single source of labor for Lockheed's expanded personnel; but there will be required in addition a substantial number of immigrant workers who will require housing and other facilities in the Marietta area.

Skilled workers required at employment of 30,000

Division	Number of skilled workers	Percent of total direct (production) employment
Fabrication	3,540	11.8
Subassembly	1,620	5.4
Final assembly	1,800	6.0
Flight line	4,050	13.5
Total	11,010	36.7

1. In the table above, a "skilled worker" is defined as one with three or more years of experience in the aircraft or some allied major industry.

2. The figure of 11,000 skilled workers, or 37 percent of all workers in production, is a minimum estimate which assumes a large-scale training program—one which will provide for 50 percent of the production employment to be nonskilled workers converted to semiskilled through a training program of about 3 weeks.

	Percent
Skilled workers	37
Converted nonskilled	50
Semiskilled workers ("gray area" between skilled and nonskilled)	13

3. Skilled labor will not be available in such an amount in the area around Atlanta, primarily a distribution center, with 40 percent of its total employment in trade and service.

4. A substantial number of workers will have to be imported and, therefore, housed.

(a) The Federal Housing Administration estimates that there are available in the Atlanta area at present 4,200 rental units, which should be sufficient for Lockheed's requirements until the end of the calendar year 1951.

(b) Additional construction will be needed during the calendar year 1952, with special emphasis on projects to be built in Cobb County.

II. ROADS

1. In the Atlanta primary area (Fulton-DeKalb), population is distributed as follows, in terms of labor supply.

	1950 population
Predominantly workingmen's areas:	
West	103,000
Central	66,000
South	111,000
Northeast	17,000
Tri-Cities	45,000
Total	342,000
Other areas:	
North	99,000
Northwest	3,000
Southwest	24,000
Southeast	19,000
East	75,000
Total	220,000
Grand total	562,000

2. As evidenced by the figures above, the larger portion of production workers who will be available to Lockheed live toward the south of Atlanta, and are thus faced with the problem of crossing the congested downtown area to reach any of the three highways to the plant.

(a) Time to cross downtown Atlanta: 1 to 1½ hours.

(b) Remaining time to plant: ½ hour.

3. Employees who live between Atlanta and the Lockheed plant have available three major arteries—U S 41E (four-lane highway), U S 41W (old Marietta Highway), and State Road 280 (access road). All these roads are at or near capacity traffic volume.

4. Planning:

(a) Downtown expressway:

(1) The expressway now under construction will cut through the city of Atlanta and offer a quick connection with either the Old Marietta Highway, the access road, or the four-lane highway, which it will enter directly.

(2) Driving time north across Atlanta via the expressway will be cut in half, to 30-45 minutes.

(3) Completion date: 1954, if no interruption in financing or obtaining of materials.

(4) Funds: (a) Sufficient funds available to complete construction of the south end of the expressway north to Memorial Drive; (b) additional $10,745,000 needed to finish construction from Memorial Drive to Spring Street and to add the 6-mile northwest leg from Brookwood Station to the connection with the four-lane highway.

(b) Northside Drive:

(1) Another improvement which should be considered to facilitate the movement of traffic to Marietta is the completion of the expressway connection along Northside Drive to the north end of the west bypass. This 1.1-mile section should be widened to provide for four free-moving lanes of traffic and the reconstruction of an underpass at the S. A. L. Railway.

(2) Construction time: 120 days.

(3) Estimated cost: $304,000.

(c) Marietta four-lane highway—U S 41E:

(1) Present condition: Four 10-foot lanes separated by 6-foot median.

(2) Practical capacity: 1,900 vehicles per hour.

(3) Peak-hour volume, 1951: 2,400 vehicles per hour.

No additional vehicles should be assigned to this route.

(d) Old Marietta highway—U S 41W.

(1) Present condition: Two-lane highway with lane width varying up to 12 feet. Grades easy but horizontal alignment poor. Considerable roadside interference.

(2) Practical capacity: 513 vehicles per hour.

(3) Peak-hour volume, 1953: 960 vehicles per hour.

(4) Proposed improvements: (a) Adequate connection with Atlanta—extension of old Marietta highway at south end to join Bankhead highway; (b) widening to four lanes throughout the length of the road to Cobb County, by using the old streetcar right-of-way; (c) interchange with the access road south of Marietta.

(5) Total length of improvements, 14 miles; estimated total cost, $3,748,000; estimated construction time, 480 days.

(6) Capacity after improvement: 2,050 vehicles per hour. (a) This increase less the normal 1953 traffic will provide a total of 6,812 vehicles per day which could be assigned to the plant. Assuming a 3-person-per-car occupancy, this will result in

20,436 workers' being able to use the improved facility.

(e) Access Road—State Road 280.

(1) Present condition: Two 11-foot lanes, alinement good.

(2) Practical capacity: 486 vehicles per hour.

(3) Peak hour volume, 1953: 464 vehicles per hour.

(4) Possible increase in capacity: 138 vehicles per hour, 414 additional workers daily.

(5) Proposed improvements: (a) Extension of the south end of the Access Road to connect with the Bankhead Highway and downtown Atlanta. Length: 2.3 miles. Cost: $655,000.

(b) Widening of present Access Road to four lanes. Increased capacity: 2,050 vehicles per hour, 29,736 workers per day.

(c) Total cost of widening and connecting with Bankhead Highway: $1,300,000.

(d) Estimated construction time: 360 days.

Summary of road requirements

Project	Time	Cost
1. Complete downtown connector and northwest leg of expressway.	2½ years	$10,745,000
2. Widen Old Marietta Highway to 4 lanes; connect into Atlanta.	480 days	3,748,000
3. Widen access road to 4 lanes; connect into Atlanta.	360 days	1,300,000
4. Widen northside drive from west bypass to expressway.	120 days	304,000
Total		16,097,000

(The projects and supporting data outlined have been submitted by the Bureau of Public Roads. The additional proposal outlined below has been made by the Metropolitan Planning Commission of Atlanta and has the full sanction of Lockheed Aircraft Corp.)

(f) Chamblee-Marietta Highway:

(1) This would be a new construction linking Chamblee-Brookhaven, an industrial and military area northeast of Atlanta, with Dobbins Air Force Base, adjacent to the Lockheed plant.

(2) Factors supporting this project:

(a) Industrial activity. The Chamblee-Brookhaven area is Atlanta's fastest-growing industrial area. Within recent months some 30 nationally affiliated plants have located in the area.

(b) Labor force: Although Chamblee-Brookhaven is not now one of the major manpower areas, its population growth, 1940-50, was 165 percent, considerably higher than the rate for any other Atlanta area.

(c) Defense: A direct connection between the naval air station in Chamblee and Dobbins Air Force Base is logical from a defense standpoint.

(d) Housing: The number of dwelling units in the Chamblee-Brookhaven area increased 172 percent from 1940 to 1950—the largest gain of any area in metropolitan Atlanta area outside the city limits. Some of these units are at present vacant; utilities are available.

(e) Present transportation conditions: Industrial traffic is at present routed south through congested residential sections. The new road would cut distance to Marietta from 17 to 14 miles, and driving time from 40-50 minutes to less than half an hour.

(3) Preliminary planning:

(a) Existing roadbeds could be used at several points, but a new bridge would be required over the Chattahoochee River.

(b) Estimated cost: $1,250,000 to $1,500,000.

(c) Estimated construction time: 270 days.

III. SCHOOLS

A. Enrollment:

1. In a report submitted June 26, 1951, the county school superintendent supplies the following information:

Year	High school	Elementary	Total
1942-43			7,648
1945-46	1,562	6,865	8,427
1946-47	1,662	6,921	8,583
1947-48	1,766	7,181	8,947
1948-49	1,899	7,367	9,266
1949-50	2,060	7,701	9,761
1950-51	2,194	8,041	10,235
1955-56 (anticipated)	3,200	10,500	13,700

2. The location of Bell Aircraft Corp. assembly plant in the Marietta area began to take full effect on the county schools in 1942-43.

(a) At present, Cobb County schools have an average daily attendance that is 68 percent greater than the 1942-43 active membership.

(b) The anticipated attendance in 1955-56, when Lockheed Aircraft Corp., is at full strength, is double the average daily attendance of 1942-43.

(c) The yearly enrollment figures above make it clear that there was no decline in county school enrollment after termination of the Bell operation, but instead a steady increase from Bell days through the interim to the present, when the school system is again faced with a large influx of new pupils together with a shortage of funds and materials.

B. Previous financial aid:

1. The Cobb County schools, the superintendent reports, received virtually no Federal financial aid during the Bell emergency in World War II. In May 1945, $260,000 grant for schoolhouse construction from the Federal Works Agency, under project No. Ga. 9-361, was canceled by Executive order before work could be begun.

C. Local finances:

1. The Cobb County school system is at present allotted 21 mills of the tax dollar—comparatively a very high percentage.

2. The division of the tax allotment is, roughly, as follows:

	Mills
Maintenance and operation (statutory limitation)	15
Bonds outstanding	1.5
New bond issue ($1,500,000 voted Nov. 15, 1950)	4.5
Total	21.0

3. The bond issues represent 95 percent of assessed valuation; the remaining 5 percent should be held in reserve in the event of emergency.

4. Thus the maximum of local funds is required to operate the system at its present level and partially to provide for expansion needs immediately—this while the effect of Lockheed is still only a fraction of the impact expected by 1953.

D. Present needs:

1. Approximately 120 classrooms with related facilities.

(a) Estimated cost	$2,500,000
Available funds	1,500,000
Federal funds recently approved	300,000
Deficit	700,000

(b) The need is vital and immediate; 3,365 children, or 35 percent of the average daily attendance, were taught in substandard classrooms in 1950-51. Ten of the 15 county schools were removed from the Georgia accredited list last year because they had been forced to allot more than 35 students to 1 teacher.

E. Future needs:

1. Long-range estimates of the effect of Lockheed indicate that planning should begin now for the construction of some 70 classrooms (in addition to the 120 needed at once) to take care of 2,000 additional children expected in 1953.

F. Materials:

1. The problem of obtaining materials is at this point more critical than that of getting funds.

2. Contractors, in the position of trying to get materials without a priority, have frequently refused to bid on projects or been unable to finish them because they could not get materials.

3. Builders will require structural steels, electrical conduit wire, pipe, heating systems, etc., all of which will be on the critical list.

Schools—city

A. Enrollment:

1. In a report submitted June 25, 1951, the city school superintendent supplies the following information:

Year:	*Total enrollment*
1942-43	2,190
1945-46	4,396
1946-47	3,790
1947-48	3,774
1948-49	3,898
1949-50	4,173
1950-51	4,250
1954-55 (anticipated)	5,750

B. Previous financial aid:

1. During World War I, three new grammar schools and two nurseries were built in Marietta through the aid of the Federal Government.

C. Present finances:

1. The city has recently made a $515,000 expenditure out of local funds.

2. A grant of $667,310 was made under Public Law 815 on June 14, 1951.

(a) The date on which these funds become available will depend on the local schools' obtaining a high priority among 600 other schools bidding for the present $50,000,000 appropriation.

D. Present needs—to take care of enrollment next year:

1. Two-story annex to Marietta High School.

(a) Seven classrooms and related facilities.

2. New grammar school.

E. Future needs:

1. It is estimated that in addition to the 1,500 new housing units to be required for Lockheed personnel in Cobb County, 1,500 units must be built within the limits of the city proper.

(a) City school officials face the same material shortages as the county. Structural steel, electrical conduit wire, pipe, heating systems, and other materials will all be in short supply and unavailable without priority ratings.

(b) On a conservative estimate of one child of school age per family, the 1,500 new housing units estimated as needed within the city limits will call for the construction of 52 new classrooms with related facilities by 1953.

IV. WATER

A. At present water is supplied to the Lockheed plant, the city of Marietta, and the major portion of Cobb County through one 20-inch main.

1. Need for new parallel main:

(a) The present 20-inch main is extremely vulnerable to sabotage.

(b) Any damage to the line itself or destruction of the Atlanta electric system can leave the Lockheed plant, the Marietta area without a water supply or fire protection.

(c) Security thus demands the construction of a new stand-by line. This does not mean that the area would receive additional

water from Atlanta, where pressure is at the maximum level, but simply that there would exist a reserve line in case of emergency.

(d) Capacity, even with the new parallel main, will be limited as indicated in paragraph B.

B. An adequate supply of water for Lockheed and the Marietta area necessitates the construction of a new water system.

1. No additional water can be supplied by the city of Atlanta, according to the water commissioner, since an increase of existing pressure is impossible, even if extra pumping and piping facilities can be made available.

