the plans for the new autonomous service that came into existence, by act of the Congress, on September 18, 1947. But great credit goes, too, to the band that phoenixlike could reconstitute itself so quickly.

By the time the new Air Force came into existence, the Air Force Band was ready—thanks to the perseverance of its former conductor, who had given up an important position in civilian life to return to the Air Force. Within a period of 2 years, Colonel—then Major—Howard not only succeeded in forming an aggregation that was the equal of that of World War II, but one that actually surpassed it. It was one well worthy to represent the Air Force, and the United States, in tours of Europe and North Africa in the summers of 1950, 1951, and 1953. Stadiums built by Hitler were filled beyond the dreams of Hitler, not with totalitarian hordes but with cheering, music-hungry multitudes. In Berlin, the United States Air Force Band played to an audience of 130,000 people in the Olympic stadium, while an additional 50,000 were turned away due to lack of space.

High praise from high officials has consistently followed the United States Air Force Band. For instance, the President of Ireland said:

America has no idea how much the music of the United States Air Force Band has played in creating a better understanding between our two countries.

But the finest tribute of all was that of a Communist in Trieste who yelled at the end of a number: "That's marvelous, you swine."

Mr. Speaker, the United States Air Force Band, through the medium of its music, has helped to create a better understanding among the people of the world, by giving them an accurate insight into American culture. On the air, its music has penetrated the Iron Curtain. Thus, it is performing a most useful service at home and abroad. It is an organization of the service it represents, and an effective emissary of the Nation that supports it.

There is a moral, however, to what I have been saying. The Air Force Band has met with success because it is an outstanding band. The Air Force that maintains it must always be outstanding. It must be the best, most effective Air Force in all the world. If it is, we need have no fear of the future, nor need we be frightened by the airpower build-up of any aggressor nation.

An Air Force is not merely bases, planes and men. It is adequate bases, adequate planes, the finest planes, and the best trained men. It is something more too: It is the people who support it, whose confidence and affection it merits, and its links with the people. The United States Air Force Band is one of the strongest links there can be between its parent organization, the United States Air Force, and the people of the United States.

I trust, Mr. Speaker, that this modest tribute to the United States Air Force Band and the Naval Aviation Cadet Choir expresses not merely my own, but the feeling of my colleagues about these two outstanding musical organizations which are part of the finest tradition of the armed strength and purpose of America.

Worcester and all of central Massachusetts, I know, will give these boys a wonderful welcome when they come to Holy Cross Stadium on June 20. Both Congressman DONOHUE and myself look forward, with anticipation to their visit to the Heart of the Commonwealth and Monsignor Sullivan is to be congratulated for his choice of these two musical groups as the featured artists for his annual Stadium Festival this year.

Question of the Week

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 30, 1954

Mr. BENDER. Mr. Speaker, the British have taken rubber off their strategic list for shipments to Russia but they will not ship direct to Red China? Who is kidding whom?

SENATE

WEDNESDAY, MARCH 31, 1954

(Legislative day of Monday, March 1, 1954)

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

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

Our Father God, breathe now Thy peace on hearts that pray—the peace that comes only when the jarring discords of our feverish fears are tuned to the music of Thy will. May we know no glory but the supreme satisfaction of rendering to the Nation and to the world our utmost service, unsullied by base motives of self-interest, as again, at the golden gift of a new day, we pledge at this white altar of devotion the highest and best that is in us for the fulfillment of our holy calling as servants of the Republic. As workers together with Thee, teach our hearts and our hands to build on the wreck and ruin of these troubled days that city where Thou shalt dwell with man and where hunger and want and the bitter sorrow which is the harvest of hatred shall be no more. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 30, 1954, was dispensed with.

ENROLLED BILL SIGNED DURING RECESS

Pursuant to the order of the Senate of March 30, 1954,

The VICE PRESIDENT signed today the bill (H. R. 8224) to reduce excise taxes, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. MARTIN was excused from attendance on the sessions of the Senate today and during the remainder of this week.

On his own request, and by unanimous consent, Mr. YOUNG was excused from attendance on the sessions of the Senate until Tuesday of next week.

COMMITTEE MEETING DURING SENATE SESSION

Mr. KNOWLAND. Mr. President, after consulting with the minority leader, I ask unanimous consent that the Committee on Government Operations may be permitted to meet this afternoon during the session of the Senate.

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

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

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

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED PROVISION PERTAINING TO DEPARTMENT OF STATE (S. Doc. No. 111)

A communication from the President of the United States, transmitting a proposed provision pertaining to the Department of State, international contingencies, fiscal year 1954 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT OF DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report of the activities of the Department of Justice, for the fiscal year ended June 30, 1953 (with an accompanying report); to the Committee on the Judiciary.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

AMENDMENT OF UNITED STATES CODE RELATING TO SABOTAGE

A letter from the Attorney General, transmitting a draft of proposed legislation to amend sections 2151, 2153, 2154, 2155, and 2156 of title 18, United States Code, relating to sabotage (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF FEDERAL TRADE COMMISSION

A letter from the Chairman, Federal Trade Commission, transmitting, pursuant to law, a report of that Commission entitled "Rates of Return After Taxes for 516 Identical Companies in 25 Selected Manufacturing Industries—1940, 1947–52" (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITION AND MEMORIAL

A petition and a memorial were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the house of delegates of the American Bar Association, at Atlanta, Ga., favoring the enactment of legislation to provide statehood for Hawaii; ordered to lie on the table.

A resolution adopted by the territorial central committee of the Democratic Party of Hawaii, Honolulu, T. H., protesting against the adoption of the so-called commonwealth amendment to the bill (S. 49) to provide for the admission of Hawaii into the Union; ordered to lie on the table.

APPROPRIATIONS FOR FOREST SERVICE—LETTER FROM WALKER (MINN.) CIVIC AND COMMERCE ASSOCIATION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred, a letter which I have received from Mr. Harold R. Hanson, president of the Walker Civic and Commerce Association, Walker, Minn.

The Civic and Commerce Association of Walker opposes the proposed reductions in the Forest Service budget. I have brought this matter to the attention of the Senate Committee on Appropriations. I feel that the President's budget is entirely inadequate for the Forest Service. I trust that the Senate Appropriations Committee will restore adequate funds to maintain an effective Forest Service program. If such is not accomplished, I shall feel it my duty and privilege to offer amendments at the time the appropriation bill is considered and acted upon by the Senate.

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

WALKER CIVIC AND COMMERCE ASSOCIATION,
Walker, Minn., March 24, 1954.

Senator HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Civic and Commerce Association of Walker, Minn., has reviewed and discussed the proposed budget for the Forest Service of the United States Department of Agriculture as it appeared in the Minneapolis Morning Tribune, February 26, 1954.

Since our area is embodied in, and in a large proportion dependent on, the Chippewa National Forest, we were quite perturbed to note that some of the items slated for reduction by the 1955 proposed budget are those which contribute heavily to the welfare of this area.

The proposed cut of $283,000 in forest maintenance of improvements means that our buildings at the Shingobee winter sports area here, as well as the other forest buildings, would receive less upkeep.

The reduction in funds for ranger and forest superviser personnel in the amount of $212,300 may affect some of the personnel in this forest by reducing their numbers just when they are using their trained personnel to the utmost to increase revenue from timber sales and other uses to reach the allowable timber sale out of the forest.

The proposed reduction of $430,000 from the previously appropriated $820,000 for reforestation (which sum was inadequate) will practically eliminate tree planting as a major activity carried on in this area.

We have only mentioned a few of the Forest Service activities above with which we are personally acquainted from firsthand observation.

You realize that our livelihood in this portion of Minnesota, and Cass County in particular, is heavily dependent on recreation during the summer months and the timber industry in the winter months, so you can understand our concern.

It was with pride to us to notice in the Chippewa National Forest's last fiscal year report that the forest received $236,694, most of it from timber sales. This made a return of about $59,173 to the three counties here under the 25 percent of receipts fund, and, on the whole, amounted to a total return of about 40 percent per acre from national-forest lands.

Since returns to Cass County and the other counties in this forest are apportioned to our school districts and roads, both of which need more assistance, we hope that we can count on your support to prevent the proposed forest-budget reduction from being placed in effect.

You can readily realize what such cuts can do to not only our merchants but our forest residents who depend upon work and timber sales for their source of livelihood.

Very truly yours,

HAROLD R. HANSON,
President.

TUBERCULOSIS CONTROL—RESOLUTION OF NATIONAL TUBERCULOSIS ASSOCIATION

Mr. HUMPHREY. Mr. President, I ask to have printed in the RECORD a resolution which I have received from the National Tuberculosis Association concerning the proposed reductions in appropriations for tuberculosis control work. I fully concur with the statement of the National Tuberculosis Association. I believe that the proposed reductions will be false economy and will do serious damage to the effective work of the tuberculosis control program. I vigorously oppose these unwise reductions in health appropriations. I request that the resolution be appropriately referred.

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

RESOLUTION RECOMMENDING NO FURTHER DECREASE IN FEDERAL FUNDS FOR TUBERCULOSIS CONTROL WORK

Whereas the Federal tuberculosis appropriations have been decreased 38.8 percent in the last 3 years including a reduction of 34.7 percent in grants to States and the complete elimination of the United States Public Health Service's program of fast-tempo chest X-ray surveys in cooperation with large cities; and

Whereas the termination of the Public Health Service's fast-tempo X-ray surveys reduced yearly X-rays by approximately 1,200,000 and discontinued a program which in the past 6 years has resulted in the X-raying of 8,807,413 people and the finding of 61,652 cases of tuberculosis, 90 percent of which were previously unknown, and 8,507 of which at the time of X-ray are found with positive sputum, and an estimated 25,000 of which will become positive in 3 years; and

Whereas the reduction in the Federal appropriation for fiscal 1954 was made after most State legislatures had adjourned, with 33 of the 48 State legislatures not scheduled to reconvene until 1955, and with diminished State tuberculosis programs reported in 25 States; and

Whereas the decline in newly reported cases has not kept pace with the decreasing death rate and we have at our disposal the means of controlling tuberculosis if adequate finances are provided to maintain tuberculosis control programs; and

Whereas the board of directors of the National Tuberculosis Association is alarmed about the curtailment of tuberculosis appropriations during the past 3 years which has seriously impaired the progress of the tuberculosis control program, which program is in effect a sound investment with the probability of large returns now with lower expenditures in the future: Therefore be it

Resolved, That the board of directors of the National Tuberculosis Association is opposed to any further decrease in Federal appropriations for tuberculosis control until there is reasonable assurance that such decreases will be compensated for by corresponding increases in the State and local tuberculosis control appropriations.

ADMISSION OF RED CHINA TO THE UNITED NATIONS—RESOLUTION OF GENERAL COURT OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of myself, and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution of the General Court of the Commonwealth of Massachusetts, protesting against the entry of Communist China into the United Nations.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and under the rule, printed in the RECORD, as follows:

Resolution memorializing the President and the Congress of the United States to protest the entry of the Communist government of China into the United Nations

Whereas there are forces at work attempting to bring about the entry of the government of Communist China into membership in the United Nations, despite universal disapproval by the people of this Commonwealth and Nation; and

Whereas the world was shocked by the recent revelations of freed prisoners of war of the atrocities perpetrated upon captives during the Korean war by the military forces under the influence of these mad Reds from the Orient; and

Whereas the Communist government of China has violated and continues to violate the very spirit and purpose of the United Nations by showing absolute unwillingness to abide by the principles upon which the United Nations was founded and by failing to give proper regard to human rights and obligations; and

Whereas the admission of Red China into the United Nations would gravely weaken the respect in which such body is now held by the people of the world; and

Whereas the Committee for One Million, headed by the Honorable Warren R. Austin, former Chief of the United States delegation to the United Nations, reports that its campaign to obtain signatures to a petition to protest the entry of Red China into the United Nations is graced by such illustrious names as former President Herbert Hoover, Gen. George C. Marshall, Adm. Chester Nimitz, Senator Hubert Humphrey, former Ambassador Joseph E. Davies, Senator Irving Ives, and Gen. James Van Fleet; and

Whereas the veterans' organizations of the Commonwealth have announced that their membership would take active measures to register their protest to the entry of Red China into the United Nations: Therefore be it

Resolved, That the General Court of Massachusetts memorializes the President and the Congress of the United States to firmly oppose the admission of the government of Communist China into the United Nations; and be it further

Resolved, That copies of these resolutions by transmitted forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. Res. 221. Resolution authorizing the employment of one additional clerk by the Committee on Post Office and Civil Service; without amendment (Rept. No. 1145).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs:

H. R. 1815. A bill to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to lease public lands for certain purposes; with amendments (Rept. No. 1146).

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. HUMPHREY:

S. 3224. A bill to increase the daily allowance of milk, butter, and cheese in the Navy ration, and to require corresponding changes in the Army and Air Force ration; to the Committee on Armed Services.

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

By Mr. MUNDT:

S. 3225. A bill for the relief of James Flying Horse; to the Committee on the Judiciary.

S. 3226. A bill to provide for the return to the former owners of certain lands acquired in connection with the Fort Randall Dam project, the Oahe Dam project, the Gavins Point Dam project, of mineral, oil, or gas interests in such lands; to the Committee on Interior and Insular Affairs.

By Mr. MALONE:

S. 3227. A bill to encourage and assist the production of strategic and critical metals and minerals in the United States by allowing a larger percentage depletion therefor; to the Committee on Finance.

By Mr. McCARRAN:

S. 3228. A bill for the relief of Dolores Maria Seijo;

S. 3229. A bill to prohibit wiretapping by any person other than a duly authorized law-enforcement officer engaged in the investigation of offenses involving the internal security of the United States; and

S. 3230. A bill to amend the Immigration and Nationality Act so as to provide for the expatriation of any national of the United States who refuses to return to the United States to testify as a witness before a Federal court, grand jury of a Federal court, or a committee of Congress; to the Committee on the Judiciary.

(See the remarks of Mr. McCARRAN when he introduced the last two above-named bills, which appear under separate headings.)

By Mr. LANGER:

S. 3231. A bill to amend section 1071 of title 18, United States Code, relating to the concealing of persons from arrest, so as to increase the penalties therein provided; and

S. 3232. A bill to amend title 18, United States Code, to provide for the punishment of persons who jump bail; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bills, which appear under separate headings.)

By Mr. BUTLER of Maryland:

S. 3233. A bill to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels; to the Committee on Interstate and Foreign Commerce.

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

By Mr. IVES:

S. 3234. A bill for the relief of Aron Klein and Zita Klein (nee Spielman); to the Committee on the Judiciary.

By Mr. CORDON:

S. 3235. A bill to provide for the construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir on the Middle Santiam River, Oreg., with participation for power by a licensee under the Federal Power Act; to the Committee on Public Works.

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

By Mr. EASTLAND:

S. 3236. A bill for the relief of Alfredo Brigola; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. J. Res. 143. Joint resolution providing for the observance of April 9, the 12th anniversary of the fall of Bataan, as Bataan Day.

(See the remarks of Mr. KNOWLAND when he introduced the above joint resolution, and it was considered and agreed to, which appear under a separate heading.)

By Mr. MILLIKIN (for himself, Mr. ANDERSON, Mr. BARRETT, Mr. BUTLER of Nebraska, Mr. CARLSON, Mr. CHAVEZ, Mr. DANIEL, Mr. HUNT, Mr. JOHNSON of Colorado, Mr. KERR, and Mr. SCHOEPPEL):

S. J. Res. 144. Joint resolution making an additional appropriation for the Department of Agriculture for the 1954 agricultural conservation program; to the Committee on Appropriations.

INCREASE IN ALLOWANCE OF DAIRY PRODUCTS FOR ARMED FORCES

Mr. HUMPHREY. Mr. President, I am endeavoring to leave no stones unturned in getting before this body all of the constructive suggestions that have been offered for sound use of our dairy abundance in preference to just cutting prices to producers and trying to discourage a great segment of American agriculture.

For that reason I introduce for appropriate referral a bill to increase the daily allowance of milk, butter, and cheese, in the Navy ration, and to require corresponding changes in the Army and Air Force ration.

Out of the many suggestions now before this body for using our abundance to aid the underprivileged, to strengthen our foreign policy, to combat famine and suffering, and to improve the health of our boys in the Armed Forces, I am sure our Agriculture Committee can and will come forward with a more constructive alternative than the dismal outlook this administration has so far offered for the dairy industry.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill (S. 3224) to increase the daily allowance of milk, butter, and cheese in the Navy ration, and to require corresponding changes in the Army and Air Force ration, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second paragraph of the first section of the act entitled "An act to effect needed changes in the Navy ration," approved March 2, 1933, as amended (34 U. S. C., sec. 902a), is amended (1) by striking out "4 ounces of evaporated milk or 1 ounce of powdered milk or one-half pint of fresh milk" and inserting in lieu thereof "16 ounces of evaporated milk or 4 ounces of powdered milk or 1 quart of fresh milk"; (2) by striking out "one and six-tenths ounces of butter" and inserting in lieu thereof "two and four-tenths ounces of butter"; and (3) by striking out "one-half ounce of cheese" and inserting in lieu thereof "1 ounce of cheese."

SEC. 2. The President shall take such action under section 40 of the act entitled "An act to increase the efficiency of the permanent Military Establishment of the United States," approved February 2, 1901 (10 U. S. C., sec. 724), as may be necessary to make changes in the Army and Air Force rations equivalent to those made in the Navy ration by the first section of this act.

PROHIBITION OF WIRETAPPING IN CERTAIN CASES

Mr. McCARRAN. Mr. President, I introduce for appropriate reference a bill to prohibit wiretapping by any person other than a duly authorized law-enforcement officer engaged in the investigation of offenses involving the internal security of the United States. I ask unanimous consent that the bill, together with an explanatory statement, be printed in full in the body of the RECORD as a part of my remarks.

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

The bill (S. 3229) to prohibit wiretapping by any person other than a duly authorized law-enforcement officer engaged in the investigation of offenses involving the internal security of the United States, introduced by Mr. McCARRAN, was received, read twice by its title, referred to the Committee on the

Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That chapter 13 of title 18 of the United States Code, entitled "Civil Rights," is amended by—

(a) Inserting, at the end of the sectional analysis preceding section 241 thereof, the following new section caption:

"245. Interception of wire communications."

(b) Inserting immediately after section 244 thereof, the following new section:

"§ 245. Interception of wire communications.

"Whoever, without authorization from the sender and the recipient of any wire communication by common carrier, willfully intercepts, or attempts to intercept, or procures any other person to intercept or attempt to intercept, or conspires with any other person to intercept or attempt to intercept such wire communication, except in compliance with the second paragraph of this section, shall be fined not more than $5,000 or imprisonment not more than 10 years, or both.

"Whenever the Attorney General has reason to believe that evidence of the commission of any crime punishable under chapter 37, chapter 105, or chapter 115 of this title, or under section 4 or section 15 of the Subversive Activities Control Act of 1950, may be obtained through the interception of any wire communication, he may so certify in writing and designate in such certificate any United States Attorney, Assistant United States Attorney, or officer or attorney of the Department of Justice authorized by him to make application for an order allowing such interception pursuant to this paragraph. Any officer or attorney so authorized may file with any judge of the District Court of the United States for the district within which such interception is sought an application for an ex parte order allowing such interception. Such application shall be supported by the authorizing certificate of the Attorney General and such oral or other evidence as the judge may require to determine whether there is reasonable ground for belief that such interception will result in the procurement of evidence of the commission of any such crime. If, after hearing upon such application, the judge determines that such ground has been shown, he shall issue an order allowing such interception. Each such order shall specify the person or persons whose communications may be intercepted, the purpose of such interception, and the identity of the individual or individuals authorized to make such interception. No such order shall be effective for a period longer than 6 months unless renewed for a period not in excess of 6 months, by the judge who issued the original order, after a hearing and determination by him that reasonable ground for continued interception has been shown. No such order shall authorize any such interception by any individual unless such individual is a duly appointed investigative officer of a department or agency of the United States who has been designated by the Attorney General to conduct such interception. Any such order, together with the papers upon which the application therefor was based, shall be retained by the individual or individuals conducting such interception as authority for such interception, and a true copy of such order shall be retained by the judge who issued such order.

"As used in this section—

"(a) The term 'wire communication' means the transmission of writing, signs, signals, pictures, and sounds of all kinds by aid of wire, cable, or other like connection between the points of origin and reception of such transmission, including all instrumentalities, facilities, apparatus, and services incidental to such transmission;

"(b) The term 'common carrier' means any person engaged, as a common carrier for hire, in wire communication (1) in interstate or foreign commerce, (2) in intrastate commerce, if its communications facilities are physically connected with the communications facilities of any such carrier engaged in interstate or foreign commerce, or (3) within the District of Columbia or any Territory or possession of the United States; and

"(c) The term 'person' includes an individual, partnership, association, joint-stock company, trust, or corporation."

SEC. 2. The proviso contained in section 605 of the Communications Act of 1934 (48 Stat. 1103; 47 U. S. C. 605) is amended to read as follows: "*Provided*, That this section shall not apply to the interception, receiving, divulging, publishing, or utilizing the contents of (a) any radio communication broadcast, or transmitted by amateurs or others for the use of the general public, or relating to ships in distress, or (b) any wire communication intercepted by any individual in compliance with the second paragraph of section 245 of title 18 of the United States Code."

The explanatory statement by Mr. McCARRAN is as follows:

STATEMENT BY SENATOR McCARRAN

I have today introduced a bill to prohibit wiretapping by any person other than a duly authorized law enforcement officer engaged in the investigation of offenses involving the internal security of the United States.

After a great deal of study of this matter, I have come to the conclusion this bill represents the proper approach. The most important job Congress has to do with respect to wiretapping is to decide upon policy for the future. In determining that policy, the accent should not be upon permitting wiretapping, but upon prohibiting it. My bill writes the prohibition first, and makes it tight; and then goes to the question of an exemption in the case of a duly authorized law enforcement officer engaged in the investigation of offenses involving the internal security of the United States.

That is the only exception the bill permits; and even in that case, where the internal security of the Nation is involved and the wiretapping is to be done by a duly authorized law enforcement officer, the bill requires a certification by the Attorney General that wiretapping is necessary. The Attorney General's certificate would then be presented to a Federal judge, who would have authority to require such evidence as might be necessary to convince him also that there was reasonable ground to believe the particular wiretap proposed would result in the procurement of evidence of the commission of a crime involving the internal security of the United States. When so convinced, the judge would approve an order permitting the wiretapping during a period of not to exceed 6 months.

This bill throws around the subject of wiretapping the kind of safeguards to personal privacy which should have been set up long ago.

Perhaps there will be those who will be surprised to learn that we do not have and have never had in this country any Federal statute against wiretapping. There is a provision in the Communications Act designed to prohibit the disclosure of information obtained by wiretapping; but it is not illegal today for any person to tap the telephone wire of another person, if he keeps to himself the information he obtains by listening in. That is really an intolerable situation, and one which my bill will correct.

For the benefit of the legislative history of this bill—which I hope may become law—let me point out that my draft bill would add to chapter 13 of title 18 of the United States Code a new section 245. The first paragraph of this new section would prohibit and punish all wiretapping except as authorized in the second paragraph. The second paragraph is an adaptation of the New York statute authorizing wiretapping by law enforcement officers under stated conditions. This New York statute will be found in 66 McKinney, Consolidated Laws of New York Annotated, section 813 (a). Definitions contained in the third paragraph of the proposed new section 245 of title 18 have been modeled upon definitions contained in section 3 of the Communications Act of 1934 (47 U. S. C. 153), but avoid jurisdictional limitations implicit in section 2 of that act (45 U. S. C. 152).

Section 2 of my bill would amend the Communications Act so as to except from the statutory prohibition contained in section 605 of that act wiretapping conducted in conformity with the provisions of the proposed new section 245 of the United States Code. The amendment so made would remove, as to such activities, the present statutory basis for the exclusion of evidence obtained by wiretapping. It is intended to result in the application of the former doctrine of *Olmstead* v. *U. S.* (277 U. S. 438 (1928)) to wiretapping activities conducted in compliance with new section 245.