2. The wells which partially supply the city of Marietta are at capacity.

3. Water requirements are as follows:

	Gallons per day
Total supply now furnished through the single 20-inch main from Atlanta	1,830,000
Present requirements of city of Marietta and Marietta area served by this main	1,630,000
Surplus available for Lockheed	200,000
Estimate of Lockheed future requirements:	
Date and number of employees:	
January 1952, 7,500	750,000
July 1952, 11,000	1,110,000
January 1953, 15,000	1,500,000
July 1953, 21,000	2,100,000
January 1954, 26,000	2,600,000
Estimate of additional future requirements in Marietta area	600,000

4. Planning:

(a) A Marietta-Cobb County Water Authority has been established as a wholesale water agency. It has laid out plans for a new wholesale water system, to take water from the Chattahoochee (at a separate source from the present Atlanta source) and filter and process it.

(b) The new system would cost an estimated $2,500,000 and have a normal capacity of 8,000,000 gallons, with an emergency capacity of over 10,000,000. This would be adequate to needs of Lockheed as well as an expanded Marietta area.

(c) The preliminary survey of the existing system is not yet complete; after it is finished, construction of the system will require at least a year and a half as a result of the current shortage of both funds and materials.

(d) It is the opinion of Lockheed Aircraft Corp. that the system will not be complete in sufficient time for Lockheed to meet its Air Force schedule, if the Marietta-Cobb County Water Authority continues unable to get prompt and adequate delivery of material.

(e) Materials needed include electric motors and pumps, pipe, filter-bed equipment, and chemical-treatment equipment. All except chemicals are on the short supply list.

C. Proposed solution:

1. A proposal has been made to the Air Force to build the system for the Water Authority in return for its pledge to repurchase the system upon its completion through the issuance of revenue certificates.

2. The same procedure was used to build the existing main from Atlanta during World War II. The War Department financed construction, then sold the main to the city of Atlanta.

3. The use of Air Force priority ratings is essential to speed up the procurement of materials, and complete the system in time for Lockheed to meet its schedule.

V. SEWAGE

A. Present needs:

1. A new sewage disposal plant to serve the southeast section of Marietta, in the general area of the Lockhead plant.

(a) The present plant is in poor mechanical condition, and receiving twice its capacity of 275,000 gallons per day—thus creating a nuisance and health hazard.

(b) A substantial percentage of Lockheed workers are likely to be living in this area and aggravate the already critical situation.

B. Future needs:

1. A new sewage-disposal plant on the west side of Marietta, which is now being served by an inadequate and overloaded plant.

C. Financing:

1. No funds are available in Marietta or Cobb County and sewage-disposal construction costs cannot be regained from revenue as in the case of water.

2. The new plant on the southeast side, immediately needed, will cost about $300,000.

3. Surveys are still preliminary on the new west-side plant and no cost estimate has as yet been made.

D. Materials:

1. Machinery, motors, pumps, steel pipe for primary system, and tile pipe where gravity flow is possible, will all be needed, and all but tile pipe is in short supply.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 106, noes 110.

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WOLCOTT and Mr. PATMAN.

The Committee again divided; and the tellers reported that there were—ayes 102, noes 127.

So the amendment was rejected.

Mr. SPENCE. 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 (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense, had come to no resolution thereon.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT

Mr. THOMAS submitted a conference report and statement on the bill (H. R. 3880) making appropriations for the Executive Office, sundry executive bureaus, boards, and commissions for the fiscal year ending June 30, 1952, and for other purposes, for printing in the RECORD.

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 tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MILITARY SECURITY PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the bill (H. R. 5113) the military security program.

The SPEAKER. Is there objection?

There was no objection.

ASSISTANCE TO FRIENDLY NATIONS

Mr. COX, from the Committee on Rules, submitted the following privileged resolution (H. Res. 388, Rept. 870), which was referred to the House Celandar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5113) to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 day, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

WILLIAM RANDOLPH HEARST: GREAT AMERICAN

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, the death of William Randolph Hearst ends the career of a great American.

He embarked on an all-out fight against communism when it was unpopular to do so and he was vindicated by the unmasking of the worldwide Communist conspiracy.

He gave full support to General MacArthur for the Presidency in 1948 when by reason of absence from the country there was no real chance of the general's nomination, because he saw MacArthur as a symbol of the kind of rare and courageous leadership in matters of state that we have so greatly needed in this time of crisis. He has been vindicated by the disastrous results in the Far East because of lack of that leadership.

It is to be hoped that his sons and associates will carry on in the fight in which Mr. Hearst was so long embattled.

THE LATE WILLIAM RANDOLPH HEARST

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, the death of William Randolph Hearst removes from the American scene one of the great newspaper publishers of all time and one of the great leaders of our country. Eminent as he was in

the production of newspapers and magazines, Mr. Hearst also dedicated his life to an advocacy of all things American. He was a patriot to the core and was unrestrained in writing and proclaiming the glories and the triumphs of the American way of life.

From one newspaper on the west coast he built a chain of newspapers which stretched from ocean to ocean and from North to South. As he expanded he discovered and helped bring fame to hundreds of writers, artists, and cartoonists. He had a genius for searching out talent and developing it to the utmost.

Mr. Hearst created many innovations in the newspaper field and in the magazine field. He was a man of great vision as well as keen intellect. He waged many a crusade, as they are called, and always was in the forefront for better things for the workingman and the underprivileged. His publications were always available for a good cause.

Long before others, Mr. Hearst realized the menace of communism and just what it meant for our country. He was its foe from the beginning and was criticized and abused by the "liberals" of those times. But he never wavered, and how well he has been proven right and true. America will long be in his debt for his crusade against the Communists.

During those busy years of a long and most active life, he served two terms in Congress, the Fifty-eighth and Fifty-ninth. But his heart was always in his newspapers.

William Randolph Hearst occupied a preeminent place in American life. He was a great man, a great publisher, but, above all, a great American.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Today a great humanitarian passed away. William Randolph Hearst, aside from his notable success in the newspaper publishing field, will be remembered primarily and for a longer time for his great philanthropies.

He was an indefatigable worker for what he considered best for our country. He was a leader in advocating a strong national defense, a second-to-none Army, Navy, and Air Force. He always advocated proper care and treatment for disabled veterans and adequate rehabilitation for returned servicemen and women. There has been no more valiant opponent against communism than this great publisher. We have lost a great friend.

The United States can ill afford to lose men of his caliber in these critical days.

GENERAL LEAVE TO EXTEND REMARKS

Mr. JUDD. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the Oatis resolution, just prior to the vote thereon.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDMENTS TO HOUSING BILL

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that amendments pending on the Clerk's desk with reference to the housing bill be printed in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

(The amendments referred to are as follows:)

Amendment offered by Mr. SPENCE: Page 16, line 4, strike out "of" and insert "or."

Amendment offered by Mr. SPENCE: Page 32, line 7, strike out "equity" and insert "entity."

Amendment offered by Mr. SPENCE: Page 35, lines 7 and 8, strike out ", or for school construction or maintenance and operation,"; and lines 9 and 10 strike "(1) in the case of hospitals,"; and line 13, strike out beginning with line 13, down through the third comma on line 16; and line 19 insert "or" after the comma; and line 20, strike out "title II of said Public Law 815, or said Public Law 874,"; and page 46, line 3, strike out "education"; and page 47, line 20, strike out "schools,"; and line 25, strike out "education,"; and page 48, strike out lines 19, 20, and 21.

Amendment offered by Mr. SPENCE: Page 56, line 14, after the period insert "The amendment made by this subsection shall be effective as of July 1, 1951."

Amendment offered by Mr. DENTON: Page 58, line 21, after "602.", insert "(a)", and on page 59, after line 3, insert the following new subsection:

"(b) The Defense Production Act of 1950, as amended is further amended by adding after section 605 the following new section:

"'SEC. 606. Not more than 20 percent down payment shall be required pursuant to section 602 or section 605 of this act in connection with the loan on any home not guaranteed by the Veterans' Administration and the transaction price of which home does not exceed $12,000 nor more than 10 percent in connection with any such loan on any home the transaction price of which does not exceed $10,000. The term of any loan referred to in the preceding sentence or in the last proviso of section 605 shall not be required to be less than 25 years'."

Amendment offered by Mr. PHILLIPS: On page 59, line 21, after the words "plus 100 per centum of such value," insert the words "*Provided further*, That in determining the amount of increase in future payments, upon the request of the owner of the land, a reappraisal shall be made, based upon the currently pevailing level of land values throughout the area."

Amendment offered by Mr. SPENCE: Page 66, line 15, and page 67, lines 12 and 15, strike out "July 1" in each instance, and insert 'June 30."

Amendment offered by Mr. PHILLIPS: Page 59, after line 25, add a new subsection (d):

"(d) By striking out the words 'is authorized' in section 605, subsection (b) 2, following 'the Administrator' and substituting the word 'shall'."

Amendment offered by Mr. DEANE: On page 63, line 11, after "SEC. 608", insert "(a)" and immediately following line 16 insert the following new subsection:

"(b) Subparagraph (G) of section 301 (a) (1) of the National Housing Act, as amended, is hereby amended by adding before the period at the end of said subparagraph the following proviso:

"': *Provided*, That this subparagraph shall not apply to commitments made by the association on or after the effective date of this proviso and prior to March 1, 1952, which do not exceed $500,000,000 outstanding at any one time, if such commitments relate to mortgages (1) covering defense housing programed by the Housing and Home Finance Administrator in an area determined by the President or his designee to be a critical defense housing area or (2) with respect to which the Federal Housing Commissioner has issued a commitment to insure pursuant to title VIII of this act, as amended, or (3) covering housing intended to be made available primarily for families who are victims of a catastrophe which the President has determined to be a major disaster'."

LON WEAVER

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2771) for the relief of Lon Weaver, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out ", until the United States District Court for the Northern District of Georgia ordered his release."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THOMAS A. TRULOVE ET AL.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 745) for the relief of Thomas A. Trulove, postmaster, and Nolen J. Salyards, assistant postmaster, at Inglewood, Calif., together with Senate amendments thereto, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BYRNE of New York, RODINO, and KEATING.

PERSONAL STATEMENT

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent that the RECORD today indicate in the vote on the Concurrent Resolution 140, relative to William N. Oatis that I would have voted "yea" had I been here, but I was detained by work outside the House.

The SPEAKER. The gentleman may make that statement.

THE OATIS CASE

Mrs. ROGERS of Massachusetts. Mr. Speaker, are there any special orders?

The SPEAKER. Forty-five minutes.

Mrs. ROGERS of Massachusetts. Would those who have the special orders be willing to allow me to proceed for 1 minute?

The SPEAKER. Did not the gentlewoman proceed for 1 minute a very short time ago?

Mrs. ROGERS of Massachusetts. Yes; but she is asking to proceed for another minute now.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. I thank the Speaker very much.

Mr. Speaker, I would like to state for

the information of the House that I am not at all satisfied with the William N. Oatis resolution that passed. If action is not taken immediately by Czechoslovakia in the release of William N. Oatis I am going to introduce another and even stronger resolution containing some of the Armstrong amendment provisions, and I believe it will pass.

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. BOW] is recognized for 30 minutes.

COST OF FOREIGN AID

Mr. BOW. Mr. Speaker, within the next few days the House will consider granting additional billions of dollars in foreign aid. I have taken this time today to bring to the attention of Congress and the Nation that our benevolence does not begin at home, but has to a great extent been limited to helping those who do not enjoy the privileges of American citizenship.

Mr. Speaker, the total direct ECA cost in dollars in agricultural production, reclamation, irrigation, transportation, communications, power, waterways, and harbors since the program got under way in 1949, up to and including May 31, 1951, is $294,349,400. In addition, ERP countries have available in counterpart funds which have been approved for agricultural projects, reclamation, power, roads, and so forth, $3,961,700,000. In this regard I shall speak today of a dark page in our history.

I think I can convince the membership of the House that our claim of being great humanitarians has an Achilles heel. With all of our great wealth, mortgaged as it is today because of reckless spending, we are guilty of a gross neglect of duty in our treatment of our American Indians. This could be and should be rectified.

The Committee on Interior and Insular Affairs, of which I am a member, under the leadership of our distinguished and beloved chairman, the gentleman from Arizona [Mr. MURDOCK], and the Subcommittee on Indian Affairs, under the leadership of the gentleman from Oklahoma [Mr. MORRIS], is vigorously attempting to find solutions to these problems.

The gentleman from Montana [Mr. D'EWART], ranking minority member of the Indian Affairs Subcommittee, now has before that committee a bill that will go a long way toward the solution of these problems.

Mr. Speaker, it would take but a crumb from the rich man's table to right this wrong—but a small percentage of the money spent in foreign aid would permit us to hold our heads high in the feeling we had recognized the dignity of man rather than keeping our Indians in squalor, serfdom, and broken health.