Enactment of this bill in the form in which I have introduced it would not authorize introduction in evidence of information obtained by wiretapping in the past. I know that the Department of Justice desires authority for the introduction of such evidence. I think it would be wise to separate this question entirely from the question of what wiretapping is to be permitted in the future. If the Congress will approve the bill which I have just introduced, and thus establish a sound policy for the future by prohibiting wiretapping by any private individual, and prohibiting all wiretapping by even police or Government agents except in a case of such importance that the Attorney General can certify to the necessity of the wiretap in the interests of internal securiy, then I think it may be possible to consider dispassionately the question of whether the best interests of the Nation would be served by permitting the introduction in evidence of certain information obtained from wiretaps in the past; and it might be that the Congress would then decide that the national interest would be best served by permitting the introduction of such information in evidence in court, in some cases. But the important thing is to fix policy for the future.

I hope my bill may have speedy and favorable consideration in committee, and I promise to do what I can to get the bill before the Senate for action in the reasonably near future.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT RELATING TO EXPATRIATION OF CERTAIN NATIONALS

Mr. McCARRAN. Mr. President, I introduce, for appropriate reference, a bill to provide that any American citizen outside the boundaries of the United States who refuses to return to testify in a criminal case before a Federal court or a Federal court grand jury, or before a duly constituted committee of the Congress, after having been summoned to appear and testify and after having been tendered his transportation and all reasonable expenses in connection with his return, will by his refusal forfeit his American citizenship.

I ask unanimous consent that the bill, together with an explanatory statement, be printed at this point in the body of the RECORD, as a part of my remarks.

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

The bill (S. 3230) to amend the Immigration and Nationality Act so as to provide for the expatriation of any national of the United States who refuses to return to the United States to testify as a witness before a Federal court, grand jury of a Federal court, or a committee of Congress, introduced by Mr. McCARRAN, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 349 (a) of the Immigration and Nationality Act, as amended, is amended by striking out the period at the end of paragraph (10) thereof and inserting in lieu of such period a semicolon and the word "or" and by adding at the end of such section the following:

"(11) refusing after the date of enactment of this paragraph, when outside of the territorial jurisdiction of the United States, to return to such jurisdiction to appear and testify as a witness in any criminal proceeding before a Federal court or a grand jury of a Federal court or in any proceeding before a committee of the Congress, after having been duly advised, by service of process or otherwise, that a subpena has been issued requiring him to appear and testify before such court, grand jury, or committee, and after tender by such Federal court or committee of the Congress, or by the head of any department or agency of the Government or of any international organization of which the United States is a member, of all necessary traveling and subsistence expenses which would be incurred by such person in making an appearance in answer to such subpena."

The explanatory statement by Mr. McCARRAN is as follows:

STATEMENT BY SENATOR McCARRAN

I have introduced a bill to provide that any American citizen outside the boundaries of the United States who refuses to return to testify in a criminal case before a Federal court or a Federal court grand jury, or before a duly constituted committee of the Congress, after having been summoned to appear and testify and after having been tendered his transportation and all reasonable expenses in connection with his return, will by his refusal forfeit his American citizenship.

This is a drastic proposal. It is intended to be so. I believe it is justified.

Because I want this matter considered on principle, I shall refuse to discuss applicability of the legislation with reference to particular personalities or instances, except to say that it would have broad application. It would apply in every case where any American citizen for whatever reason refused to return and testify after it had been determined that his testimony was so badly needed as to justify paying his transportation and expenses.

(The transportation and expenses which the bill provides should be paid would include transportation from wherever the witness may be, back to the United States for purposes of testifying, and his return to the point of origin; plus all his reasonable and necessary living expenses incurred in connection with his transportation both ways and his stay in this country while giving his testimony or waiting to give it.)

AMENDMENT OF UNITED STATES CODE RELATING TO CONCEALING OF PERSONS FROM ARREST

Mr. LANGER. Mr. President, I introduce for appropriate reference, a very important bill providing that whoever harbors or conceals any person for whose arrest a warrant or process has been issued under the provisions of any law of the United States, so as to prevent his discovery and arrest, after notice or knowledge of the fact that a warrant or process has been issued for the apprehension of such person, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; except that if the warrant or process issued on a charge of felony, or after conviction of such person of any offense, the punishment shall be a fine of not more than $5,000, or imprisonment for not more than 5 years, or both.

I may say this bill is introduced at the request of the Department of Justice, because they have found it necessary to have this proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3231) to amend section 1071 of title 18, United States Code, relating to the concealing of persons from arrest, so as to increase the penalties therein provided, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF CODE RELATING TO PUNISHMENT OF PERSONS WHO JUMP BAIL

Mr. LANGER. Mr. President, at the request of the Department of Justice, I introduce for appropriate reference a bill dealing with the punishment of persons who jump bail.

The bill provides that—

Whoever, having been admitted to bail for appearance before any United States commissioner or court of the United States, incurs a forfeiture of the bail and willfully fails to surrender himself within 30 days following the date of such forfeiture, shall, if the bail was given in connection with a charge of felony or pending appeal or certiorari after conviction of any offense, be fined not more than $5,000 or imprisoned not more than 5 years, or both; or, if the bail was given in connection with a charge of committing a misdemeanor, or for appearance as a witness, be fined not more than $1,000 or imprisoned not more than 1 year, or both.

Nothing in this section shall interfere with or prevent the exercise by any court of the United States of its power to punish for contempt.

SEC. 2. The analysis of chapter 207 of title 18, United States Code, immediately preceding section 3141 of such title, is amended by adding the following new item:

"3146. Jumping bail."

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3232) to amend title 18, United States Code, to provide for the punishment of persons who jump bail, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF MERCHANT MARINE ACT RELATING TO TRANSPORTATION OF WATER BORNE CARGOES IN UNITED STATES-FLAG VESSELS

Mr. BUTLER of Maryland. Mr. President, I introduce for appropriate reference a bill to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of water borne cargoes in United States-flag vessels. I ask unanimous consent to have printed in the RECORD some remarks which I have prepared in explanation of the bill.

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

The bill (S. 3233) to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of water borne cargoes in United States-flag vessels, introduced by Mr. BUTLER of Maryland, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The remarks by Mr. BUTLER of Maryland are as follows:

REMARKS BY SENATOR BUTLER OF MARYLAND

Since 1948 it has been congressional policy, repeatedly affirmed, that not less than 50 percent of our foreign-aid type cargoes should be transported on American-flag ships. This program has been frequently referred to as "50/50."

Actually, it had its inception in the Merchant Marine Act of 1936. The preamble to that act states that our merchant marine must be, and I quote, "sufficient to carry a substantial portion of our foreign trade." This "substantial portion" is generally considered to be not less than 50 percent. The actions of the Congress since the first Economic Cooperation Act of 1948 have sustained this interpretation.

It has always seemed to me that this was a most modest goal when one considers the vast importance of the end result sought thereby. Surely, no one could contend that the carriage in American-flag vessels of a minimum of 50 percent of our own foreign trade is an unreasonable objective. In my opinion it is a tragedy that in only 2 years (1946 and 1947) has this modest objective been attained.

I submit to you gentlemen that no other nation in the world having a merchant marine of any size would be content to have it carry such a small proportion of its own foreign trade. But as regards American shipping, instead of reaching our stated objective of 50 percent, we seem to be retreating from it. Last year United States flag vessels carried only 29.1 percent of the country's foreign trade. I am confident that Congress did not intend and will not permit this competitive decline in our maritime strength to continue long.

There might be some basis of support for those who suggest that in the normal course of events we are setting our sights too high in insisting that our ships should carry 50 percent of our foreign trade. But there can be no support for those who argue that we are being selfish when we insist that at least 50 percent of our give-away foreign-aid cargo must be carried in American bottoms.

Let me review briefly the seven separate occasions on which we have reaffirmed this 50/50 principle.

First. Economic Cooperation Act of 1948, and the ECA Amendments, 1949, Public Law 47, 81st Congress.

Second. Korean Aid Act, Public Law 447, 81st Congress.

Third. Yugoslavia Emergency Relief Assistance Act of 1950, Public Law 897, 81st Congress.

Fourth. India Emergency Food Aid Act of 1951, Public Law 48, 82d Congress.

Fifth. Mutual Defense Assistance Act, Public Law 329, 81st Congress.

Sixth. Mutual Security Act of 1951, Public Law 165, 82d Congress.

Seventh. Pakistan wheat bill, Public Law 77, 83d Congress.

In addition to these examples, the 73d Congress, in public resolution 17, declared that cargoes financed by the Reconstruction Finance Corporation or other agencies should be transported in American-flag ships. This is a reservation of 100 percent of such cargoes to American bottoms. Under this provision the foreign nation seeking financial aid for the purchase of American goods may request a waiver of the 100 percent requirement. If it can be demonstrated that the applicant nation accords our shipping equitable, nondiscriminatory treatment, it has been the practice to waive the 100 percent provision and reduce the reservation to 50 percent.

This brief history of the 50–50 provision, and actions of preceding Congresses in support of it, clearly indicates its validity. Such a long-standing, well-established and reasonable policy should not require continued reaffirmation. Nor should it be necessary continually to write in specific foreign aid bills. The time has come when 50–50 should be permanently enacted so as to apply generally to all foreign-aid type programs.

We have before us for consideration a number of bills providing in one way or another for the sale of surplus agricultural commodities to foreign nations. There is a great deal of merit in this type of legislation, for the need for disposal of these surpluses is acute. However, at the same time we must not lose sight of the fact that we have a merchant marine whose welfare is a recognized matter of national self-interest.

We are all aware of the necessity for an adequate merchant marine in terms of ships and personnel but we know further, however, that a merchant fleet capable of expansion to meet defense needs must have adequate commercial cargoes if it is not to become a phantom fleet lying idle in our ports. I am submitting therefore for your consideration an amendment to the Merchant Marine Act of 1936 which will provide general legislation to insure the transportation of a substantial proportion of our waterborne cargoes in United States vessels.

Another phase of this situation which I desire to call to your attention is with respect to current offshore procurement programs. It may come as a shock to you, as it did to me, to realize that the administration of some of these programs is being conducted in such a way as to deprive American-flag vessels and, for that matter, American suppliers, of the opportunity for reasonable participation in transactions involving materials or commodities purchased abroad with American money, either for use in our own country or in other countries.

The Department of Defense, for example, in purchasing supplies abroad requires that the contracts be negotiated for delivery at the site. As a result the foreign supplier controls the delivery routing. Since the policy of foreign nations is to use their own ships first, most of these commodities are invariably transported on foreign-flag vessels. This situation must be corrected, and in the legislation which I am proposing, provision is made to insure that American shipping be not denied the right to carry materials purchased abroad with Government funds.

Let me emphasize that there is nothing savoring of giveaway or of hidden additional subsidies in these proposals. On the contrary, it is my considered opinion that, if enacted into law, they will unquestionably reduce to a marked degree the total of operating differential subsidies that would otherwise be required to place our merchant marine on equal competitive footing with low-wage foreign lines.

A broad application of the 50–50 principle will prove a tonic whose energizing effects would be felt throughout the entire shipping industry of the country. The increase in tonnage thus afforded American-flag vessels, if it does not completely solve, will, in my opinion, at least contribute to the solution of many serious problems now facing our entire merchant marine.

The program which I shall propose has ample precedents. It is sound, it is realistic, and it is equitable. Without such legislation we cannot hope to have the kind of merchant marine which our national policy calls for.

Some may object that it goes beyond 50–50 in that it provides that "unless the Secretary of Commerce after public hearing finds and certifies to the proper Government agency that the foreign commerce of the United States will be promoted, or that privately owned United States-flag commercial vessels are not available in sufficient numbers or in sufficient tonnage capacity, or at the aforesaid reasonable rates, such equipment, materials or commodities shall be transported exclusively on privately owned United States-flag commercial vessels."

I agree that this is an important change in emphasis. I further unequivocally state that such a change is long overdue.

CONSTRUCTION OF CERTAIN PUBLIC WORKS ON MIDDLE SANTIAM RIVER, OREG.