In the Eighty-second Congress, as of this date, there are pending certain bills which would authorize specific rehabilitation programs for the economic betterment of certain tribes of Indians of the United States. The tribes affected by such bills, and the corresponding dollar authorization are as follows:

Five Civilized Tribes (Oklahoma)	$10,000,000
Oglala Sioux (Pine Ridge, S. Dak.)	$14,650,000
Standing Rock (North and South Dakota)	10,000,000
Turtle Mountain Band (North Dakota)	15,000,000
Seventeen Western Oklahoma Tribes	10,000,000
Devils Lake (North Dakota)	2,000,000
Sisseton-Wahpeton (North and South Dakota)	1,000,000
Papago (Arizona)	23,000,000
Landless Indians of Montana	5,000,000
Total	90,650,000

In the Eighty-first Congress the House of Representatives passed, but the Senate failed to act on rehabilitation bills for certain tribes, with authorizations as follows:

Five Civilized Tribes (Oklahoma)	$10,000,000
Standing Rock (North and South Dakota)	10,000,000
Turtle Mountain Band (North Dakota)	15,000,000
Devils Lake (North Dakota)	2,000,000
Sisseton-Wahpeton (North and South Dakota)	1,000,000
Fort Belknap (Montana)	5,500,000
Rocky Boys (Montana)	3,510,000
Total	47,010,000

Other than the bills before mentioned, there was pending in the Eighty-first Congress another bill to provide for the rehabilitation of the Blackfeet Indians, of Montana, which, if enacted, would have authorized an appropriation of $2,000,000.

Thus, if the present Congress were to enact all rehabilitation bills now pending in the Eighty-second Congress the total authorization would amount to $90,650,000.

If all rehabilitation bills introduced in the Eighty-first Congress and Eighty-second Congress were enacted into law, the total authorization would amount to $101,010,000.

It is only fair, however, to point out that in the Eighty-first Congress one additional rehabilitation bill was thoroughly considered and passed both the House and Senate and is now Public Law 474. Public Law 474 authorizes an appropriation of $88,570,000 for the rehabilitation of the Navajo and Hopi Indians of Arizona, New Mexico, and Utah. The expenditure of this money will be over a 10-year period.

These rehabilitation programs have as their purpose the provision of financial assistance to Indian tribes and individual Indians for the establishment of such Indians on a self-supporting basis. The programs would provide the needed financial assistance to raise the economic, social, and health standard of the affected Indians so as to give them a standard of living more nearly comparable to the average national standard, as well as bring about the final termination of Federal supervision and control over the Indians. The proposed loans to be made on a reimbursable basis to either the tribe or individual Indian would provide capital for land acquisition, equipment, farm improvement, and aid in the consolidation of fractionated heirship interests. In addition thereto, such programs would provide funds on a nonreimbursable basis for additional benefits such as health improvements, and initial operation loans including that for seed and feed. Further, it is contemplated that as a result of such programs, money would be made available for the improvement of the sanitary conditions existing upon such reservations, in that sanitary engineers could be made available for the education of the Indians with respect to the need of sanitation.

Certain information will be submitted with respect to the conditions existing among the Indians for which rehabilitation bills are now pending in this Congress. Such information will show that the conditions existing upon many reservations today is almost unbelievable. As a forerunner to such information it may be worthy of mention at this point that on more than one reservation in the United States the average family income of an Indian family is $300 per year. This figure does not include social security.

First, however, it is well to point out some general information with respect to all Indians which will tend to point out the general Indian problems and their causes. The Indians in the United States exist today on a standard of living far below that of the average white citizen of the United States. Some of the principal causes are lack of proper capital for improvement of their material conditions, education, isolation, health, and heirship status of land.

The majority of the Indians of the United States are isolated due to the reservations upon which they have been placed by the Government of the United States. In almost every instance these reservations are made up of land which is unsuitable for human existence. For example, both on the Papago and Navajo reservations it is estimated that the land resources will only support one-half the population that now exists on such reservations.

There are poor roads in and to the reservations, and even poorer roads, if any at all, within many reservations. Further, the Indians do not have the means of transportation to become associated with the world outside; as a result they find it difficult to acclimate themselves to the ways of the outside world.

By and large the Indians of one-half or more degree Indian blood are not educated to the extent of being capable to compete with the average citizen of the United States in either the business or the agricultural fields. Because of this lack of education, there is a backwardness to see the advantages of improving their material conditions. There is a backwardness to see the advantage in educating the younger children.

In the United States today there are somewhere between 12,000 and 14,000 Indian children of school age for whom no school facilities are available. Such school facilities in many instances have been promised the Indians and have been so agreed to by treaty agreement between the Government of this country and the Indians.

Statistics show that the health conditions of the American Indian are in a

deplorable state. There is an absolute need for more doctors, nurses, and dentists. Sanitation engineers are needed to improve health conditions and properly educate the Indians to the need of sanitation. Because of their inadequate income, there is a serious state of malnutrition existent among the Indians on almost all reservations. The number of cases of tuberculosis is alarming. For example, the estimated death rate on the Navajo reservation per 100,000 population was 250.0, as compared with an estimated 20.8 per 100,000 in the white population. Over a 6-year period, from 1943 to 1948, tuberculosis was reported as accounting for 21 to 27 percent of all reported deaths among the Navajos. It is estimated that approximately these same figures would be applicable to certain other reservations, particularly that of the Papago. On January 1, 1951, a total of 4,683 Alaska natives were reported in the tuberculosis case register, of whom 3,154 are in need of treatment. In May of 1951 there were 499 beds available to provide care for such Alaska natives. By 1952, 300 additional beds will be completed at Anchorage, Alaska, making a total of 794 usable tuberculosis beds, if operating funds and doctors can be obtained.

Indian landowners have no capacity to borrow money to improve their present material conditions. There are some tribes that have no tribal capital to develop tribal resources. The Indian veterans have been unable to take advantage of the benefits of the loan provisions of the GI bill of rights for the reason that no lending agency would provide the funds for the lending of the money to the Indian GI veteran.

There is a desire on the part of most reservation Indians to live in their own communities. This urge then must be recognized in dealing with the Indians, and is important when it is considered that in most instances the reservation lands are inadequate to provide a decent standard of living for all of the Indians now residing thereon.

Because of the restricted nature of the Indian lands, the heirship status of certain lands has become a complex problem. Over a period of years, because of the deaths of the Indians and their resultant heirship, certain lands have become so fractionated in interest that it runs into the one-thousandths. As long as Indian land is restricted as it now is, the heirship problem will continue to exist. The rehabilitation programs have offered one possible help with respect to this matter. Provision is made in the planning of such programs for the consolidation of such fractionated interests by purchase from heirs in order that such land may be so consolidated as to be made into an economic unit.

The heirship status of land of the Indians of the United States represents one of the most critical problems facing the Indians, and one thus far without positive solution. It is a matter that grows worse daily; with the death of each Indian and the resultant heirs, the problem becomes more complex.

Returning now to the matter of the conditions with respect to certain tribes of Indians for which rehabilitation bills have been introduced, it is well to give certain basic facts regarding such Indians, and in turn, their present conditions.

FIVE CIVILIZED TRIBES

The Five Civilized Tribes are composed of the Choctaws, Chickasaws, Cherokees, Creeks, and Seminoles. These tribes reside in some 40 counties of eastern Oklahoma, and have a population of some 64,000, comprising about 14,200 families. Approximately 26,000 of these Indians are designated as restricted. The principal reason for the bad conditions prevailing among approximately half of the Indians of eastern Oklahoma is that they are landless, homeless, and live in isolated areas where no gainful employment exists. They have insufficient medical attention and lack educational opportunities. A look at the income of the families of these Indians is within itself sufficient explanation as to their need for some sort of assistance. In 1948 there were 1,026 families with an annual income of less than $490; 2,810 families with an income of between $500 and $999; 6,850 families with an income of between $1,000 and $1,499; and 3,514 families with an income of $1,500 and over. It is impossible for these lower-income families to obtain money for the purchase of land, or if they happen to have land, for the development and improvement of such land. The heirship status of the restricted lands has brought about a problem thus far without solution. Some of the tracts are so fractionated as to be impossible to use. The Indian, therefore, who has perhaps one one-hundredth interest in a piece of land finds it impossible to make any use of same.

OGLALA SIOUX

The Oglala Sioux Indians are located in southwestern South Dakota on the Pine Ridge Reservation. The enrolled population of the Oglala Sioux Tribe is 10,648, of which 2,859 are full-bloods. There are about 2,535 family groups, of which 1,042 had some agricultural income in 1949.

It is estimated that the average family income of these Indians is $832 annually. Over 35 percent of the family income is unearned. In 1949 the latest figures available, showing a breakdown of annual family income, showed 286 families with an income of less than $250; 128 families with an income between $250 and $499; 110 families with an income of $500 and $749; 81 families with an income of between $750 and $999; 93 families with an income of between $1,000 and $1,249; 115 families with an income of between $1,250 and $1,499; 299 families with an income of $1,500 and over.

On this reservation as on all others, the fractionated heirship status of the land constitutes a major problem. Decent housing is nonexistent. The economic well-being of the families, generally speaking, is certainly far from the average of the white neighbor of such Indians. It is impossible for these Indians to obtain the necessary credit with which to develop what resources they have, as well as acquire the necessary additional land resources.

STANDING ROCK SIOUX

The Standing Rock Sioux Indians are located on the Standing Rock Indian Reservation, which is located in both North and South Dakota. The enrolled population of this tribe is approximately 4,324 Indians. The full bloods comprise about 54 percent of the population. It is estimated that there are about 910 families, of which approximately 841 reside on the reservation. The reservation includes approximately 1,000,000 acres of land. Of this 1,000,000 acres, 250,000 acres are in heirship status and are so fractionated as to be unsuitable for use. This reservation, like the others, has a serious problem regarding the fractionated interests of the land. In addition, the land comprising this reservation is, in many respects, far from suitable for providing a decent standard of living for all of the Indians now residing thereon. The Indians on this reservation have an average family income of $767 per year. Over one-half of the Indian families have incomes of less than $500 per year. As a result, these Indians constitute a terrific relief load and must, of necessity, because of their dire circumstances, exist largely from relief. Testimony before the committee reveals:

> The critical economic situation on this reservation with accompanying sickness, hunger and human misery prevents these Indians from assuming the full responsibility of citizenship.

TURTLE MOUNTAIN BAND

The Turtle Mountain Band of Chippewa Indians resides on the Turtle Mountain Reservation, which is located in north central North Dakota. The population of this band is approximately 8,900 people, consisting of about 1,700 families. Approximately 1,100 of such families live on the reservation, the remainder elsewhere. The average income per family from the last available figures, showed $745 per year, of which approximately 64 percent was earned, the balance unearned. In 1948, 507 of these families were on relief, and in addition thereto, 300 families were existing on social security benefits. In other words, out of 1,100 families, approximately 800 of such families were on relief or existing on social security benefits at one time or another during the year 1948. Of the total number of families on the reservation in the year 1948, only 93 families had an income of more than $1,000 for the year.

Resources now available on the reservation for these Indians are inadequate to provide them with a reasonable standard of living. The area of and near the reservation has accurately been called a rural slum.

While the main resource of these people is land, the 71,272 acres on or near the reservation is grossly inadequate to their needs. Such land provides only 42 acres per family, which is far short of the amount of land generally considered necessary for the operation of a self-supporting family farm. The lack of this land base, together with the limited opportunities for gainful employment in this area, constitute the greatest impediments of the economic well-being of these Indians. Upon this reservation, as well as many other reservations, pov-

erty, human misery, disease, and hardship are commonplace.

SEVENTEEN WESTERN OKLAHOMA TRIBES

There are 17 tribes of Indians residing in western Oklahoma, which, together with their population are listed as follows:

Tribe:	*Population*
Cheyenne and Arapaho	3,102
Kiowa	2,692
Comanche	2,694
Kiowa-Apache and Fort Sill Apache	388
Wichita	460
Delaware	165
Caddo	1,184
Pawnee	1,149
Ponca	926
Otoe	886
Kaw	544
Tonkawa	57
Citizen Band of Potawatomi	2,974
Sac and Fox	992
Shawnee (Absentee)	730
Kickapoo (Mexican)	291
Iowa	114
Total	19,348

These Indians own approximately 810,000 acres of restricted farming and grazing land. About 63 percent of this acreage is considered suitable for cultivation; 37 percent is considered suitable for only grazing and other purposes. However, 77 percent of the land is in heirship status, making it difficult, if not impossible for the Indian owners to make use of it. It is estimated that not over 16 percent of the Indian-owned land is operated by Indians. Further, not over one-half of the Indian-owned land units have habitable dwellings, or the necessary facilities for occupancy and use. This is due largely to the present inability of such Indians to obtain the necessary credit to develop the land resources that are available. In addition, there is no capital for the purchase of equipment, housing improvements, or land acquisition.

The average income of these Indians is one-fourth that of the average white population of western Oklahoma. In fact, the average annual cash income for such Indians from agriculture is not more than $750 per farm, or $150 per person. The average family income from all sources is estimated to be $800, excluding relief payments. In 1949 there were 2,006 having an agricultural income. The average annual income for such families is as follows: 369 families with less than $250; 311 families had an income of between $250 and $499; 285 families had an income of between $500 and $749; 193 families had an income of between $750 and $999; 239 families had an income of between $1,000 and $1,249; 326 families had an income of between $1,250 and $1,499, and 283 families had an income of $1,500 or more.

Without capital for the improvement and purchase of land, these Indians will progressively grow more destitute. It is needless to mention the health conditions inasmuch as it is true in all cases where the income is so low that conditions are deplorable.

DEVILS LAKE SIOUX

These Indians reside on the Devils Lake Sioux Reservation, which is located in the east central part of North Dakota. There are about 1,300 enrolled Indians on the Devils Lake Sioux tribal rolls, comprising 305 families. Of these, it is estimated that there are approximately 1,265 full-bloods.

The reservation originally comprised 220,834 acres. The original area has shrunk to 55,344 acres, consisting of 52,094 acres in trust allotted, and 3,250 acres in Government-owned status.

In 1949 the average family income was $949, the medium $780, and the lowest $330. The principal income of these Indians is from labor, independent of their meager farm operations. Next in importance to labor income is that from relief. For the most part, the land of these Indians is of significance only as a home site, garden site, or wood lot. Because of housing, heirship status of land, and lack of capital, the Indians find themselves today in a condition far below that of their average white neighbor. The same problem existing on the before-mentioned reservations exist upon this reservation.

SISSETON-WAHPETON

The Sisseton-Wahpeton Sioux Tribe of Indians is located on the Sisseton Reservation in northeastern South Dakota and southeastern North Dakota. The enrolled population of the Sisseton-Wahpeton Sioux Tribe in 1949 was 3,542, comprising 710 family groups. About 20 percent of these Indians are full-bloods.

The average annual income per family of these Indians has been estimated to be approximately $513. The conditions existing upon this reservation follow the same pattern as those before-mentioned, and may be aptly termed from an economic standard as critical.

PAPAGOS

The Papago Indians reside on a reservation in Arizona which contains 2,855,021 acres of land. The present population of the tribe is 7,200, and is increasing at the rate of 2 percent per annum. At present approximately 40 percent of the Papago Indians speak English, and approximately 20 percent can read and write, and only a negligible number do so habitually.

There are 75 scattered communities throughout the Papago Reservation, and only about 45 percent of such communities are reached by school busses. As a result many Papago children are not receiving the benefits of an elementary school education. There are 2,200 Papago children who are now of school age. Of these less than two-thirds are enrolled in any regular school.

One doctor serves the Papago Reservation, and as a result takes care of an area which compares in size to the State of Connecticut. As a result of this inadequate medical care, most Papagos cannot afford independent medical or hospital care. In fact the majority of the Papagos receive no medical attention at all. Of the approximately 260 children born on the Papago reservation each year, one-fourth die within 12 months. At the age of 6, there are only approximately 160 left from such original figure, and at the age of 18 only 125. The life expectancy of a Papago infant is 17 years, as compared to that of the non-Indian infant in the United States, which is over 60. These health conditions are due to poverty, poor housing, insufficient clothing, and malnutrition, plus the before-mentioned lack of health and medical facilities ordinarily accorded the average American citizen.

The Papagos inhabit an area which is in most respects desert. It is impossible to farm such land without the use of irrigation. At present water is not available for irrigation. In fact, approximately 40 percent of the range land is within reach of permanent stock water. The droughts have been numerous and the water levels have continued to drop. Thus the situation is continually growing worse. The land is eroding. When flash floods come there is no means to capture the water which could later be put to a valuable use. However, if the lands were developed to a maximum, such lands could only support a third of the present population. The average annual income of the Papago Indians is estimated to be only $1,000.

As the chairman of the Papago Tribal Council testified:

> In order to solve this health problem, then, we would need a program of public health. We would need to educate our people. Our young mothers would have to be taught hygiene, sanitation, and so forth. We would emerge some day as a healthy people. Our children, instead of dying, or a fourth of them dying before they reach the age of 1 year, would live comparably with that of other children.

CONCLUSION

These matters present a real challenge to the Government of the United States, and to the people as a whole. We have seen fit to provide assistance to other countries in that we have provided all on the premise of helping those who were willing to help themselves. We have initiated a point 4 program to provide know-how to the people of other countries in order that they may raise their standard of living. In spite of all this benevolence abroad, we have wholly failed to recognize the serious condition of the Indians of the United States. For over 100 years the Bureau of Indian Affairs has administered services to the Indians, and, without being disrespectful to the Bureau, it must be recognized that the conditions of the Indians have not improved comparatively with the time such administration has been existent. In fact, the health conditions have continued to grow worse. The question remains today as to how long we will permit this situation to exist. It is a fact that the Indians of the United States generally exist on a standard of living far below that of the average white citizen. It is our duty to raise this standard of living. The question, therefore, resolves itself, as hard as it may be to face, on whom we desire to help first—citizens of the United States from whom we took land, or people of another country, who, for the most part, have been our enemies.

Mr. Speaker, let us consider for a moment what we have now approved for development in the territories of the United Kingdom. For the fiscal year 1951 we have programed $11,078,000.

This will include a Middle East locust-control program, Kenya Road development project, Malta power project, red-locust-control project in east Africa,

wharves in north Borneo, and many others.

In the territories of France for the fiscal year 1951 we plan to spend $27,992,000. Included in those projects are stock-watering and small irrigation projects and a water supply for Moroccan coastal cities.

I remind you, Mr. Speaker, that the Navajos walk 5 miles or more to get enough water to drink, but yet in Morocco we will spend millions for water supplies for entire cities. Yes; and in Algeria we are going to build a water supply for Oran and we are going to spend the American taxpayers' dollars in French Sudan—that is, the Niger Valley irrigation project.

In the territories of Belgium for the fiscal year 1951 we will spend $15,541,000. I should like to point out to the House what is included in this program:

First. Belgian Congo soil survey.

Second. Belgian Congo waterways project.

Third. Belgian Congo power project.

Fourth. Belgian Congo road project.

All of these four projects to be built with the American taxpayers' dollars in the Belgian Congo are so vitally needed by American citizens living on reservations in our Western States.

I can go on and on and on, citing similar expenditures which have been approved. I should only like to say further that we seem to be greatly interested in the health of people all over the world while many of our own people are dying of curable diseases, dying only because we have neglected to accept our responsibility.

In Burma, for instance, public-health projects have been set up to be financed by ECA dollars amounting to $1,449,000; in Formosa, public-health projects amounting to $411,000; in Indochina, public-health projects amounting to $3,170,000; Indonesian Republic, public-health projects amounting to $2,741,000; Thailand, public-health projects amounting to $1,992,000.

I am sure that the people of Burma, Formosa, Indochina, the Indonesian Republic, and Thailand would be willing to share with the American Indians some of these millions so that the American Indians might also receive proper medical attention.

I have stated before that this is a dark page in the history of this Nation. It can and should be corrected. We fail in our responsibilities to God and to our country if we do not immediately meet this challenge.

TABLE OF POPULATION, INCOME, AND EDUCATIONAL STATISTICS ON INDIVIDUAL INDIAN TRIBES

In the winter and spring of 1950 the House Committee on Interior and Insular Affairs, then the House Committee on Public Lands, sent out a questionnaire to the Indian Service field offices asking for certain statistical and other information regarding Indian tribes. The replies from the field offices were published in appendix A of committee print entitled "Compilation of Material Relating to the Indians of the United States" issued in the fall of 1950.

The accompanying statistical chart is drawn from this material and is designed to show several things. It shows the high degree to which the American Indians are broken up into many local groups or tribes, approximately 400,000 people split up into at least 125 smaller parts, averaging 3,200 persons to the tribe. The individual tribes themselves are in turn often divided into still smaller units in terms of residence on separate reservations or of some historic occurrence whereby the tribe has been split into bands and other local groups. Many of these still smaller groups have independently maintained relations with the Federal Government through treaties, special legislation, and have been so recognized by Bureau of Indian Affairs and by the United States Court of Claims or Indian Claims Commission.

There were in 1950 some 97 tribal organizations sponsored and organized under the Indian Reorganization Act of 1934, and 99 tribal organizations not organized under the Indian Reorganization Act but recognized and dealt with by the Indian Bureau. In addition there were 18 tribal organizations under the Oklahoma Indian Welfare Act and 13 other tribal organizations in that State not under said act but recognized by the Indian Bureau. Thus it can be seen that the grand total of 227 tribal organizations are in some degree related to and recognized by the Federal Government averaging 1,761 persons per tribal organization. It is evident that a considerable number of such areas are not organized as separate tribal units since there are well over 300 reservations under the jurisdiction of the Indian Bureau.

The population figures are fairly complete for the tribes under Indian Bureau jurisdiction. However, the data on income and education are woefully lacking in a large number of cases. This information is badly needed inasmuch as it makes possible some judgment as to the degree of acculturation and assimilation of individual Indian tribes and bands.

The figures on population by reservations indicates the number enrolled but does not indicate the number actually resident there. As a matter of fact a considerable number are resident off the reservation in nearly every case. However, where Indians are resident on public domain allotments, they are in effect residents on reservations or under agency supervision.

The total male population is 193,783 and slightly overtops the female population which is 191,388. The number under 18 years totals 168,881 and constitutes about two-fifths of the total Indian population. The total of full bloods is 197,253 or almost one-half of the entire population.

With respect to education the figures show a total of 204,983 adults over 17 years and of these 1,381 are college graduates, 18,049 high school graduates, and 55,578 grammar school graduates, 77,590 cannot read or write, and 33,399 cannot speak the English language. In other words, out of every 205 Indians 1 is a college graduate, 18 are high school graduates, 55 are grammar school graduates, 77 cannot read or write, and 23 cannot speak English. In addition it is indicated that around 10 percent of Indian children of school age are not regularly attending school.

The greatest amount of nonschool attendance, illiteracy, and inability to speak English is concentrated in the southwestern tribes, particularly among the Navajo. In the case of the latter tribe 60 percent of the children of school age are not in school, and approximately 24,000 out of 29,000 adults cannot speak English nor read or write. Large percentages of children of school age not attending school also occurs among the Papago, 35 percent; Maricopa, 18 percent; San Carlos Apache, 20 percent; Uintah and Ouray Utes, 18 percent; and—outside of the Southwest—among the Red Lake Chippewa, 17 percent; Crow, 25 percent; Northern Cheyenne of Tongue River, 25 percent; Seminole, of Florida, 37 percent; and Choctaw of Mississippi, 26 percent.

Inability to speak English shows up in a minority on many reservations and seems most marked in the tribes of Arizona and New Mexico, with considerable incidence in Montana and Oklahoma. A somewhat similar distribution is to be noted for illiteracy, plus Western Shoshone, Carson Agency Paiutes, and some Sioux reservations of the Dakotas and Chippewas of the Great Lakes.

In number of years of education the Five Civilized Tribes of Oklahoma and certain Montana reservations seem to be in the lead.

The average Indian family cash income is $1,324 per year. The highest average annual income was received by the Klamath Reservation tribesmen—$5,000—while the Wind River tribes—$4,900—were not far behind. There is quite a drop, however, to the next highest average of the Yomba Shoshones—$3,320. All the other tribes whose annual family average income is $2,000 or above are located either in the Pacific Northwest, Montana, or Nevada, with the exception of the Colorado River tribes and the Osage.

At the lower extreme for income stand the Navajo of New Mexico, $300; Kootenai of Idaho, $300; Havasupai, $350; Consolidated Chippewa, $400; Northern Cheyenne, $450; Turtle Mountain Chippewa, $500; St. Croix Chippewa, $500; and Fort Totten Sioux, $500. In matters of income it can be easily seen that the Indians as a whole constitute one of the lowest level groups in the United States.

In conclusion there are certain characteristics of the Indian social conditions which appear evident from this chart.

First, the Indian is divided into a large number of tribal or band groups which act as political and economic units and are recognized as such. These innumerable groups constitute a statistical nightmare and make the administration of Indian affairs extremely detailed and expensive—one Indian Bureau employee for each 34 Indians, and so forth.

Second, the wide divergence in accomplishment between tribes is notable, some having a high degree of education and apparent assimilation of white culture while others are extremely back-

ward and needful of education in the highest degree. The wide range of accomplishment is especially noticeable in cases where a particular tribe is widely scattered over a considerable number of separate reservations so that quite variant opportunities have resulted. Full account should be taken of these differences.

Third, the need for some accounting of progress made in assimilation of Indians in the form of annual reports or otherwise is evident. If we have no evidence for Indian progress there is no way of assessing the success or failure of current Federal Indian policy. Statistical summaries of this sort should be made available on an annual basis.