Mr. CORDON. Mr. President, I introduce for appropriate reference a bill to provide for the construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir on the Middle Santiam River, Oreg., with participation for power by a licensee under the Federal Power Act. I ask unanimous consent that the bill, an explanatory statement of the bill by me, telegrams, a petition, and a letter from Col. T. H. Lipscomb, Corps of Engineers, United States Army, a resident of Portland, Oreg., endorsing the proposed legislation, be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

The bill (S. 3235) to provide for the construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir on the Middle Santiam River, Oreg., with participation for power by a licensee under the Federal Power Act, introduced by Mr. CORDON, was received, read twice by its title, and referred to the Committee on Public Works, as follows:

Be it enacted, etc., That the comprehensive plan of improvement for the Willamette River Basin, Oreg., as authorized by the act of Congress approved June 28, 1938 (52 Stat. 1215), as amended and supplemented by subsequent acts of Congress, is hereby modified to provide for the construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir projects under the direction of the Secretary of the Army and supervision of the Chief of Engineers substantially in accordance with the plans contained in House Document No. 531, 81st Congress, 2d session, and the appropriation of funds therefor is authorized: *Provided*, That the power facilities at Green Peter Dam and the White Bridge Dam and Reregulating Reservoir with power facilities may be provided by a licensee in accordance with the terms of the Federal Power Act and in accordance with this act.

SEC. 2. Power-generating facilities and appurtenances therefor at the Green Peter Dam and the White Bridge Dam and Reregulating Reservoir with power facilities may be constructed by a licensee, or such facilities, appurtenances and the White Bridge Dam and Reregulating Reservoir may be constructed by the Corps of Engineers as agent for such licensee with funds advanced therefor by such licensee. Construction pursuant to this section shall be in accordance with provisions of a license by the Federal Power Commission, and with the provisions of this act. The licensee shall own all such facilities, appurtenances, and White Bridge Dam and Reregulating Reservoir and shall operate and maintain such works at its own cost and expense.

SEC. 3. The Green Peter Dam and Reservoir shall remain the property of the Federal Government. The licensee shall pay to the Department of the Army such proportionate share of the cost of construction, operation, and maintenance of the Green Peter Dam and Reservoir as may be appropriately allocated to power development, such allocation to be made by the Chief of Engineers, under direction of the Secretary of the Army, in collaboration with the Federal Power Commission in accordance with the "separable-cost-remaining benefits" method of cost allocation as recommended by the Federal Inter-Agency River Basin Subcommittee on Benefits and Costs in its report dated May 1950, or by such other method as may be mutually agreed upon by the licensee and the Secretary of the Army and approved by the Federal Power Commission.

SEC. 4. The Chief of Engineers, under the direction of the Secretary of the Army, is authorized to enter into an agreement with the licensee for the operation of the dams and reservoirs insofar as such operation affects the development of power, for contribution of funds by the licensee in accordance with this act, and for other matters incident to the joint construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir in accordance with this act. Such agreement shall be for a period consistent with the period of the license issued by the Federal Power Commission and may be amended from time to time by mutual agreement.

SEC. 5. If an application for a license to construct the power facilities at Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir is not filed with the Federal Power Commission within 1 year after the date of this act, or if such application for a license is denied, or if the construction under a license is not initiated and carried out in a reasonable period of time as determined by the Federal Power Commission, the entire Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir including power facilities at both sites shall be constructed, operated, and maintained by the Department of the Army.

The statement by Mr. CORDON is as follows:

STATEMENT BY SENATOR CORDON

On February 9 of this year I made a statement beginning on page 1534 of the CONGRESSIONAL RECORD at the time I introduced a bill to authorize partnership construction of

Cougar Dam, in the Willamette Valley; the partnership consisting of the Federal Government in the case of the cost of the flood-control project and the municipal electric power system of the city of Eugene, Oreg., in the case of the electric facilities.

I have now introduced another partnership bill covering the construction of Green Peter Dam and a reregulating dam, White Bridge. This project is a part of the comprehensive Willamette Basin project, as is the Cougar Dam. This bill is patterned after the Cougar Dam bill, except that it would authorize the Federal Government to enter into a partnership agreement with any entity securing a license from the Federal Power Commission. The licensee could be a public body, a group of public bodies, a private utility, a group of private utilities, or it could consist of a combination of public and private agencies.

In 1938 Congress authorized the Willamette Basin project as a multiple-purpose project, contemplating storage on all of the main tributaries of the Willamette River as one project.

Since this authorization a number of dams have been built, but the South Santiam River is 1 of the 2 main tributaries on which no dam has been constructed, and the yearly damage from floods is high. In fact, the building of the Detroit Dam, on the North Santiam River, seems to have aggravated the South Santiam situation, as the lowering of the water in the lower Santiam at the junction of the two rivers has eliminated the backwater which formerly occurred, increased the rapidity of the South Santiam current, resulting in its cutting new channels in the agricultural lands through which it flows, and in bank erosion.

Inhabitants of the area have been increasingly concerned with this situation and have appealed to their Representatives in Congress and to the Corps of Engineers for relief, and finally, on January 8, 1954, a meeting was called at which representatives of many local organizations were present, as well as State representatives and personnel of the Corps of Engineers. At this meeting a committee was set up to be known as the South Santiam Development Committee for the purpose of obtaining some action in this matter.

This committee investigated the situation, found that though the Green Peter Dam on the South Santiam had been authorized as a flood-control project, with minimum provisions for electric power, the feasibility of the project and the benefit ratios would be improved if power was included, as the capacity of the main dam with power is computed at 81,000 kilowatts, and a necessary reregulating dam would add an additional 15,000 kilowatts, making a total of 96,000 kilowatts, and this in an area where power demands are heavy.

On the basis of the Corps of Engineers' present planning, the Green Peter Dam would be of earth- and rock-fill construction, about 315 feet high and about 1,180 feet long at the crest. White Bridge Reregulating Dam would be located about 3 miles downstream and would have 1 power-generating unit.

The area downstream from the dams along the South Santiam from the dams along one of the most critical areas in the Willamette Basin, so far as flood damage is concerned. The lands to which this damage occurs are principally rich bottom lands producing high-value food crops.

The cost of the proposed project without power is estimated to be $32,013,000 with a benefit-to-cost ratio of 1.48 to 1. With the power facilities added, including the reregulating dam at White Bridge, the cost is estimated at $58,365,000 and the benefit-to-cost ratio rises to 1.53 to 1. The cost allocated to power is estimated at $26,352,000 and this includes the White Bridge Reregulating Dam. If the project is constructed under the partnership plan, the entire amount allocated to power will be borne by the licensee.

The local committee sought assistance from their representatives in Congress and the result is the present bill. It authorizes the construction of the project with power facilities either by the Corps of Engineers or by a licensee, licensed by the Federal Power Commission. The local committee has sought the cooperation of the private utility companies operating in the area and has presented letters from these companies stating that if there is authorization for participation in the project by a licensee, they will file applications jointly for such a license.

This proposed legislation offers the opportunity for any agency, public or private, to apply for such a license.

The plan offered in this bill has been laid before the various civic, business, farm, labor, and conservation organizations of the area and endorsements of this specific bill have been received from 23 of these organizations, including all of the foregoing categories.

The telegrams, petition, and letter presented by Mr. CORDON are as follows:

ALBANY, OREG., *March 25, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We the members of the Linn County Court endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam development committee of March 23, 1954.

LINN COUNTY COURT,
E. G. ARNOLD,
County Judge.
W. E. DOWNING,
FLOYD D. JENKS,
County Commissioners.

ALBANY, OREG., *March 24, 1954.*

Senator GUY CORDON,
United States Senate,
Washington, D. C.:

We endorse and urge enactment of legislation for construction of Green Peter and White Bridge Dams on Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost, to the end that cost to the Federal Government be reduced and construction hastened. Also approve legislation of type contained in draft of a proposed bill submitted by South Santiam development committee on March 23.

DONALD J. DONAHUE,
Manager, Albany Chamber of Commerce.

ALBANY, OREG., *March 26, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Albany Junior Chamber of Commerce, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened.

We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

ROBERT C. SCOTT, *President,*
Albany Junior Chamber of Commerce.

LEBANON, OREG., *March 24, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We the Lebanon Chamber of Commerce endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project be hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

LEBANON CHAMBER OF COMMERCE.

SWEET HOME, OREG., *March 27, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

The Sweet Home Chamber of Commerce understands that the new draft of the bill proposed by the South Santiam Development Committee re Green Peter and White Bridge dams has been submitted March 23, 1954. Having been informed of contents thereof, we heartily approve enactment of legislation of this type wherein the cost to the Federal Government is reduced by use of non-Federal funds to finance reimbursable portions of construction cost, is urged.

C. V. PATTERSON.
President.

ALBANY, OREG., *March 25, 1954.*

Senator GUY CORDON,
United States Senate,
Washington, D. C.:

We endorse and urge enactment of legislation for construction of Green Peter and White Bridge dams on Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost, to the end that cost to the Federal Government be reduced and construction hastened. Also approve legislation of type contained in draft of a proposed bill submitted by South Santiam Development Committee on March 23.

ALBANY LIONS CLUB.

LEBANON, OREG., *March 25, 1954.*

Senator GUY CORDON:

We Lebanon Lions Club endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

W. H. WARDEN,
President, Lebanon Lions Club.

ALBANY, OREG., *March 25, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Albany Kiwanis Club, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the

reimbursable portion of the cost thereof, to the end that the cost of the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

W. T. GRIER,
President.

LEBANON, OREG., *March 24, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Kiwanis Club of Lebanon, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

KIWANIS CLUB OF LEBANON,
CHARLES CAMMACK, *President.*

SWEET HOME, OREG., *March 26, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

The Sweet Home Kiwanis understands that the new draft of the bill proposed by the South Santiam Development Committee re Green Peter and White Bridge Dams has been submitted March 23, 1954. Having been informed of contents thereof, we heartily approve. Enactment of legislation of this type wherein the cost to the Federal Government is reduced by use of non-Federal funds to finance reimbursable portions of construction cost, is urged.

FRANK KIKEL,
Vice President.

ALBANY, OREG., *March 24, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Albany Rotary Club, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

RALPH B. LEE,
President.

SWEET HOME, OREG., *March 26, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

The Sweet Home Junior Chamber of Commerce understands that the new draft of the bill proposed by the South Santiam Development Committee re Green Peter and White Bridge Dams has been submitted March 23, 1954. Having been informed of contents thereof, we heartily approve. Enactment of legislation of this type wherein the cost to the Federal Government is reduced by use of non-Federal funds to finance reimbursable portions of construction cost, is urged.

BILL BIRDSALL,
President.

ALBANY, OREG., *March 26, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, South Santiam River Water Control District, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

DOUG BRADLEY, *President,*
P. W. DRUSHELLA,
Secretary.

ALBANY, OREG., *March 25, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Linn County Land Use Committee, endorse and urge the enactment of legislation for the construction of Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the kind contained in a draft of a proposed bill submitted by the South Santiam Development Committee on March 23, 1954.

CHAS. KIZER,
Chairman.

HARRISBURG, OREG.

ALBANY, OREG., *March 24, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, Albany Post No. 10, the American Legion, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

ALBANY POST, NO. 10, THE AMERICAN LEGION.

ALBANY, OREG., *March 24, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Albany Central Labor Council, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

HELGA A. WOOLEY,
Secretary, Albany Central Labor Council.

PORTLAND, OREG., *March 30, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

A. F. of L. labor in Linn County strongly endorses your bill on Green Peter and White Bridge Dams. Appreciate copy of bill when printed.

J. T. MARR,
Executive Secretary, Oregon State Federation of Labor.

EUGENE, OREG., *March 30, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

Oregon Commission for Industrial Development on tour of State find agreement in Willamette Valley on Green Peter Dam proposal. We support you in your effort to authorize this project on partnership basis.

JOE SMITH,
Vice Chairman, Oregon State Development Commission.

ALBANY, OREG., *March 30, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, Western Star Grange No. 309, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam Development Committee of March 23, 1954.

TED SIMS,
Master, Western Star Grange.