Population, income, and educational statistics concerning individual Indian tribes, 1950

Tribe	Reservation	State	Population					Average family income	Number of adults over 18	Education					
			Total population	Males	Females	Under 18 years	Full-bloods			Number of college graduates	Number of high-school graduates	Number of elementary school graduates	Number of illiterates	Number unable to speak English	Percent 6 to 18 years not in school
Alabama-Coushatta	Alabama-Coushatta	Texas	394	196	198	174	394	$1,300	220	7	16	72	24	23	3
Apache	Fort McDowell	Arizona	218	106	12	63	205	520	155	0	4	30	3	10	12.2
	Camp Verde	do	467	252	215	188	385	550	279	1	31	78	53	35	5
	Fort Apache	do	[1] 3,641	1,884	1,707	1,641	3,504	916	2,000		50	750			6
	Jicarilla	New Mexico	935	475	460	280	920	1,000	655	0	30	300	80	20	2
	Kiowa-Wichita	Oklahoma	385	205	180		200								
	Mescalero	New Mexico	1,000	495	505	514	811	1,200	486	0	49	97	51	20	4
	San Carlos	Arizona	3,690	1,833	1,857	1,733	3,466	1,942	1,957	1	66	558	100	85	20
Arapaho	Cheyenne-Arapaho	Oklahoma													
	Wind River	Wyoming	[1] 1,683	808	794	822	962		861						
Arikara	Fort Berthold	North Dakota													
Assiniboine	Fort Belknap	Montana													
	Fort Peck	do													
Atsina or Gros Ventre	Fort Belknap	do													
Bannock	Fort Hall	Idaho	217	110	107	50	100		167						
Bear River	Rohnerville Rancheria.	California	31	14	17	14	6		17						
Blackfeet	Blackfeet	Montana	5,914	3,006	2,908	2,810	903	2,639	3,104	125	700	1,500	497	112	11
Blue Lake	Blue Lake Rancheria.	California	65	30	35	7	17		58						
Caddo	Kiowa-Wichita	Oklahoma	[1] 1,184	568	597		900								
Cahuilla	Agua Caliente (Palm Springs).	California	74	31	43	48	30		26						
	Augustine	do	17	10	7	1	16		16						
	Cabazon	do	28	17	11	9	21		19						
	Cahuilla	do	93	46	47	34	70		59						
	Mission Creek	do	20	9	11	7	5		13						
	Ramona	do	0	0	0	0	0								
	Santa Rosa	do	53	32	21	18	43		35						
	Torres-Martinez	do	202	113	89	48	130		154						
Catawba	Catawba	South Carolina.	374	177	197	181	9	1,560	193	0	14	34	23	0	35
Cayuga	Seneca-Cayuga	Oklahoma													
Cayuse	Umatilla	Washington	384	170	214	111	160		273						
Chehalis	Chehalis	do	28	16	12	10	15	924	18				4	0	
Chemehuevi	Colorado River	Arizona	334	162	172	104	77		230						
	Chemehuevi	California	325	160	165	0	0		325						
Cherokee	No reservation	Oklahoma	25,600	13,056	12,544	11,776	5,[illegible]20		13,824	221	1,783	7,046	1,493	1,250	6.6
	Eastern Cherokee	North Carolina.	4,266			1,575	700	1,642	2,691	21	273	1,767	127	56	6
Cheyenne	Cheyenne-Arapaho	Oklahoma	3,102	1,601	1,501	1,469	2,554		1,633						
	Tongue River	Montana	1,928	972	956	904	1,124	450	1,024	0	200	1,000	350	350	25
Chippewa	Bad River	Wisconsin	1,275	658	617	352	20	800	923	0	26	220	30	0	10
	Bay Mills	do	84	43	41	21	14		63						
	Bois Fort	Minnesota	809	391	418	389	206		420						
	Fond du Lac	do	1,450	749	701	522	27		928						
	Grand Portage	do	501	206	295	239	10		262						
	Greater Leech Lake	do	2,403	1,248	1,155	1,441	487		962						
	Isabella	Michigan	369	177	192	134	186	934	235						
	Keweenaw Bay	do	1,323	650	673	260	150	800	1,063	0	32	225	15	0	10
	Lac Courte Oreilles	Wisconsin	1,707	839	868	656	196	1,000	1,051	2	36	305	31	0	12
	Lac duFlambeau	do	1,105	515	590	438	328	1,200	767	3	97	301	13	0	10
	Mille Lac	Minnesota	452	230	222	140	80		312						
	Mole Lake	Wisconsin	181	102	79	46	18	800	135	0	6	67	5	0	12
	Red Cliff	do	653	346	307	206	0	900	447	2	24	206	3	0	10
	Red Lake	Minnesota	2,836	1,468	1,368	1,345	912	1,251	1,491	3	240	1,100	150	50	17
	Rocky Boy's	Montana	1,165	593	572	580	218	600	585	0	18	700	112	37	14.5
	Saint Croix	Wisconsin	396	195	201	106	10	500	290	1	28	108	5	0	15
	Turtle Mountain	North Dakota	8,900	4,655	4,245	3,476	131	500	5,424	4	47	176	10	0	11
	White Earth	Minnesota	9,390	4,657	4,733	4,634	164		4,756						
Chickasaw	No reservation	Oklahoma	3,200	1,632	1,568	1,472	416		1,728	28	223	880	187	40	9.5
Choctaw	do	do	16,000	8,160	7,840	7,360	5,120		8,640	138	1,115	4,398	933	425	5.8
	Choctaw	Mississippi	2,622	1,271	1,351	1,133	2,622	775	1,489	0	22	215	250	50	26
Chukchansi	Picayune	California	25	12	13	14	11		11						
Clallam	Public domain allotments.	Washington	[1] 1,205	607	588	287	253	1,400	918	0	125	320	0	0	2
Cocopah	Cocopah	Arizona	58	31	27	19	58		39						
Coeur d'Alene	Coeur d'Alene	Idaho	630	287	343	144	232	1,500	486	21	442	167	15	12	8
Colville et al	Colville	Washington	3,694	1,797	1,897	1,327	1,176	1,712	2,367	3	450	1,200	400	400	4
Comanche	Kiowa-Wichita	Oklahoma	[1] 2,694	1,286	1,351		1,800								
Cree	Rocky Boy's	Montana													
Creek	No reservation	Oklahoma	16,640	8,486	8,154	7,654	5,990		8,986	144	1,158	4,574	970	450	3.3
Crescent City	Crescent City Rancheria.	California	41	18	23	17	17		24						
Crow	Crow	Montana	2,781	1,418	1,363	981	1,530	1,869	1,800	20	205	691	160	75	25
Delaware	Kiowa-Wichita	Oklahoma	[1] 165	73	89		100								
Diegueno	Campo	California	125	65	60	46	109								
	Capitan Grande	do	17	3	14	4	5		13						
	Los Coyotes	do	91	52	39	31	58		60						
	Cuyapaipe	do	3	1	2	0	3		3						
	Inaja-Cosmit	do	30	17	13	6	23		24						
	Laguna	do													
	La Posta	do	0	0	0	0	0								
	Manzanita	do	63	27	3	26	31		37						
	Mesa Grande	do	241	135	106	94	135		147						
	Santa Ysabel	do	279	143	136	59	23		220						
	Sycuan	do	37	14	23	13	25		24						
	Viejas	do	85	36	19	37	64		48						
Flathead Salish and Kootenai.	Flathead	Montana	3,894	1,942	1,952	1,588	303	1,100	2,306	21	427	975	73	18	14.5
Fort Belknap Tribes	Fort Belknap	do	2,032	1,061	971	936	449		1,096	2	60	500	37	33	2
Fort Berthold Tribes	Fort Berthold	North Dakota	1,958					2,235		25	500	800	25	24	3
Fort Hall Tribes	Fort Hall	Idaho	2,156	1,085	1,071	905	1,152	2,256	1,251	3	50	200	750	200	10

[1] These figures do not match the totals of males or females.

Population, income, and educational statistics concerning individual Indian tribes, 1950—Continued

Tribe	Reservation	State	Population					Average family income	Number of adults over 18	Education					
			Total population	Males	Females	Under 18 years	Full-bloods			Number of college graduates	Number of high-school graduates	Number of elementary school graduates	Number of illiterates	Number unable to speak English	Percent 6 to 18 years not in school
Fort Peck Tribes	Fort Peck	Montana	3,285	1,605	1,680	900	1,236	2,100	2,385	30	300	700	30	50	1.5
Grand Ronde Tribes	Grand Ronde	Oregon	502	213	289	209	32	1,500	293	7	75	250	0		2
Havasupai	Havasupai	Arizona	236	135	101	131	236	350	105	0	18	38	39	21	6
Hidatsa	Fort Berthold	North Dakota													
Hoopa Valley Tribes	Hoopa Valley	California	589	267	322	203	158		386						
Hopi	Hopi	Arizona	4,834	2,436	2,398	1,767	4,823	$690	3,067	2	500	1,000	600	600	3
Hualapai	Hualapai	do	[1] 561	234	227	222	216	800	339	2	60	82	30	11	5
Iowa	Iowa	Oklahoma	113	55	58	46	108		67						
	do	Kansas	539			42	0	1,050	497						
Kalispel	Kalispel	Washington	95	47	48	32	89		63	2	14	60	9	10	5
Kato	Laytonville Rancheria.	California	83	31	52	34	0	600	49						
Kaw	Kaw	Oklahoma	[1] 544	277	259		65								
Keresan Tribes	Acoma	New Mexico	1,505	785	720	675	1,490		830						
	Cochiti	do	413	218	195	185	400		128						
	Laguna	do	2,969	1,549	1,420	1,230	2,700		1,739						
	San Felipe	do	815	425	390	370	800		445						
	Santa Ana	do	300	155	145	135	285		165						
	Santo Domingo	do	1,152	602	550	520	1,150		632						
	Sia	do	271	141	130	120	265		151						
Kickapoo	Kickapoo	Oklahoma	283	148	135	116	267		167						
	do	Kansas	343			72	95	840	241						
Kiowa	Kiowa-Wichita	Oklahoma	[1] 2,696	1,300	1,315		1,800								
Klamath et al	Klamath	Oregon	1,717	825	892	780	406	5,000	937	5	100	160	8	0	1.5
Kootenai	Flathead	Montana													
	Kootenai	Idaho	99	54	45	25	81	300	74	0	6	80	12	9	5
Luiseno	La Jolla	California	235	131	104	70	74		165						
	Pala	do	223	114	109	67	73		156						
	Pauma and Yuima	do	66	37	29	23	38		43						
	Pechanga	do	211	109	102	45	68		166						
	Rincon	do	191	106	85	68	43		123						
	San Manuel	do	49	23	26	15	29		34						
	San Pasqual	do	9	4	5	6	1		3						
	Soboba	do	137	69	68	50	56		87						
Lummi	Lummi	Washington	827	410	417	330	551	1,800	497	0	60	125	5	5	2
Maidu	Auburn	California	82	57	25	27	8		55						
	Colfax	do	0	0	0	0	0								
	Enterprise	do	37	25	12	17	1		20						
	Greenville	do	40	25	15	18	6		22						
	Nevada City	do	12	4	8	3	1		9						
	Round Valley	do													
	Shingle Springs	do	0	0	0	0	0								
Makah	Makah	Washington	550	290	260	170	350	2,500	380						
Mandan	Fort Berthold	North Dakota													
Maricopa	Gila River	Arizona	110												
	Salt River	do	47												
Menominee	Menominee	Wisconsin	2,884	*1,404	1,480	1,342	83	1,200	1,687	5	362	564	50	20	5
Me-wuk	Buena Vista	California	5	2	3	1	5		4						
	Chicken Ranch	do	7	5	2	0	2		7						
	Cortina	do	5	4	1	0	0		5						
	Jackson	do	5	4	1	2	4		3						
	Tuolumne	do	55	25	30	18	10		37						
	Wilton	do	40	19	21	18	2		22						
Miami	Miami	Oklahoma	323	160	163	142	2		181						
Modoc	Klamath	Oregon													
Mohave	Colorado River	Arizona	608	322	286	263	550		345						5.3
	Fort Mohave	do	367	195	172	124	341		243						6
Mono	Big Sandy	California	[1] 101	48	65	29	84		72						
	Cold Springs	do	46	26	20	14	42		32						
	North Fork	do	7	5	2	1	4		6						
	Tule River	do													
Muckleshoot	Muckleshoot	Washington	294	137	157	130	198		164	0	30	124	6	6	2
Navajo	Navajo	Arizona													
		New Mexico													
		Utah	[1] 64,000	33,166	32,380	35,000	64,000	1,312	29,000	21	1,000	2,924	24,000	23,500	60.1
	Canoncito	New Mexico	390	195	195	185	390		205						
	Alamo	do	322	161	161	150	322		172						
	Ramah	do	578	289	289	270	578		308						
Nez Perce	Nez Perce	Idaho	1,530	703	827	532	608	1,000	998	58	546	626	33	15	10
Nisqually	Nisqually	Washington	62	37	25	30	25	1,120	32						
Nooksack	Public domain allments.	do	303	155	148	127	173	800	176	0	30	55	0	0	2
Omaha	Omaha	Nebraska	2,006			575	1,200		1,431						
Oneida	Oneida	Wisconsin	3,473	1,763	1,710	1,241	1,351	1,200	2,232	4	85	675	26	26	10
Osage	Osage	Oklahoma	4,923	2,436	2,487	2,000	496	2,445	2,923	127	1,208	1,188	4	4	
Oto and Missouri	Oto	do	[1] 886	451	431		124								
Ottawa	Ottawa	do	488	254	234	195	3		293						
Paiute	Big Pine	California	22	10	12	14	14		8						
	Bishop	do	289	148	141	109	66		180						
	Burns Colony	Oregon	[1] 149	58	49	42	145		107						
	Cedar City	Utah	28	17	11	3	26		25						
	Cedarville	California	15	7	8	5	10		10						
	Duck Valley	Idaho / Nevada	288	136	152	138	275		150						
	Fort Bidwell	California	99	60	39	33	95		66						
	Fort Independence	do	69	38	31	20	0		49						
	Fort McDermitt	Nevada	288	144	144	170	282	1,556	118	0	5		5	0	0
	Indian Ranch	California	5	3	2	5	5		0						
	Kaibab	Utah	91	49	42	26	88		65						
	Las Vegas	Nevada	38	18	20	19	24	600	19						
	Lone Pine	California	27	13	14	12	15		15						
	Lovelock Colony	Nevada	[1] 135	68	58	60		2,173	75	0	4	7	4	2	0
	Moapa River	do	176	84	92	87	106	900	89						
	Paiute or Indian Peak.	Utah	12	6	6	3	11		9						
	Pyramid Lake	Nevada	603	300	303		550	1,446		0	30	65	30	4	3
	Reno-Sparks Colony	do	273	126	147	133	200	1,704	140	0	21	33	0	0	0
	Shivwits	Utah	108	55	53	35	108		73						
	Summit Lake	Nevada	45	23	22	7	45	1,050	38	0	2	16			
	Walker River	do	[1] 229	173	155	133	229	2,098		0	30	62	45	0	0
	Winnemucca	do	[1] 26	7	8	11	26	1,310		0	1	3		0	0
	Yerington Colony	do	105	54	51	51	61	880	54	0	2	24	11	0	0

[1] These figures do not match the totals of males or females.

Population, income, and educational statistics concerning individual Indian tribes, 1950—Continued

Tribe	Reservation	State	Population: Total population	Population: Males	Population: Females	Population: Under 18 years	Population: Full-bloods	Average family income	Number of adults over 18	Education: Number of college graduates	Education: Number of high-school graduates	Education: Number of elementary school graduates	Education: Number of illiterates	Education: Number unable to speak English	Education: Percent 6 to 18 years not in school
Papago	Gila Bend	Arizona	192	3,759	3,618	3,689	7,303		3,688	2	50	300	2,950	2,210	35
	Papago or Sells	do	6,688												
	San Xavier	do	497												
	Ak-Chin	do	156	76	80	38	125	$540	118	0	3	20	5	20	18.1
Pawnee	Pawnee	Oklahoma	[1] 1,149	575	539		666								
Peoria	Peoria	do	439	206	233	184	7		255						
Pima	Gila River	Arizona	5,405	3,291	3,460	1,738	6,600		5,012						
	Salt River	do	1,345												
Pit River	Alturas	California	11	7	4	4	7		7						
	Big Bend	do	10	5	5	5	4		5						
	Likely	do	0	0	0	0	0								
	Lookout	do	50	23	27	15	10		35						
	Montgomery Creek	do	3	1	2	0	0		3						
	X-L Ranch	do	33	17	16	12	20		21						
Pomo	Big Valley	do	124	53	71	59	59		65						
	Cache Creek	do	9	4	5	3	8		6						
	Cloverdale	do	18	8	10	1	5		17						
	Coyote Valley	do	26	8	18	14	4		12						
	Dry Creek	do	28	14	14	7	20		21						
	Graton	do	4	2	2	1	1		3						
	Guidiville	do	26	14	12	6	20		20						
	Hopland	do	79	48	31	33	24		46						
	Lower Lake	do	4	2	2	0	0		4						
	Lytton	do	8	3	5	4	0		4						
	Manchester-Point Arena	do	123	61	62	73	42		50						
	Mark West	do	1	1	0	0	0		1						
	Middletown	do	26	14	12	12	10		14						
	Pinoleville	do	70	35	35	24	14		46						
	Potter Valley	do	15	7	8	7	7		8						
	Redwood Valley	do	37	17	20	24	21		13						
	Robinson	do	47	24	23	12	22		35						
	Scotts Valley	do	27	17	10	10	17		17						
	Stewarts Point	do	112	57	55	58	101		54						
	Upper Lake	do	81	39	42	24	51		57						
Ponca	Ponca	Oklahoma	[1] 926	468	448		351								
	do	Nebraska	441			67	0		374						
Potawatomi	Forest County	Wisconsin	[1] 364	155	146	126	347	1,000		0	10	57	10	0	12
	Hannahville	Michigan	145	69	76	46	110	800	99	0	5	35			12
	Potawatomi	Kansas	1,098			176	262	840							
	do	Oklahoma	2,976	1,506	1,470		40								
Puyallup	Puyallup	Washington	479	225	254	94	109	1,000	385	5	140	212	0	0	2
Quapaw	Quapaw	Oklahoma	720	345	375	274	51		446						
Quechan	Yuma	Arizona	1,146	601	545	255	978		891	0					
		California	979	500	479	293	881		686						
Quinaielt	Quinaielt	Washington	1,890	966	924	300	850	2,160	1,590						
Round Valley Tribes	Round Valley	California	802	388	414	313	87		489						
Ruffey	Ruffey	do	10	5	5	4	3		6						
Sauk and Fox	Sauk and Fox	Kansas	129				0	1,275							
	do	Oklahoma	[1] 996	473	493		494								
	Tama	Iowa	504	244	260	153	504	1,000	351	2	150	375	50	50	10
Santa Barbareno	Santa Ynez	California	87	40	47	34	20		53						
Seminole	No reservation	Oklahoma	2,560	1,306	1,254	1,178	1,024		1,382	21	150	703	149	125	7.0
	Big Cypress	Florida	823	398	425	322	728	1,000	501	0	4	74	451	400	37
	Brighton	do													
	Dania	do													
Seneca	Seneca-Cayuga	Oklahoma													
Serrano	Morongo	California	316	172	144	95	113		221						
	Twenty-nine Palms	do	0	0	0	0	0								
Shasta	Quartz Valley	do	120	60	60	21	6		99						
Shawnee	Shawnee	Oklahoma	712	382	330		480								
Shoshone	Austin	Nevada	139	62	77	50	120		89						
	Battle Mountain	do	100	41	59	20	78		80						
	Beowawe	do	61	29	32	20	48		41						
	Carlin	do	13	8	5	6	8		7						
	Duck Valley	Idaho, Nevada	[1] 678	212	324	357	306		321						
	Duckwater	Nevada	[1] 127	18	21	88	116			0	0		9	0	4
	Elko	do	122	50	72	42	81		80						
	Ely	do	149	77	72	54	92		95						
	Eureka	do	23	11	12	3	16		20						
	Fallon Reservation and Colony	do	[1] 59	32	26	26	47		33						
	Fort Hall	Idaho	1,939	975	964	855	1,052		1,084						
	Goshute	Utah, Nevada	188	98	90	42	179	1,100	146	0	3	30	12	0	0
	Lone Pine	California	28	7	21	10	8		18						
	Ruby Valley	Nevada	65	33	32	35	43		30						
	Skull Valley	Utah	41	18	23	16	39	1,300	25	0	5	25	6	0	0
	South Fork	Nevada	140	68	72	45	126	2,600	95	0	12	23	55	0	0
	Walker River	do	[1] 42	17	26	24	42		18						
	Wells	do	52	25	27	26	30		26						
	Wind River	Wyoming	[1] 1,678	739	773	767	419								
	Yomba	Nevada	106	56	50	66	90		40						
Siletz Tribes	Siletz	Oregon	685	350	335	450	107	1,750	235	10	100	300	0	0	2
Sioux	Cheyenne River	South Dakota	4,307	2,211	2,096	1,679	1,898	1,620	2,628	10	240	460	100	50	5
	Crow Creek	do	1,132	570	562	457	539	1,167	675	2	84	278	4	4	8
	Devils Lake	North Dakota	[1] 1,300	735	600	461	1,265	505	839	0	77	324	50	5	2
	Flandreau	South Dakota	289	146	143	66	88	900	223	1	86	133	0	0	1
	Fort Peck	Montana													
	Lower Sioux	Minnesota													
	Pine Ridge	South Dakota	10,648	5,327	5,321	5,324	2,859	1,290	5,324	11	288	1,197			18
	Pipestone	Minnesota													
	Prairie Island	Minnesota													
	Rosebud	South Dakota	8,183	4,261	3,922	2,293	3,439	1,035	5,890	40	525	2,050	395	350	18
	Santee	Nebraska	1,372			490	69	882							
	Sisseton	South and North Dakota	3,542	1,807	1,735	1,256	755	790	2,286	2	182	608	25	5	13
	Standing Rock	do	4,500	2,500	2,000	1,676	2,430	767	2,824	5	320	1,105	315	225	10
	Upper Sioux	Minnesota													
	Wabasha	do													

[1] These figures do not match the totals of males or females.

Population, income, and educational statistics concerning individual Indian tribes, 1950—Continued

Tribe	Reservation	State	Population					Average family income	Number of adults over 18	Education					
			Total population	Males	Females	Under 18 years	Full-bloods			Number of college graduates	Number of high-school graduates	Number of elementary school graduates	Number of illiterates	Number unable to speak English	Percent 6 to 18 years not in school
Sioux	Yankton	South Dakota	2,391	1,185	1,206	480	526	$730	1,911	12	175	818	60	20	15
	Lower Brule	do	705	358	347	233	167	1,814	472	0	4	40	6	3	3.4
Skagit-Suiattle	Public domain allotments.	Washington	259	133	126	112	213	800	147	0	25	45	5	5	2
Skokomish	Skokomish	do	230	118	112	75	100	1,800	155				5	0	
Smith River	Smith River	California	113	59	54	39	28		74						
Snake	Klamath	Oregon													
Spokane Tribes	Spokane	Washington	928	456	472	363	179	2,000	565	2	57	129	11	8	6
Squaxon	Squaxon Island	do	29	13	16		15	2,000							
Stockbridge	Stockbridge	Wisconsin	491	250	241	163	44	1,200	328	3	121	250	0	0	10
Swinomish	Swinomish	Washington	351	158	193	150	258	1,500	201	0	30	90	12	2	2
Tache	Santa Rosa	California	87	45	42	35	74		52						
Tano-Jemez	Jemez	New Mexico	911	461	450	430	865		481						
Tano-Tewa	Nambe	do	151	79	72	70	140		81						
	Pojoaque	do	26	14	12	15			21						
	San Ildefonso	do	180	95	85	80	175		100						
	San Juan	do	821	426	395	370	750		451						
	Santa Clara	do	584	304	280	260	525		324						
	Tesuque	do	166	86	80	75	160		91						
Tano-Tigua	Isleta	do	1,493	798	695	615	1,340		876						
	Picuris	do	133	68	65	60	130		73						
	Sandia	do	147	77	70	65	135		82						
	Taos	do	938	488	450	420	925		518						
Tonkawa	Tonkawa	Oklahoma	57	31	26		31								
Tulalip	Tulalip	Washington	761	366	395	271	384	1,300	490	0	80	120	15	4	2
Tule River Tribes	Tule River	California	205	103	102	99	70	106							
Umatilla	Umatilla	Oregon	121	43	78	35	50		86						
Umatilla Tribes	Umatilla	do	1,158	538	620	335	482		823	6	100		100	50	5
Ute	Kanosh	Utah	28	15	13	9	28		19						
	Koosharem	do	27	14	13		27								
	Southern Ute	do	479	254	225	207	392	900	272						
	Uintah and Ouray	do	1,588	799	789	759	940		829	4	54	136	450	50	18
	Ute Mountain	Colorado	538	283	255	225	527	900	313						
Walla Walla	Umatilla	Oregon	623	313	310	180	259		443						
Wappo	Alexander Valley	California	49	29	20	15	5		34						
Warm Springs Tribes	Warm Springs	Oregon	1,011	527	484	520	740	2,800	491	0	73	245	23	0	.5
Washo	Carson Colony	Nevada	52	28	24	26	51	2,105	26	0	5	7	0	0	0
	Washo	do	[1] 183	81	76	92		848	91	0	4	3	30	0	0
Wichita	Kiowa-Wichita	Oklahoma	[1] 460	210	234										
Wind River Tribes	Wind River	Wyoming	3,114	1,547	1,567	1,589	1,381	4,900	1,772	2	150	2,000	70	60	5
Winnebago	Winnebago	Nebraska	1,481			509	740								
	Public domain allotments.	Wisconsin	1,504	737	767	612	1,307	980	892	2	21	480	6	6	12
Wintun	Colusa	California	58	32	26	21	25		37						
	Grindstone	do	35	23	12	21	10		12						
	Paskenta	do	2	1	1	0	0		2						
	Rumsey	do	20	10	10	8	19		12						
Wyandotte	Wyandotte	Oklahoma	894	429	465	344	1		550						
Yakima	Yakima	Washington	3,598	1,556	2,042	1,838	1,602	1,250	1,760	12	300	740	720	525	20
Yavapai	Yavapai	Arizona	44	23	21	21	39	1,200	23	0	7	15	2	1	0
Yavapai-Apache	Camp Verde	do	467	252	215	188	385	550	279	1	31	78	53	35	5
Yurok	Hoopa Valley	California													
	Big Lagoon	do	6	2	4	4	0		2						
	Resighini	do	28	16	12	17	4		11						
Zuni	Zuni	New Mexico	2,759	1,429	1,330	1,250	2,700		1,509						

[1] These figures do not match the totals of males and females.