JUNCTION CITY, OREG., *March 27, 1954.*

Senator GUY CORDON,
Washington, D. C.:

West Linn County Farm Bureau endorses and urges the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam development committee on March 13, 1954.

GERALD W. DETERING,
President, Linn County Farm Bureau, Harrisburg, Oreg.

ALBANY, OREG., *March 25, 1954.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We, the Linn County Agricultural Planning Council, approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam development committee on March 23, 1954. We also endorse and urge enactment of legislation which will permit construction of Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. Project has unanimous support of people.

ALBERT JULIAN,
Chairman.

SCIO, OREG.

LEBANON, OREG., *March 27, 1954.*

Senator GUY CORDON,
Senate Building:

We, Tennessee Farm Bureau Center, endorse and urge the enactment of legislation for the construction of Green Peter and White Bridge Dams on the Santiam River, under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened.

We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam development committee on March 23, 1954.

EDITH F. HULL,
Chairman, Tennessee Farm Bureau Center.

JEFFERSON, OREG.

We, Sidney and Talbot Farmers Union, endorse and urge the enactment of legislation for the construction of the Green Peter and White Bridge Dams on the Santiam River under a plan by which non-Federal funds are used to finance such plan to the extent of the reimbursable portion of the cost thereof, to the end that the cost to the Federal Government may be reduced and the construction of the project hastened. We also approve legislation of the type contained in a draft of a proposed bill submitted by the South Santiam development committee of March 23, 1954.

KEITH R. ALLEN,
President.

CORPS OF ENGINEERS,
UNITED STATES ARMY,
Portland, Oreg., March 26, 1954.

Hon. GUY CORDON,
United States Senate,
Washington, D. C.

DEAR SENATOR CORDON: Reference is made to your inquiry as to data in regard to Green Peter Dam, which is planned for construction on Middle Santiam River. I am glad to furnish you, in this letter, a summary description of the project as planned, information as to the need for it, the cost as now estimated, and such information as is available as to the cost of power facilities, including the White Bridge Reregulating Reservoir.

Green Peter Dam will be the major unit of an alternative 3-dam plan selected prior to 1948 in lieu of the originally authorized Sweet Home Dam, on South Santiam River. Sweet Home Dam was authorized in 1938, on the basis of recommendations in House Document 544, 75th Congress, 3d session, for flood control and other uses, not including power. Thereafter increased developments in the reservoir area, and particularly in the town of Sweet Home, rendered its construction impractical. For that reason, the alternative three-dam plan was devised.

Green Peter Dam was first described and recommended in the 1948 Corps of Engineers report published as House Document 531, 81st Congress, 2d session. That recommendation included power facilities and a reregulating dam at the White Bridge site. On the basis of subsequent action on House Document 531 by the Bureau of the Budget and the joint House-Senate conferees, Green Peter project is considered to be authorized for all multiple-purpose functions as originally authorized for Sweet Home, plus minimum provisions for future installation of power-generating facilities.

Studies of the dam have not progressed appreciably past the survey stage, as planning funds have not been available. Considerable detailed planning, including final site selection, remains to be done before final plans and estimates can be prepared or an allocation of costs can be made. Planning funds and about a year of field investigation and office work would be required to obtain basic data and prepare a cost allocation report comparable in scope to that recently prepared for Cougar Dam on McKenzie River.

On the basis of planning to date, the Green Peter Dam would be of earth- and rock-fill construction, about 315 feet high from tail water to normal pool elevation, and about 1,180 feet long at the crest. The powerplant at the site would consist of 2 units, with a total installed capacity of about 81,000 kilowatts. White Bridge Reregulating Dam would be located about 3 miles downstream and would have 1 power-generating unit, with a capacity of 15,000 kilowatts.

The primary purpose of the Willamette Basin project is control of floods on Willamette River and tributaries. The principal flood-producing tributaries are Coast and Middle Forks Willamette River, McKenzie River, South Santiam River, and North Santiam River. Studies have shown that a multiple-purpose project, capable of providing diversified benefits in addition to flood control, would be the best solution to the overall problem. To date, multiple-purpose reservoirs have been constructed on all those streams except South Santiam and McKenzie Rivers.

The area downstream from Green Peter Dam along South Santiam, Santiam, and Willamette Rivers is one of the most critical areas in Willamette River Basin insofar as flood damages are concerned. The principal damage areas lie downstream from Lebanon along a 30-mile stretch of South Santiam and Santiam Rivers and along about 55 miles of Willamette River from the mouth of Santiam River to Newberg.

Lands along the entire 85-mile reach are principally rich bottom lands used for the production of high-value food crops. Damages to such areas from erosion and flooding are very severe. Also, flooding adversely affects the towns of Sweet Home, Lebanon, and Jefferson in Santiam River Basin and Salem on Willamette River, as well as State and county roads, bridges, and other developments in the flood plain.

A condition worthy of note is the interim unbalanced stage condition which prevails at and above the confluence of North and South Santiam Rivers during floods. As a result of control of flood peaks on North Santiam River without comparable control as planned for the South Santiam, velocities in the latter stream and overbank across the rich silt loam delta lands between South and North Santiam Rivers are temporarily increased. This tends to offset, for the present, some of the benefits created by Detroit Reservoir.

Construction of Green Peter Dam will provide about 60 percent of the flood-control storage proposed in the 3-dam plan for the South Santiam, and will substantially eliminate the unbalanced stage condition. Further, it is strongly desired by residents along the stream, who wish to have the benefit of flood protection and increased low-water flows now available to residents along other streams in Willamette River Basin.

Other important items making up a total average annual project benefit of about $4 million are use of stored water for irrigation, navigation, pollution abatement, domestic water supply, and power generation.

The ultimate requirements for irrigation water from reservoirs in South Santiam River Basin can be satisfied only by constructing one or more dams in addition to Green Peter. In order to satisfy anticipated irrigation demands to the extent considered practicable and desirable in the interim before other dams are constructed, Green Peter Reservoir would have to provide a maximum of about 75,000 acre-feet of stored water annually for irrigation should the need develop.

Assuming that Green Peter project, including power-generating facilities and White Bridge, were operated to meet that criteria, average annual benefits to all purposes would be as follows:

Flood control	$1,665,100
Irrigation	306,600
Navigation	20,600
Pollution abatement	98,400
Domestic water supply	89,600
Downstream power	6,200
Power at site	1,833,700
Total	4,020,200

Data are available, on the basis of studies to date, as to estimated project costs and annual charges for the project as now considered authorized and for the complete project with power-generating facilities as recommended in House Document 531. Similar data are available for a project at Green Peter site to provide flood control and other multiple-purpose benefits but without any provisions for future installation of power-generating facilities. From the latter two, the separable cost of power, including White Bridge Reregulating Dam, may be derived. The following tabulation summarizes project costs, annual charges, and benefit-to-cost ratios for the foregoing.

Item	Project cost	Annual charges	Benefit-cost ratio
Authorized project	$37,030,000	$1,671,400	1.31 to 1.
Recommended project	[1] 58,365,000	2,625,500	1.53 to 1.
Project without power	32,013,000	1,482,200	1.48 to 1.
Separable power	[1] 26,352,000	1,143,300	1.60 to 1.

[1] Includes White Bridge, $8,504,000.

It should be noted that no cost allocation has been made for the project and that data are not now available with which to prepare a firm allocation. Based on the foregoing data, however, and assuming use of the green book or separable costs-remaining benefits method of allocation, it would appear that an allocation would result in a benefit-to-cost ratio for power of slightly better than 1.5 to 1.

A consideration which must be borne in mind in any discussion of partnership in the power-generating installation is the necessity of maintaining relatively uniform flows downstream from the project at all times. If a non-Federal partner chose not to construct a reregulating dam, Green Peter powerplant operation would have to be such as to effect total releases comparable to those from the planned White Bridge Reregulating Dam. Such a decision and such operation would modify the present estimate of power costs and benefits to an indeterminate extent.

Summarizing, I consider the Green Peter project to be urgently needed and fully justifiable for each of the purposes served, whether with or without power-generating facilities or provisions therefor. Any cost allocation for purposes of determining partnership responsibilities will have to await the completion of further site selection and planning studies.

I am glad to have been of any service to you in this matter. Should you desire additional information at any time, please feel free to call on me at your convenience.

Sincerely yours,

T. H. LIPSCOMB,
Colonel, Corps of Engineers,
District Engineer.

STATEHOOD FOR HAWAII—AMENDMENTS

Mr. SMATHERS (for himself, Mr. MONRONEY, Mr. FULBRIGHT, and Mr. DANIEL) submitted amendments intended to be proposed by them, jointly,

to the bill (S. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States, which were ordered to lie on the table and to be printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

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

Seventy-five postmasters.

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

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

By Mr. HUMPHREY:

Statement prepared by him on the subject of Middle East cooperation.

PUBLICATION OF HEARINGS BEFORE THE JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. FLANDERS. Mr. President, I hold in my hand a copy of the hearings held by the Joint Committee on the Economic Report, of the Congress of the United States.

Because of the widespread interest, and in response to numerous inquiries, I wish to bring to the attention of the Members of the Senate the fact that printed copies of the hearings held by the Joint Committee on the Economic Report on the January 1954 Economic Report of the President are now available. In addition to materials presented in public sessions, the printed hearings contain the record of a committee executive session with Rowland R. Hughes, Assistant Director of the Bureau of the Budget, now made public by mutual consent.

The 890-page document also contains supplementary materials from individual witnesses and answers supplied in response to questions raised during the hearings by members of the committee. Information of this nature, which has not previously been released, includes the full statements of several organizations which were asked to submit their views on the economic situation, and replies by Chairman Martin, of the Federal Reserve Board, and Secretary Humphrey, of the Treasury, to a series of questions on monetary policy.

Members may obtain copies of the hearings from the Joint Economic Committee office, and a limited supply is available to the public on a single copy, first-come-first-served basis, for libraries and other central reference sources. Individuals may purchase copies from the Superintendent of Documents, Washington 25, D. C., at $3 each.

Copies of the Joint Economic Committee's Report—House Report No. 1256—filed on February 26, 1954, may also be purchased now through the Superintendent of Documents at 30 cents a copy.

ERRORS IN SECURITY RISK FIGURES

Mr. JOHNSTON of South Carolina. Mr. President, I see in the RECORD of March 25 that Mr. Philip Young, Chairman of the Civil Service Commission, doth protest very much that he did not count dead persons as security risks in arriving at his total of 2,486. Mr. Young is splitting hairs, with the apparent hope they will blind the public to the disgraceful use to which some administration leaders have put the employee-security program.

Mr. Young has not, of course, denied that dead persons have been reported to the Commission as security risks. The General Services Administration already has testified to that fact. Nor will Mr. Young say whether dead persons were counted in the original overall total of 1,456—the number of risks the White House said were ousted in the May 27–September 30 period last year; but he implies that they were not.

As for the figure 1,456, Mr. Young would not even discuss it when questioned by members of the Post Office and Civil Service Committee of the United States Senate, except to concede that "errors" were contained in it, and that it had to be "corrected, adjusted, cleaned up," and made accurate. Mr. Young said further that the changes made in correcting the 1,456 figure were not substantial. It may be pointed out that the State Department announced last fall that its share of the 4-month total of 1,456 was 197. Yet Mr. Young now gives as the 7-month total for the State Department the figure of only 117. To me, that is quite a substantial correction.

To return to the subject of deaths and security risks, I commend to the reading of all Senators an editorial which appeared in the Washington Post and Times-Herald for March 25. The fact that it praises a reporter for the Evening Star, in my opinion, speaks for the editorial's objectivity. I ask unanimous consent that the editorial be printed at this point in the RECORD as a part of my remarks.

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

GHOSTS

Some of the specters which the General Services Administration had tried to exorcise through the mumbo-jumbo of the security program have now returned to haunt the agency. Edgar L. Prina, an Evening Star reporter who has done notable work in exposing the fraudulence of the security separation figures issued by the Government, is entitled to credit for bringing to light the fact that dead persons were included in the GSA figure of 168 security-risk separations. Only 10 of the 168 separations involved any question whatever of disloyalty or subversion; and none of these was a Communist Party member.