(Mr. Bow asked and was given permission to revise and extend his remarks and include therein a chart and explanation thereof.)

The SPEAKER. Under the previous order of the House, the gentleman from Iowa [Mr. GROSS] is recognized for 15 minutes.

DIVULGING OF RESTRICTED INFORMATION

Mr. GROSS. Mr. Speaker, I reiterate the statement I made yesterday on the floor of the House that the gentleman from Texas [Mr. KILDAY], during debate last Friday, made a false and unwarranted charge against me when he stated that I divulged restricted military information.

In asserting, as he did yesterday, that he stands on the record of his previous statement, the gentleman from Texas conforms to the standard which he has set for himself on other occasions and to which I shall refer presently.

Let me refer once more to the debate of last Friday as it is to be found in the CONGRESSIONAL RECORD of August 10.

On page 9820, I quote from the following statement by the gentleman from Georgia [Mr. VINSON]:

> All over the industrial east, up in Canada, everywhere in America, in the great industrial areas, this bill provides for radar screens. Airplanes are sitting on the ground just like the fireman sits at the firehouse, ready to fly off the ground at a moment's notice to defend the industries and defend the lives of the people who live in those cities.

Subsequently, and as the same page of the RECORD shows clearly, I asked the gentleman from Georgia this question:

> This Grandview air base * * * that is a new base and it is to be a fighter base, is that not true?

What other deduction could there be from the previous statement of the chairman of the Armed Services Committee that Grandview was one of six new Air Force bases to be built and that airplanes would be sitting on the ground ready to take off at a moment's notice to defend the industries and people of this country from an air attack?

The gentleman from Texas may be naive enough to believe, at least when it suits his purpose, that bombers are going to be used to repel an air attack on the United States.

More than that, no one, unless it suits an ulterior purpose, is stupid enough to believe that the $19,000,000 hand-out for the present little airport at Grandview, Mo., would provide for a bomber base.

But the fact remains that in response to my question on Friday, the gentleman from Georgia [Mr. VINSON] revealed complete information concerning the alleged purpose for spending $19,000,000 at Grandview. He was under no compulsion to answer my question to the extent of providing restricted information.

At this time, Mr. Speaker, I want to reiterate what I said yesterday afternoon that at no time last Friday, August 10, or at any other time, did I examine a single book, record, document, or paper held by the House Armed Services Committee, or any staff member, containing classified information. And anyone who says that I did is not only careless with the truth—he does not know the meaning of the word.

The gentleman from Texas indulged in mouthing on Friday and again yesterday concerning the radar screen. It is common knowledge that radar screen is being erected for the protection of the North American Continent. The papers have been full of it and in some instances have given, and that was months ago, almost specific locations of at least some of these stations. In the debate last Friday, no one, not even the gentleman from Georgia [Mr. VINSON] referred to the radar screen in anything but general terms. There was no information provided that the general public has not known for months and I defy the gentleman from Texas to read the record and state otherwise.

The gentleman from Texas, instead of attempting to castigate the gentleman from Iowa for revealing restricted information should direct his castigations to the chairman of his own committee, who stated on the floor of the House, after revealing the alleged purpose for which $19,000,000 of the taxpayers' money was to be spent at Grandview, Mo.:

I should not have read what I did read.

If, as the gentleman claims, the information was classified, why was it made public on the floor of the House and repeated on the floor of the House by the chairman of the committee.

It takes more than an ordinary amount of mental gymnastics and gall for the gentleman from Texas to charge me with the disclosure of restricted information which I never had and which is directly attributable to the chairman of his own committee.

Yesterday, the gentleman from Texas said in effect that because I resented his false charge I had a thin skin, and inferred that his hide is tough. Let me say to the gentleman that I care not whether his hide is a foot thick, he has found one Iowan who does not propose to be kicked in the teeth.

It is well at this point to recall that the gentleman from Texas [Mr. KILDAY], last April, during debate on the UMT-draft bill, encountered another Member of Congress who likewise refused to be kicked in the teeth. I refer to the gentleman from Missouri [Mr. SHORT], who is in a better position than I am to know the leopard's spots because he serves on the same committee, the Armed Services Committee, with the gentleman from Texas [Mr. KILDAY].

Let us look at the RECORD of April 4, 1951, when the selective service-universal military training bill was before the House.

On page 3311, in connection with the shotgun proposition of incorporating universal military training into the draft bill, a procedure which the gentleman from Missouri [Mr. SHORT] consistently opposed in committee and on the floor of the House, the gentleman from Texas [Mr. KILDAY] declared:

So I say this is the time to set up this system; this is the time to pass both of these in an integrated bill.

The gentleman from Missouri [Mr. SHORT] then took the floor, and on the same page, called attention to the fact that General Marshall appeared as a witness before the House Armed Services Committee and the gentleman from Missouri [Mr. SHORT] cited a statement made by the gentleman from Texas on January 23 and found on page 25 of the committee hearings on universal military training.

Listen to what the gentleman from Missouri [Mr. SHORT] said:

Oh, he [Mr. KILDAY] was bold and brave that day. He was a courageous Texan. He [Mr. KILDAY] said:

"General, as you know, I have from the beginning supported universal military training, and I feel that we could have gotten it in 1945 had the Department, under your direction, gone along with something similar to what you have here of a period of service, 4 to 6 months, rather than your insistence at that time that it would be no less than 1 year. That is where we lost our bill.

"But I have never felt that we could get universal military training in the back door or under the table. You have got to get it straight across the table, openly, frankly, sincerely. And I think it is absolutely essential to our well-being, but I think the people are going to have to support it and you are not going to be able to tie it to an emergency and get it that way. You are going to have to get it as an open, above-the-table matter, and not go in through the back door."

Then the gentleman from Missouri [Mr. SHORT] had this to say:

He [Mr. KILDAY] talks one way in committee: he talks another way on this floor. He blows hot and cold in the same breath. He goes up the hill today and down it tomorrow. I do not know when to believe him.

To this should be added the opening remarks of the gentleman from Missouri [Mr. SHORT], in which he said:

The gentleman from Texas [Mr. KILDAY] always and invariably takes great delight in taking a "dig" at me. Always on the floor of the House, in public, and in private, I have said only nice and kind things about him. But anything complimentary I have ever said about him I now publicly retract totally and completely.

Mr. Speaker, I hope it will not be necessary for me to continue taking the time of the House to again refer to the record of the gentleman from Texas [Mr. KILDAY] and his absolutely false and unwarranted statement that I disclosed restricted information. A reading of the CONGRESSIONAL RECORD of last Friday will convince any fair-minded person beyond a question of doubt that it was the chairman of the Armed Services Committee [Mr. VINSON] who revealed the purported purpose to be made of the Grandview hand-out.

It is significant to note that under the scorching blast delivered by the gentleman from Missouri, the gentleman from Texas remained tied to his seat and the CONGRESSIONAL RECORD does not disclose that on that day or at any other time the gentleman from Texas made a reply. What happened to the bold, courageous, and self-admitted tough-hided gentleman from Texas on that occasion? He was meekly swallowing the medicine, no matter how unpalatable.

I would say further to the gentleman from Texas that his recommendation that I run for office in Iowa and not in Texas is another of his gratuitous remarks, not in good taste. The people of Iowa need no help from the gentleman in choosing their public officials. Of course, if the gentleman feels he does not have enough to do politically in his own district, and feels he had the capacity to spread his activities throughout the Nation, he may be sure of a reception in Iowa, especially in the Third Congressional District.

Since the gentleman from Texas insists upon standing on his false charge that I revealed restricted information, I know of no more effective way of replying to him than through the words of his committee colleague, the gentleman from Missouri [Mr. SHORT], who said:

He [Mr. KILDAY] talks one way in committee; he talks another way on the floor. He blows hot and cold in the same breath. He goes up the hill today and down it tomorrow. I do not know when to believe him.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Speaker, I assure you that I do not propose to carry on this senseless argument. I am very much reminded of a story, Mr. Speaker, that you and I have heard told many times about the Negro who got a piece of meat out of a smokehouse, placed it in the bosom of his shirt, and then went to a revival and heard the minister yelling to get that sin out of your bosom. He continued it a number of times, and finally the Negro said, "Here, take it. I never heard so much hell raised by a little piece of meat in all my life."

I feel the same way about this. Of course, the gentleman from Missouri [Mr. SHORT] and I, going on 13 years now, have had our ups and downs. But, we have remained very good friends and have cooperated on matters of national defense. I just returned from a very cordial committee trip down South with the gentleman from Missouri. We were able to ride in the same plane, stay at the same hotel, and there was no bloodshed, and I hope it will be the same with the gentleman from Iowa.

You know, I used to prosecute down in Texas. When I was defending I always tried the prosecutor, and when I prosecuted they used to try me, and I used to always reply that it did not hurt me a particle because when I took the job I figured that was included in my pay, and I have felt the same way on questions of national defense since I have been here.

I have listened carefully to what the gentleman from Iowa had to say with reference to whether or not he disclosed information.

On yesterday I referred to page 9820, where the matter first arose. The gentleman stated on yesterday and he has reiterated today that he did not see any information. At that time the entire matter was fresh in the minds of all of us. I asked the gentleman to yield to me, and I was attempting to determine whether he was opposed to the

Grand View airport because there was an unused airport in Iowa whereas they were building a new airport, or whether it was because it was located in the county of the President. The gentleman from Iowa [Mr. GROSS] said:

Why are you spending it there?

I replied:

I will take some time in a little while and give the gentleman as much as I can. We gave the gentleman some information awhile ago that was classified, and repeated it on the floor.

The gentleman from Iowa said:

Yes; wholly inadequate information.

At the time I made the statement, the gentleman did not deny it, but he replied:

Yes, but the information was wholly inadequate.

Mr. Speaker, again I stand on the record.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. GROSS. The gentleman well knows that that information was not given to me, it was given by the chairman many minutes before to all the Members of the House, and the RECORD so shows. I hope the gentleman will be consistent.

Mr. KILDAY. I am thoroughly consistent. I recall exactly what transpired here. I know exactly what happened. I have no intention of getting into any dispute with the gentleman from Iowa as to our veracities.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. VINSON (at the request of Mr. BROWN of Georgia), for an indefinite period, on account of official business.

Mr. SADLAK (at the request of Mr. MARTIN of Massachusetts), on account of official business to attend the Inter-Parliamentary Conference.

Mr. WIDNALL (at the request of Mr. MARTIN of Massachusetts), for 1 day, on account of official business.

Mr. AUGUST H. ANDRESEN, for an indefinite period, on account of official business.

Mr. YORTY (at the request of Mr. IRVING), for the balance of the week, on account of official business.

EXEMPTING CERTAIN BLENDED WHISKIES AND BRANDIES FROM RECTIFICATION ACT

Mr. KING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2745) to amend section 2801 (c) (1) of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1), subsection (c), section 2801, of the Internal Revenue Code is amended by striking out, wherever they appear, the words "ninety proof" and substituting in lieu thereof the words "eighty proof."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Speaker, the bill which the House has just passed was introduced by me at the request of the Wine Institute of California.

It is a minor amendment to the Internal Revenue Code to permit the blending of brandy in the same manner as whiskies are blended. California manufactures a great deal of grape brandy. This brandy has a proof of about 84. The law prior to the enactment of this amendment would not permit the blending of these brandies because only spirits of 90 proof or more were permitted to be blended. The making of brandy is an integral part of the operations of some wineries, and we appreciate very much the broad-gaged attitude of the Internal Revenue Department in giving us a favorable report on this bill.

As everyone knows, the making of wine and brandy is really a part of the grape industry. While most of our grapes go into the market for consumption as fruit and also into the making of raisins, a great volume of our grapes go into wine. The cooperative wineries of California were developed to take care of some of the grapes grown for the express purpose of making wine and to provide an outlet for surpluses of the edible grapes, either as fresh grapes or after being dried and sold as raisins.

THE LATE WILLIAM RANDOLPH HEARST

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, I rise to announce the passing of a former Member of this House, the founder of a vast newspaper empire, and a great American—William Randolph Hearst.

Mr. Hearst died today at the age of 88—full of years, of honors, and of service to his Nation.

He served as a Democratic Member of Congress from New York for two terms—from 1903 to 1907.

He began his amazing journalistic career 64 years ago when his father, the late United States Senator George Hearst, of California, turned over to him the San Francisco Examiner, which the father had acquired in payment of a debt.

Mr. Hearst once said that it was "a limp rag of a newspaper." It did not long remain that. Mr. Hearst's bitterest enemies never accused him of publishing a "limp rag" of a newspaper or of espousing a "limp rag" of an editorial policy.