Dead men do tell tales. In this situation they tell more eloquently than the living can possibly tell how shabbily the security program is dealing with the civil service. Because some administration spokesmen, in a partisan effort to stigmatize their Democratic predecessors as soft on communism, have lumped together all those separated under the program as subversives, every Government employee has suffered. Everyone who leaves the Government now, for whatever reason—whether by resignation, reduction in force, dismissal, old-age retirement, or even death—is suspect.

FUTURE EMPLOYMENT TRENDS

Mr. CARLSON. Mr. President, this morning's Washington Post and Times-Herald carries the results of an interesting survey just conducted by Dr. George Gallup. The title of the article is "Optimism About Future Job Trends Reflected in Survey."

These figures are most interesting because of the fact that in a period of 6 weeks the fear-of-unemployment index has dropped 7 points, from 55 percent of the voters questioned to 48 percent. These figures are based upon the views of the people as to the continued problem of unemployment. I think the figures are most encouraging. They show the trend of the thinking of the people of the United States with regard to the economic problem facing the country during the postwar period and the period of production for peace. I believe that this report is an encouraging sign for the future economic situation. I ask unanimous consent that the article containing the report of the results of the poll be printed in the Record at this point as a part of my remarks.

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

OPTIMISM ABOUT FUTURE JOB TRENDS REFLECTED IN SURVEY

(By George Gallup)

PRINCETON, N. J., March 30.—A note of optimism shows up in the latest sounding of the public's views on future employment trends.

As recent as 6 weeks ago, the institute reported that the fear-of-unemployment index had reached 55 percent—the highest point in 2 years.

Today, the figure has dropped 7 points—to 48 percent of voters questioned who believe more people will be out of work in their communities over the next half year.

At the same time, the number of people who believe that fewer people will be out of work has gone from 14 to 24 percent. Eighteen percent expect the number to remain about the same, while 10 percent expressed no opinion.

The administration may take comfort in another finding in today's survey. Three out of every ten voters blame the recent rise in unemployment on a reduction of defense spending since the truce settlement in Korea.

Only 1 person in 6 places the blame on the GOP administration's economy program.

President Eisenhower said recently that March would normally be a rather significant month and that there would be a new examination of the unemployment problem.

The public's change in attitude is seen in the results of the latest survey just completed. The comparison with the first half of February follows:

"Do you think there will be more people out of work, or fewer people out of work, in this community in the next 6 months?"

[Percent]

	Today	February
More out of work	48	55
Fewer	24	14
About same number	18	23
No opinion	10	8
Total	100	100

In today's survey, the group most optimistic about employment trends are voters who have attended college. The vote by education levels:

	College	High school	Grade school
More	37	48	53
Fewer	30	26	18
About same	22	18	17
No opinion	11	8	12
Total	100	100	100

A person is more likely to be skeptical if he is a Democrat than if he is a Republican. Fifty-eight percent of Democrats think more people will be out of work, compared to 36 percent of GOP voters.

In general, there is less optimism in cities over 500,000 population than in smaller cities. Fifty-seven percent in cities over a half million said more people would be out of work over the next 6 months, as compared to 47 percent in towns under that size. Thirty-nine percent of farm residents thought more people in their community would be out of work.

The second question:

"Who or what do you blame for the recent rise in unemployment in this country?"

	Percent
End of Korean war, cut in defense spending	30
Administration policies, Government cutting expenses	15
Normal business cycle decline	8
People not spending money, high prices, cost of living	5
Surplus of goods, reaction from overproduction	5
Seasonal slump, temporary layoffs	4
Policies of previous administration, Democrats	2
Big business policies, cutting payrolls	2
Shift in population, soldiers returning	2
Can't blame anyone, no one to blame	7
All other answers, miscellaneous	17
Don't know	18
Total	115

Included under miscellaneous were such answers as "immigration," "high taxes," "improved machinery," "international free trade," "union troubles," and many others.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The Secretary will call the roll.

Mr. HUMPHREY. Mr. President——

Mr. HILL. Mr. President, will the Senator from California withhold his suggestion of the absence of a quorum so as to permit the Senator from Minnesota to place certain material in the RECORD?

Mr. KNOWLAND. Certainly.

ECONOMIC CONDITIONS AMONG FAMILIES OF POSTAL EMPLOYEES

Mr. HUMPHREY. Mr. President, some time ago I asked the Minnesota Federation of Post Office Clerks to provide me with specific information as to some of the economic conditions that prevailed among the families of our postal employees. In response to my request, the offices of Local 142, National Federation of Post Office Clerks, Duluth, Minn., conducted an economic survey of its membership during the second week of February 1954. I present the results of that survey for the information of the Senate.

It is quite obvious that the need for a general pay increase for our postal employees is imperative. It is the duty and responsibility of the Congress to provide good working conditions and fair and reasonable salaries and wages for those who are in the employment of the Federal Government. Federal employees must look to the Congress for adjustment of inequities and economic injustice. Unlike other working people who are organized into trade unions, there is no bargaining power around the conference table for Federal employees. These fine public servants must look to the Congress for fair play and justice.

I have consistently informed my constituents in Minnesota that I strongly favor an across-the-board increase for Federal employees. It is my belief that the administration's proposal for the postal employees and other Federal employees is inadequate, discriminatory, and unrealistic. The rise in the cost of living since 1951—the most recent salary adjustment—has made it absolutely necessary that there be an adequate adjustment of salaries and wages. Our employees have waited far too long. They have been patient, cooperative, and considerate, but their patience is running out, and justly so. I call upon the Congress to act and to act promptly. The results of the economic survey in Duluth, Minn., are almost shocking. This survey surely underscores the importance of a substantial across-the-board increase to meet the rise in the cost of living and to also provide proper compensation for loyal and efficient service.

I ask unanimous consent, therefore, that the letter which I have received from Mr. Robert Rose, president of the National Federation of Post Office Clerks, Local 142, Duluth, Minn., the questionnaire, and the results of the survey be printed in the body of the RECORD.

There being no objection, the letter and other material were ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF
POST OFFICE CLERKS, LOCAL 142,
Duluth, Minn., March 5, 1954.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The officers of Local 142, National Federation of Post Office Clerks, Duluth, Minn., conducted an economic survey of its membership during the second week of February 1954.

A sample copy of the survey questionnaire and the detailed results are attached hereto. The original questionnaires are on file and available at any time upon request.

The findings of the survey are herewith offered to prove that it is imperative that the Congress give immediate and prompt consideration to adequate pay-raise legislation for postal employees. The results of the survey clearly show that postal salaries have not kept pace with the increase in the cost of living and certainly indicate that there is an urgent need for pay increases such as provided in the Withrow bill, H. R. 2344.

I hope that this will be of some assistance to you in your deliberations on behalf of postal legislation.

Very sincerely,

ROBERT ROSE, *President.*

ECONOMIC SURVEY

A survey of the office is being made in order that our delegate to the Washington conference may have factual information to present to our Congressmen to prove our case of the dire need of a salary increase. Your cooperation in furnishing the information requested on this questionnaire is earnestly solicited, and you are asked to give serious consideration to this most important matter. No signature will be required on the form, and a deposit box will be furnished in which to deposit them so all information will be absolutely confidential.

How many persons in your family?

Do you have income from work other than post office?

Is your wife working? Part time. Full time.

Have your debts increased during the past year?

Have your debts decreased during the past year?

What is your total debt (not including mortgage on your home)?

Have you borrowed on insurance policies?

Have you borrowed from other sources?

Have you redeemed any savings bonds?

Have you had to draw on other reserves?

Do you consider your present living quarters adequate for your needs?

Have you purchased a new automobile in the past 2 years?

Have you been putting off for financial reasons any of the following: (a) Dental work, (b) medical attention, (c) purchase of necessary electrical appliances, (d) purchase of necessary household items?

Do you feel an $800 increase is sufficient for your needs?

ECONOMIC SURVEY RESULTS, DULUTH, MINN., FEBRUARY 1954

1. There are four persons in the average postal family in Duluth, Minn.

2. Forty percent of the employees have part-time jobs outside of the post office.

3. Twenty-four percent of the wives of postal clerks are working, of these 47 percent work full time, the other 53 percent working at part-time jobs.

4. Eighty-four percent of the employees' debts increased during the past year.

5. Less than 3 percent were able to decrease their debts and of these 50 percent had income from other employment.

6. The total debt of the average postal family is $842, which does not include the mortgage on homes.

7. More than 19 percent have borrowed on insurance policies.

8. Fifty-five percent have borrowed from other sources.

9. Fifty-three percent have redeemed their savings bonds.

10. Sixty-two percent have had to draw on other reserves.

11. Forty-eight percent have inadequate living quarters.

12. Less than 10 percent of the employees have purchased a new automobile in the past 2 years.

13. Fifty-nine percent have been deferring dental work because of inadequate finances.

14. Thirty-five percent have had to defer necessary medical attention.

15. Fifty-three percent must defer the purchase of necessary electrical appliances.

16. Eighty-six percent must defer the purchase of necessary household items.

17. Only 52 percent felt that an $800 increase in salary would be adequate for their needs.

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

Mr. HUMPHREY. I yield.

Mr. JOHNSTON of South Carolina. I should like to inform the Senator from Minnesota that the Committee on Post Office and Civil Service met yesterday and agreed to set hearings for the latter part of April—about the 21st or 22d. At that time we intend to go into the subject which the Senator has mentioned.

I join with the Senator from Minnesota in saying that the postal employees need an increase. So far as I am personally concerned, I too, am in favor of an increase for the postal workers and the other workers of the Government at this time.

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

Mr. HUMPHREY. I yield if I have the time.

Mr. MAGNUSON. All of us have received a great many communications such as the one to which the Senator from Minnesota has referred, relating to the compensation of postal employees. I wonder if the distinguished Senator from South Carolina can inform us as to the situation in the House. I am afraid that if we begin hearings as late as the 21st of April it will be too near the end of the session. I was hoping that we might be able to pass a bill before the adjournment. I have seen many bills get caught in the jam at the end of a session. I think this subject is of vital importance to our postal workers.

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

Mr. HUMPHREY. I yield.

Mr. JOHNSTON of South Carolina. The committee held an executive session yesterday. I think I am authorized to say that the subject of what was being done in the House was also discussed. There was a somewhat tentative agreement that the House committee would conclude its hearings before the Senate committee started hearings. However, we intend to go ahead on the date I have mentioned, whether or not the House committee has concluded its hearings.

Mr. MAGNUSON. However, the House is doing something, too, so the prospects seem fairly good for bringing the subject to the floor of both Houses.

Mr. JOHNSTON of South Carolina. Hearings are being held in the House.

Mr. HUMPHREY. Mr. President, we are very fortunate in having as our Presiding Officer at this moment the chairman of the Senate Committee on Post Office and Civil Service, whose heart is with us and with the employees. He is doing a fine job. We also have with us the ranking Democratic member. So it seems to me that if we can preserve that situation the Federal employees will receive adequate adjustment of their salaries and fair and reasonable treatment, toward which we are all aiming. I am happy to be able to make my statement in the presence of the distinguished Senator from Kansas [Mr. CARLSON], the present Presiding Officer.

The PRESIDING OFFICER. The Chair will state that during the morning hour this colloquy was probably all out of order. However, the Chair was very happy to allow Senators to proceed.

Mr. JOHNSTON of South Carolina. Mr. President, I think it would also probably be out of order at this particular time, but I do not think it would sound bad in the ear of the present Presiding Officer to say that he has been most active in arranging for hearings to begin as soon as possible. I think we are fortunate to have the cooperation of the chairman of the Committee on Post Office and Civil Service, the distinguished Senator from Kansas, who I think is a great statesman, and who will be counted even greater among the postal employees when we conclude our hearings.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE EFFECT OF TAX BURDENS ON RAISING A FAMILY

Mr. LANGER. Mr. President, I have received a letter which intrigues me very much. It is addressed to "Members of United States Senate," and is written by Walter Leeson, of 1639 Second Avenue, South, Fargo, N. Dak. This letter is particularly apropos in view of the fact that the tax bill has just been passed. The letter reads as follows:

FARGO, N. DAK.

MEMBERS OF UNITED STATES SENATE,
Washington, D. C.

GENTLEMEN: Raising a family has long been held one of this country's most sacred and important businesses. That is what we spend million of dollars trying to convince the people behind the Iron Curtain.

However it appears you gentlemen are doing your best to make this the big lie. By voting tax reductions to the wealthy and letting the average man carry more and more of the tax load.

Your laws let big business deduct ample amount to cover any expense they may have even to cocktail parties as entertainment for business reasons.

And yet you refuse to let the family man deduct enough to cover the expense of raising a child who will probably have to go and fight for the rich man's wealth when he becomes old enough.

Your excuse that if you give big business a tax break they will expand their business is comical, inasmuch as we have not enough money now to buy the goods they are producing.

We as taxpayers expect you to vote to have personal exemptions raised enough to cover the cost of living.

Also you should vote to give widows and widowers an extra exemption who are raising a family by themselves.

W. LEESON.

RESEARCH AND EDUCATION

Mr. STENNIS. Mr. President, in 1953, I urged support of expanded agricultural research and extension programs. An increase of only about $2 million was approved. Literally hundreds of urgent problems which confronted agricultural production and marketing were unanswered at that time, and still are.

I desire to reaffirm my support for expanded research and educational programs which will be of real service to the farmers in reducing their costs, enhancing the quality of their products and expanding their markets. Our committees are now considering appropriations for the fiscal year 1955.

I commend the administration for taking positive action in requesting a substantial increase for these programs in the 1955 budget. If the Congress will approve the $9.9 million increase for agricultural research and the $8.3 million increase for cooperative extension work requested by the President, it will certainly be a sound investment not only for the farmers but for all the people.

FUNDS NEVER ADEQUATE

Congress passed the Research and Marketing Act in 1946 without a dissenting vote. It provided for an increase of $61 million over a period of 5 years. Thereafter, appropriations in amounts deemed necessary were authorized. In the 8 years since the passage of this act, the actual increase in appropriations for research has been only ⅓ of the amount first authorized for the 5-year period, and this increase has been affected by inflation. Present appropriations will not buy any more research than was carried on in 1940. Last year, fiscal 1954, Federal appropriations for agricultural research totaled approximately $58 million, a little more than half of the total amount envisioned in the Research and Marketing Act of 1946 for the year 1951.

With the exception of token amounts, the Cooperative Agricultural Extension Service has not had an increase in Federal appropriations since 1949. Federal funds for the Extension Service have lagged far behind the sums needed to build an adequate educational program. Congress has approved moderate increases for extension from time to time, but inflation has more than offset these increases in the past 14 years. In terms of actual purchasing power, the Federal extension funds available in 1953 were about $3 million less than in 1940.

FARM PLIGHT SERIOUS

We are years behind in research and education needed to meet present agricultural problems. The farmers do not need to be told that they need to reduce costs. They are caught in a serious cost-price squeeze. They recognize that they must increase efficiency and improve quality. The millions of small farmers in the United States are not financially able to conduct their own individual research. Neither do they have the technical know-how with which to develop and carry out such a program. These are responsibilities which we must not overlook. We must accept the responsibility of developing a sound and progressive program which will improve the farmers' incomes and strengthen the Nation's economy.

For too long agricultural research and education have been treated as something separate and apart from our national farm program. Certainly they cannot solve all the ills of agriculture, because there are many sides to a sound farm program for America. But I firmly believe that an adequate program of research and education is an absolutely

essential long-time foundation for the success of the overall program.

A program capable of striking at the basic problems of agriculture cannot be tied to research alone, nor does the answer lie in education alone. These two programs must be closely coordinated and welded in order that they may really come to grips with these problems.

From a look at the agriculture of my State, and generally throughout the Nation, I feel that research and education are being geared together. The original acts creating the cooperative USDA land-grant college system have always been sound. They permit cooperation whereby the broad types of research of the USDA go hand in hand with the work on the more local problems carried on by the State experiment stations—with the useful results being carried to farmers through the Extension Service. Tied in is the resident-teaching program of the colleges to insure continuing progress in the training of competent professional agricultural workers. I am gratified to see a request for more adequate appropriations for this system.

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

Mr. STENNIS. I am very glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. Is the Senator now referring to the Extension Service program?

Mr. STENNIS. Yes; I was referring to the general Extension Service, such as the 4-H Club work, and the work of the county agents, and even some of the adult educational programs which have been provided through agricultural colleges.

Mr. HUMPHREY. As I understand, that program is being expanded.

Mr. STENNIS. We have had a very substantial increase recommended, of approximately $8.3 million above the appropriations for last year.

Mr. HUMPHREY. It is highly commendable and desirable, of course.

Mr. STENNIS. I stated that it was highly commendable. It is based upon facts, and upon inquiry as to the needs. Contributions have been made to it by the different State organizations in agricultural research and expansion. It is a well-founded and well-rounded program.

Mr. HUMPHREY. I do not want to interrupt the chain of thought of the Senator from Mississippi——

Mr. STENNIS. I am always glad to have the comments of the Senator from Minnesota.

Mr. HUMPHREY. I am always delighted to hear the Senator speak on the subject of agricultural research and agricultural education, because he has dedicated a great deal of his time, effort, and energy to this very worthy endeavor. I wish to associate myself with his work and with his remarks.

However, I am somewhat concerned about the vocational-education program, as it pertains to agriculture. I suppose the Senator from Mississippi will make some comment on it. I noticed that the budget had been reduced considerably in that field. It is the program for our Future Farmers of America activities and the young people in the schools.

Mr. STENNIS. I am glad the Senator from Minnesota has brought up that subject. I see on the floor the Senator from New Mexico [Mr. ANDERSON], who was Secretary of Agriculture, as I recall, when the Research Marketing Act was passed. I know that before I came to Congress, in my position in Mississippi I knew that the Senator from New Mexico was instrumental and very active in that program, and I wish publicly to commend him for it.

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

Mr. STENNIS. I am glad to yield.

Mr. ANDERSON. I hope the Senator will permit me to inject into his remark a very brief word with respect to that subject. In the preparation of that act the Department of Agriculture studied every research activity it could find in any of the educational institutions engaged in that field of endeavor, and it studied all the research work being done by private institutions.

We in the Department tried to find out what a reasonable program would be, in order to put agriculture in a competitive position with certain branches of industry. I wish the Senator would take the time some day to look at the files in the Department of Agriculture. He will find that two large filing cabinets are filled merely with the listings of the research activities being conducted across the country in the name of agriculture.

I am very happy that he is commenting on the research work, because while it was my privilege to be in the Department at the time and to present the bill to Congress, the result depended a great deal on the work of a great many people and on the kindest cooperation of Members of the House and Senate, some of whom are now Members of the Senate.

Mr. STENNIS. I thank the Senator from New Mexico, and I commend him for his vision and foresight and work in formulating that policy and in carrying it forward while he was in the Department of Agriculture.

Answering the question of the Senator from Minnesota with reference to the vocational education program, known as the Future Farmers of America and Future Home Makers of America——

Mr. HUMPHREY. They are wonderful groups.

Mr. STENNIS. Yes. That particular item comes up in a separate appropriation bill and appears in a different place in the budget.

Unfortunately no increase of funds is proposed for that item. The funds for that farm program were decreased, I am sorry to say. The subject deserves the special attention of Congress, because the work is developing, and the need is increasing, rather than decreasing. I am very glad the Senator from Minnesota brought up the subject.

I see on the floor the Senator from North Dakota [Mr. YOUNG], who is very much interested in the subject, and is the chairman of one of the subcommittees.

Mr. YOUNG. The Subcommittee on Agricultural Appropriations of the Committee on Appropriations.

Mr. STENNIS. Yes; the Senator is the chairman of the subcommittee which handles appropriations for agricultural research and agricultural extension. I know he is also interested in the vocational program to which the Senator from Minnesota has referred.

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

Mr. STENNIS. I yield.

Mr. YOUNG. I wish to say that our Subcommittee on Agricultural Appropriations increased the research funds last year by about $3 million over the House-approved figures, which was due largely to the efforts of Members of the Senate such as the junior Senator from Mississippi [Mr. STENNIS] and several other Senators. It was largely through their efforts that the funds were increased.

I believe it to be very important to the agricultural well-being of the entire Nation that the research not only be continued, but stepped up. Many research experts believe—and I agree with them—that we could probably find the answer to most of our surplus problems if we were willing to appropriate a little more money for research.

Many of our new medicines, like penicillin, have been developed through agricultural research. Of course, according to the newspapers, it is all charged to an agricultural subsidy, but those medicines have been developed through agricultural research. I commend the Senator from Mississippi for his great interest in the agricultural research, vocational education, and other programs.

Mr. STENNIS. I thank the Senator for his fine words and for his contribution to the debate. It is certainly interesting to learn that the discovery of penicillin was tied directly into agricultural research.

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

Mr. STENNIS. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I appreciate the courtesy of the Senator from Mississippi. Again I say that his work in the field of research, with the cooperation of Congress and the administration, has done more possibly to modernize American agriculture than any other single factor. I am deeply concerned that in our educational work among the young people, we are not keeping pace with the program outlined in the George-Barden Act, of which the distinguished senior Senator from Georgia [Mr. GEORGE] was the author in the Senate.

I recall that the act authorizes approximately $29 million a year. Each year we have the battle of our lives to get anywhere from $20 to $22 million. The act is a State-Federal act, a grant-in-aid act. As the Senator knows, the States arrange their budgets on the basis that the Federal Government is going to appropriate the full amount. The lack of funds means closing classrooms. Young people from Mississippi and Minnesota, who want to have instruction in vocational agriculture, are denied the opportunity to do so.

It is my intention, as I know it will be that of other Senators, to urge the most favorable consideration on the part of the Congress to the proposal to grant the full appropriation for vocational agricultural training. I think it will yield tre-

mendous dividends in good living, good production, and a modern and scientific agriculture.

Mr. President, I conclude by paying tribute to the vocational agriculture instructors in our schools. All over the State of Minnesota I met these fine men and women who carry on the work in agricultural vocational education. I met the boys of the Future Farmers of America, and the girls of the Future Homemakers of America. We can all be proud of them. I think it is one of the grandest programs we have ever had. Add the 4-H Clubs to the Future Farmers of America and the Future Homemakers of America, and we have a bulwark of strength in this country which is second to none.

I hope Congress will not try to pennypinch on this program.

Research can be made effective only if we have trained young men and women who can apply it, because it is in two stages, basic research and applied research. I know my friend from Mississippi is a champion of these great educational programs. I think they underscore what the Senator is saying and what he says every year in urging adequate funds for the research program.

Mr. STENNIS. Mr. President, I thank the Senator for his contribution to the debate.

One further comment on the remarks of the Senator from Minnesota. The fund has been reduced in the budget estimates. I certainly believe we should look fully into the question, and I hope Congress will restore the figures proposed, or even increase them. I have never been able to understand why it has been so difficult to get an adequate appropriation for this magnificent program. At the proper time, figures will be presented to the committees and to the Congress with reference to this very fine program and its need for adequate funds.

Mr. HILL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. HILL. Mr. President, I wish strongly to commend the Senator from Mississippi for his speech today. He has been one of the great leaders in the fight for vocational education. He is carrying on that fight today, just as he has done through the years he has been a Member of the Senate.

Last fall, when I was in Alabama, I had the pleasure of attending a number of meetings of veterans of World War II and also of some of the Korean war veterans. They were inspiring. It was wonderful to see what they have accomplished under the GI bill through courses in vocational education and vocational training. What they have been able to accomplish can also be accomplished by the fine young men of whom we speak as our 4-H boys if we will simply provide the necessary funds to give them the opportunity.

The Senator from Mississippi knows the amount of money which in the past we have provided for the program. In fact, the amount of money authorized to be appropriated by the George-Barden Act is almost inconsequential compared with the overall budget of the United States. What we are spending on the program today would not meet the first installment payment on a modern bomber for our fighting forces. Yet we can see the fine results of the program, not only so far as making good farmers is concerned, but also the building of character, the building of leadership to which the program has so mightily contributed.

I wish to congratulate the Senator on his speech.