He spoke, over the years and through his numerous newspapers, with forthrightness and fearless vigor on every issue. I am proud of the fact that I was once associated with one of his newspapers.

William Randolph Hearst was always a stanch and unapologetic apostle of Americanism.

He was the first American editor to warn of the yellow peril—and saw his prophecy vindicated in the attack on Pearl Harbor.

He was the first American editor to warn against the Red menace—and lived to see that menace reach proportions which some Americans even today fail to comprehend. It was William Randolph Hearst who wrote, following resumption of diplomatic relations with Russia—which he had vigorously opposed:

We recognized Russia. Now it is just as well to recognize what we recognized. * * * It is the same old tyranny under a different name.

He opposed the appeals to class strife and the centralization of governmental power in Washington which have occurred in recent years.

He was one of the first Americans to campaign for adequate national defense.

William Randolph Hearst was a prophet honored even in his own country. He was a patriot who put his own country first and who believed that he thereby best served the cause of freedom and justice throughout the world.

In his distinguished career, and in the institution he established, he leaves a rich heritage for his fellow Americans.

PERSONAL ANNOUNCEMENT

Mr. KING. Mr. Speaker, today when the vote was taken on the House Concurrent Resolution 140, expressing the sentiment of the Congress on the arrest and conviction of William N. Oatis, I was unavoidably detained and could not be present during the roll-call vote. If I had been present, I would have voted in the affirmative.

SPECIAL ORDER GRANTED

Mr. GROSS asked and was given permission to address the House for 5 minutes tomorrow after the legislative program of the day and following any special orders heretofore granted.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include an article entitled "Governmental Survival" which is estimated by the Public Printer to cost $184.50.

Mr. FLOOD in two instances and to include extraneous matter.

Mr. PRICE and to include extraneous matter.

Mr. BLATNIK in two instances and include newspaper articles.

Mr. LUCAS and to include an editorial appearing in the Fort Worth Star-Telegram entitled "Johnson Committee Work Shows Benefits."

Mr. DORN and to include an article.

Mr. ARENDS and to include an editorial.

Mr. MERROW and to include an editorial.

Mr. CURTIS of Missouri in two instances and to include extraneous matter.

Mr. BUFFETT in two instances and to include extraneous matter.

Mr. MCCORMACK and to include therein a broadcast recently made by an outstanding commentator, Earl Godwin, in relation to the late Stephen Early.

Mr. GOLDEN and to include two magazine articles, notwithstanding the fact that the additional cost will be $191.34.

Mr. BAKEWELL and to include an editorial from the St. Louis Globe-Democrat.

Mr. KERSTEN of Wisconsin in two instances.

Mr. MARTIN of Iowa and to include an article, notwithstanding the fact that the additional cost will be $847.34.

Mr. STOCKMAN and to include an article on the census enumeration in the Second District of Oregon.

Mrs. ROGERS of Massachusetts in three instances and to include certain letters and petitions.

Mr. OSTERTAG and to include an editorial.

Mr. WOOD of Idaho.

Mr. CANFIELD and to include a newspaper article.

Mr. ANGELL and to include an editorial.

Mr. REAMS and to include an editorial from the Toledo Blade.

Mr. MCGUIRE (at the request of Mr. PRIEST) and to include extraneous matter.

Mr. SIEMINSKI and to include a letter he wrote to the King of Sweden.

Mr. CLEMENTE and to include a newspaper article.

Mr. MADDEN and to include an editorial.

Mr. HART and to include a book review.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

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

H. R. 3911. An act to provide appropriate lapel buttons for widows, parents, and next of kin of members of the Armed Forces who lost or lose their lives in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 684. An act to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans, so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

ADJOURNMENT

Mrs. BOSONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, August 15, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

715. A letter from the Acting Administrator, General Services Administration, transmitting a draft of legislation entitled "A bill to provide for adjustment in the compensation of certain employees transferred to the General Services Administration from the Post Office Department pursuant to Reorganization Plan No. 18 effective July 1, 1950"; to the Committee on Post Office and Civil Service.

716. A letter from the Acting Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretary of Commerce to appoint special policemen for duty upon certain Federal property under the control of the Secretary of Commerce"; to the Committee on Interstate and Foreign Commerce.

717. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to improve the administration of the public lands under the Taylor Grazing Act"; to the Committee on Interior and Insular Affairs.

718. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $131,400 for the legislative branch (H. Doc. 226); to the Committee on Appropriations and ordered to be printed.

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. BECKWORTH: Committee on Interstate and Foreign Commerce: Senate Joint Resolution 42. Joint resolution consenting to an interstate compact to conserve oil and gas; without amendment (Rept. No. 854). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRISON of Wyoming. Committee on Interior and Insular Affairs. S. 950. An act to amend the act authorizing the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapaho Tribes of the Wind River Reservation for the purpose of extending the time in which payments are to be made to members of such tribes under such act, and for other purposes; without amendment (Rept. No. 863). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENTSEN: Committee on Interior and Insular Affairs. H. R. 3937. A bill to amend the act of June 28, 1948 (62 Stat. 1061), to provide for the operation, management, maintenance, and demolition of federally acquired properties following the acquisition of such properties and before the establishment of the Independent National Historical Park, and for other purposes; without amendment (Rept. No. 864). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. H. R. 4205. A bill to provide retirement benefits for the Chief of the Dental Division of the Bureau of Medicine and Surgery, and for other purposes; without amendment (Rept. No. 865). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Interior and Insular Affairs. H. R. 4203. A bill to ratify and confirm Act 7 of the Session Laws of Hawaii, 1951, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; without amendment (Rept. No. 866). Referred to the House Calendar.

Mr. BURLESON: Committee on Foreign Affairs. H. R. 3299. A bill to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.; without amendment (Rept. No. 867). Referred to the House Calendar.

Mrs. BOLTON: Committee on Foreign Affairs. House Joint Resolution 290. Joint Resolution providing for the recognition and endorsement of the World Metallurgical Congress; without amendment (Rept. No. 868). Referred to the House Calendar.

Mr. THOMAS: Committee of conference. H. R. 3880. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes; without amendment (Rept. No. 869). Ordered to be printed.

Mr. COX: Committee on Rules. House Resolution 388. Resolution providing for the consideration of H. R. 5113, a bill to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security; without amendment (Rept. No. 870). Referred to the House Calendar.

Mr. FORAND: Committee on Ways and Means. H. R. 5118. A bill to amend the Social Security Act to provide unemployment insurance for Federal civilian employees, and for other purposes; without amendment (Rept. No. 871). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee on Foreign Affairs. H. R. 5113. A bill to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security; without amendment (Rept. No. 872). 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. GOODWIN: Committee on the Judiciary. House Resolution 383. Resolution providing for sending to the United States Court of Claims the bill (H. R. 3131) for the relief of Raymond B. Jeffrey; without amendment (Rept. No. 855). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 4219. A bill authorizing the Secretary of the Interior to issue a patent in fee to Louis W. Milliken; with amendment (Rept. No. 856). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 4351. A bill authorizing the Secretary of the Interior to issue a patent in fee to Ursula Rutherford Ollinger; without amendment (Rept. No. 857).

Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 4352. A bill authorizing the Secretary of the Interior to issue a patent in fee to Mary Rutherford Spearson; without amendment (Rept. No. 858). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. S. 818. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.; without amendment (Rept. No. 859). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. S. 1033. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh; without amendment (Rept. No. 860). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. S. 1034. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; without amendment (Rept. No. 861). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Interior and Insular Affairs. S. 1036. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; without amendment (Rept. No. 862). 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. SCRIVNER:

H. R. 5147. A bill for the relief of sufferers of casualty losses, and for other purposes; to the Committee on Ways and Means.

By Mr. SIEMINSKI:

H. R. 5148. A bill to authorize additional funds for the purpose of carrying out the provisions of section 6 of the Defense Highway Act of 1941, as amended; to the Committee on Public Works.

By Mr. SIMPSON of Pennsylvania:

H. R. 5149. A bill granting the consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey concerning a bridge across the Delaware River to provide a connection between the Pennsylvania Turnpike System and the New Jersey Turnpike, and for other purposes; to the Committee on Public Works.

By Mr. HESELTON:

H. R. 5150. A bill to amend the Natural Gas Act, with respect to the duty of the Federal Power Commission to report to Congress regarding the effect and operation of State compacts dealing with the conservation, production, transportation, or distribution of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. TOWE:

H. R. 5151. A bill granting the consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey concerning a bridge across the Delaware River to provide a connection between the Pennsylvania Turnpike System and the New Jersey Turnpike, and for other purposes; to the Committee on Public Works.

By Mr. BOLLING:

H. R. 5152. A bill to amend the National Labor Relations Act, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. COLE of Kansas:

H. R. 5153. A bill to authorize transfer of certain tax collections to the States for use in repairing and rebuilding bridges; to the Committee on Ways and Means.

By Mr. GEORGE:

H. R. 5154. A bill to authorize transfer of certain tax collections to the States for use in repairing and rebuilding bridges; to the Committee on Ways and Means.

By Mr. SCRIVNER:

H. R. 5155. A bill to authorize transfer of certain tax collections to the States for use in repairing and rebuilding bridges; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 5156. A bill to reactivate the Mounted Cavalry as a basic branch of the United States Army, and for other purposes; to the Committee on Armed Services.

By Mr. PROUTY:

H. R. 5157. A bill authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory, or possession of the United States, or any political subdivision thereof, to provide that the head of each department or agency of the United States shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding sums from the compensation of employees; to the Committee on Ways and Means.

By Mr. REES of Kansas:

H. H. 5158. A bill to authorize transfer of certain tax collections to the States for use in repairing and rebuilding bridges; to the Committee on Ways and Means.

By Mr. BURDICK:

H. J. Res. 315. A bill proposing an amendment to the Constitution of the United States relative to service in the Armed Forces of the United States; to the Committee on the Judiciary.

By Mr. FLOOD:

H. J. Res. 316. A bill designating the 28th day of October in each year as Liberty Day; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. Res. 387. A bill providing for the appointment of two additional staff members, Committee on Armed Services; to the Committee on House Administration.

MEMORIALS

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

By Mr. MURDOCK: Memorial of State Legislature of Arizona, accepting the provisions of Public Law 681, Eighty-first Congress of the United States, relating to fish restoration and management projects; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARTLETT:

H. R. 5159. A bill for the relief of the estate of Cleo C. Reeves; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 5160. A bill for the relief of the Detroit Automobile Insurance Exchange; to the Committee on the Judiciary.

By Mr. DORN:

H. R. 5161. A bill for the relief of Mrs. Robert Keith Powell; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 5162. A bill for the relief of Mahmud A. Uthman; to the Committee on the Judiciary.

H. R. 5163. A bill for the relief of Mahammad H. A. M. Abdalla; to the Committee on the Judiciary.

H. R. 5164. A bill for the relief of Ramadan S. R. Abdalla; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 5165. A bill for the relief of Orsola Jacopelli Leggio; to the Committee on the Judiciary.

By Mr. QUINN:

H. R. 5166. A bill for the relief of Giacomo Giacopelli and Antonina Giacopelli; to the Committee on the Judiciary.

By Mr. STAGGERS:

H. R. 5167. A bill for the relief of Romildo Michele Vanin; to the Committee on the Judiciary.

PETITIONS, ETC.

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

390. By Mr. SHORT: Petition of Mr. and Mrs. D. H. Southard and several other citizens of Joplin, Mo., protesting the advertising of alcoholic beverages over the radio, television, and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

391. By the SPEAKER: Petition of George F. Rixey, secretary, the Military Chaplains Association of the United States of America, Inc., Washington, D. C., petitioning consideration of their resolution with reference to annual report of the proceedings, including financial report of the Military Chaplains Association of the United States of America, chartered by Public Law 792, Eighty-first Congress; to the Committee on the Judiciary.

392. Also, petition of Russell F. Meyer, secretary, Optimist International, St. Louis, Mo., petitioning consideration of their resolution relative to urging all citizens of the United States and other free nations to demand the highest integrity, fidelity to public trust, and strict adherence to the principles of true democracy in the conduct of the Government; to the Committee on Foreign Affairs.

393. Also, petition of James A. Suffridge, secretary, Retail Clerks International Association, Lafayette, Ind., petitioning consideration of their resolution relative to going on record as requesting that Congress include a universal rent-control law in the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, AUGUST 15, 1951

(Legislative day of Wednesday, August 1, 1951)

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

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Our Father God, as morning rises to noontide, we pause in the heat and burden of the day for this moment of refreshment when we stand before Thee. May we find power to confirm our faith, to renew our hope, and to increase our love. Keep our souls alive with vision, our minds alert with wisdom, and our hearts aglow with goodness.

May the precious hours of this passing day be filled with intensity of living that, as evening comes, we may look back with the benediction of accomplishment upon us, knowing that we have done what we could. Amen.

THE JOURNAL

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