Mr. STENNIS. Mr. President, I thank the Senator very much. I certainly appreciate his very fine and sustained interest in vocational agriculture. I know he is a member of the Appropriations Committee and is also a member of a subcommittee of that committee which will consider funds with reference to this same subject.

I know the matter will have his usual active interest and attention.

Mr. HILL. The Senator may be assured that I shall do everything in my power, as a member of the subcommittee and as a member of the full committee, to secure adequate funds for this great program.

Mr. STENNIS. I thank the Senator very much.

Mr. President, farming has been changing from an occupation which formerly required moderate amounts of capital, management, and investment in land into a business which today requires large amounts of capital, ability in technical and business management, and heavy investments in land.

I am attracted to the statement made recently by the Senator from New Mexico in this debate, that he sought to give agriculture a chance to compete for its rightful share of the economy through organized research.

How to select and combine the various enterprises on individual farms in order to increase incomes, reduce risks, and balance production with market opportunities are major problems with individual farmers. If we add to this the task of injecting modern technology into the business and managerial aspects of farming and family living, we begin to see the complexities of the job that needs to be done and the farmers' need for assistance.

None of these things can be approached without considering all of them together. The circumstances and the answers are different for each individual farm. Our combined research and educational program must be geared to solving problems on whole farm units.

ACTUAL RESULTS

What are some of the returns derived from these programs? The results can be measured. During the past 25 years, crop yields have increased 45 percent; milk production per cow has increased 20 percent; egg production per hen has increased 50 percent. The use of antibiotics in broiler production has saved millions of dollars in feed a year. Steers reach market in 15 months instead of 18. These are only a few of the examples of how our research and educational programs are contributing to the improvement of agriculture. These programs can and will come to our rescue during the present crisis which is caused mainly by surplus production. If given sufficient funds, I am confident that research can and will disclose new markets and new uses for these surplus commodities.

During a tour of my State last fall I visited and inspected a number of experiment stations and observed in the field some of the work they are doing. I was pleased with what I saw there.

I remember one place where I was shown a small plot of experimental cotton which had not had a plow or a hoe in it since it was planted. The ground was treated, when the seeds were planted, with an antiweed compound. It had not otherwise been touched by hoe, plow, or hand. That plot made a thousand pounds of seed cotton to the acre, which is approximately two-thirds of a bale.

The cost of that poison was only about $22, which is the labor cost. Anyone who is familiar with the cost of labor in ordinary years knows that that is somewhat of a reduction. Those experiments are still in their infancy. I was convinced from what I saw that when they are carried on further, they will make a valuable contribution.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. STENNIS. I am happy to yield.

Mr. JOHNSON of Texas. I wish to commend the distinguished Senator from Mississippi for the observations he is making. The Senator from Mississippi is one of the most constructive Members of the Senate. I hope the statements he is making will come to the attention of every Member of the Senate.

All of us who have served with the junior Senator from Mississippi are very proud of our association with him. All of us have learned much from him, both by precept and example.

What he is saying today in an attempt to awaken Members of the Senate and the people of the country to the necessity of carrying forward research programs in the field of agriculture should be commended. I congratulate him upon the very fine work he is doing. He does this excellent work not only in the field of agriculture, but also in the field of the defense of the Nation. I do not believe there is a Member of the Senate who is doing more to provide for a stronger America, the kind of America we all want to see preserved, than is the junior Senator from Mississippi [Mr. STENNIS].

Mr. STENNIS. I certainly appreciate the kind remarks of the distinguished senior Senator from Texas. I do not feel worthy of them, but I feel encouraged and appreciate his compliments upon the work I have undertaken.

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

Mr. STENNIS. I yield.

Mr. ANDERSON. I was very much interested in the statement the Senator from Mississippi made about the necessity of agriculture being able to conduct research in order to compete with other types of industry. In the research project which the Department of Agriculture undertook, we were advised that cotton was losing many of its traditional markets. For example, certain tire manufacturers were advertising that they had

developed tires made of synthetic material, instead of cotton, which had long been associated with the manufacture of automobile tires.

Recently I was privileged to see a new type of cotton, which is not yet available for planting, but which has a tensile strength so much greater than the type of synthetic material going into tires that cotton produced from this particular variety will be able to replace the synthetic material and move back into its normal function.

That, to me, is what research sponsored by the Government can do for the farmer. The farmer cannot do it for himself. It is impossible for the individual farmer to spend an amount of money on research which a great industrial organization like Du Pont has been able to spend in the development of one of its very worthwhile synthetics. I am not trying to be critical of the Du Pont Co.; I simply say that they have the millions of dollars with which to make it possible to study and develop a product, and to find uses for it, which the farmer has not been able to do.

The thought was that the Government would be able, by full utilization of this research act, to place in the hands of farmers, collectively, the same research which a single industry is able to conduct because of its great wealth.

I, too, commend the distinguished Senator from Mississippi for bringing this matter to the attention of the Senate.

Mr. STENNIS. I thank the Senator from New Mexico for his remarks and his illustration. In that connection, I happen to remember a statement which was made something more than a year ago about the tensile strength of cotton fiber having been increased, I believe, 18 percent at that time. Now the Senator from New Mexico brings us later word of a further increase in tensile strength through a type of cotton which has not yet been placed on the market, but which still is in the process of being developed.

Cotton is a fiber older than Egypt. It has been improved in the past few years through intelligent agricultural research to a point where new uses for it have found their way into our entire economy, to the benefit not only of cotton growers but of all people throughout the world. These developments have come particularly from research in cotton. This research is extending throughout the Nation and is reaching into every farm community throughout the country.

As I toured the branch experiment stations, I was most favorably impressed with the effective and practical methods which the stations have developed to reduce the production cost per unit of the finished product. Farming now is a highly competitive business, and greater yield at less cost per unit is a necessity. Also, I was impressed with the inquiries and actual visits which the stations have from the dirt farmers, who are anxious to see and to learn. One of the great ways in which the experiment stations teach is through direct observation.

My home State of Mississippi has actively supported the agricultural experiment program and the Extension Service over the years, and will continue to do so, all to the great benefit of our people. In many respects our programs have been at the forefront of the Nation, and we shall continue these strides.

One of the things receiving special attention in my State at this time is the adaptation of mechanical equipment to small farming operations. If this can be accomplished it will eliminate the threat of crowding out the marginal producer.

WHOLE PEOPLE BENEFIT

It is obvious that the farmer is not the only beneficiary of this program. In a wider sense all the American people are beneficiaries. This leads me to remind my colleagues that research for which we appropriate money this year will not become fully effective for several years, which means we have no time to lose. We must continually expand our research efforts in all fields if we are to continue adequately to feed and clothe an ever-expanding population, which we are told will reach 190,000,000 by 1975.

I sincerely feel that we have neglected our research and educational programs since the passage of the Research and Marketing Act of 1946. The time is past due for giving this program the attention it needs. It is encouraging to know that the President of the United States and the Secretary of Agriculture have recommended a substantial increase in appropriations for these programs, and I strongly support the most reasonable sum of $9.9 million for agricultural research, and $8.3 million for the cooperative extension program.

These Federal funds are matched more than dollar for dollar by the States and local subdivisions, and actually reach the people in virtually every farm community in the Nation.

The national enrollment of 4-H Club boys and girls is approximately 2 million. Of that number, 106,000 are in Mississippi. We could almost double this number for Mississippi, and I find there is room for expansion in many other States.

In Mississippi the total State and local contributions to extension work is approximately $1,490,000. The State appropriations for the current biennium is $1,550,000, which makes $775,000 available annually. In addition to this, the counties contribute $636,000, and various local organizations contribute additional sums. I find the same percentage or more of local support in other States.

For almost half a century these programs have represented a splendid spirit of cooperation and coordination between State and Federal agencies and employees. I have noticed in experiment stations in Mississippi that no distinction whatsoever is made as between scientists employed by the State and those employed by the Federal Government.

The cohesion and overall national viewpoint and leadership needed in these programs are supplied by the Federal funds and Federal participation. The excellent results obtained over the decades are a tribute to the system and also to the great body of professional workers who have pushed the work to new fields and new frontiers in both agricultural research and agricultural extension service.

Mr. President, I desire to read a letter I have recently received from the Home Demonstration Council, McComb, Miss., as follows:

McCOMB, MISS., *March 22, 1954.*

Hon. JOHN C. STENNIS,
Senator, Mississippi,
Washington, D. C.

DEAR SENATOR STENNIS: We, as officers of Pike County Home Demonstration Council, representing 350 home demonstration club members and adult 4-H leaders representing 1,200 boys and girls, are asking you to support with all your influence the passage of the extension and experiment station appropriation as recommended by our President and Budget Commission.

We look to our home and assistant home agent for the latest research in foods, clothing, horticulture, and home improvement, and to keep us informed on these subjects.

Our menfolks look to the county and assistance agents for latest research on farm crops and livestock.

We hope that you will feel it your duty to support these measures.

Thanks.

Mrs. T. B. STOKES,
President, Home Demonstration Council.

Mrs. SMITH MIXON,
Secretary, Home Demonstration Council.

Mr. President, I read that as an illustration of the fact that these programs really go to the grassroots. They are being used by the people every day, every week, and every month in their planning, their work, and in their daily lives.

As a member of the Committee on Armed Services, I come in contact with the tremendous and necessary military research program, which costs more than $1 billion a year. Certainly if such a military program is necessary, our agricultural programs must not be permitted to lag. Such modest increases as are proposed for the agricultural research programs are more than doubly justified. Personally, I think that the program should expand even faster.

Mr. President, I yield the floor.

PRICE SUPPORTS AFFECTING DAIRY PRODUCTS

Mr. ANDERSON. Mr. President, I have joined with the senior Senator from Vermont in the introduction of a bill S. 3208, relating to the price support program for dairy products. I do not necessarily favor the enactment of each item in the bill; however, it seems to me it is desirable that the Senate Committee on Agriculture and Forestry undertake a full-scale hearing and investigation of the economics of price support programs affecting dairy products at different levels, and the impact such programs may have on the short-run and long-run incomes of dairy producers.

A second objective to be accomplished is to stimulate thinking and promote discussion and debate among dairy farmers all over the United States as to the kind of price policies and sales promotion programs which will best serve the interests of dairymen.

Still further, it would appear that it would be helpful to stimulate thinking by the general public with respect to the most effective means of utilizing the abundance, in fact the superabundance,

which the dairy industry has demonstrated it has the capacity to produce.

Among the supplemental questions which it appears to me the Senate Committee on Agriculture and Forestry, the dairy industry, and the general public should consider, are the following:

What measures should be undertaken to dispose of stocks of dairy products which have been or may be acquired by government without unnecessarily disturbing or disrupting the normal marketing of milk and milk products?

How do rigid price supports on feed grains influence the incomes of dairy farmers? Would dairy farmers' interests be served better by trying dairy support price levels to feed grain prices or by relating them to the supply-demand situation with respect to dairy products?

At what level of price support of dairy products does it become necessary to institute production and marketing controls?

What type of restrictions on production and marketing of dairy products are practicable? Should dairy farmers vote in a referendum before strict marketing quotas are invoked?

How are we to deal with the present trend toward increased production of milk in excess of market needs and the increasing movement of supplies of dairy products into the hands of the Federal Government?

How can we best minimize the costs to United States taxpayers of stocks of dairy products acquired in connection with price-support programs?

It seems to me that a detailed exploration of these and associated problems, and of the economic problems involved in maximizing incomes of dairy producers by all those who are interested in finding the best possible answer to these problems in the interests of all, would be most helpful.

An understanding of the complex issues associated with efforts to support the price and obtain maximum utilization of dairy products is an absolute necessity. Out of such study by the Senate committee, and by people in the dairy industry all over the United States, we can expect to achieve the understanding so necessary to a sound solution of the problems of the dairy industry.

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

Mr. ANDERSON. I yield for a question.

Mr. KEFAUVER. Many of us who represent dairy interests are much interested in the bill of the Senator from Vermont and the Senator from New Mexico. I think the bill contains many worthwhile provisions and should be studied, and that legislation along the line it proposes should be enacted. However, does not the Senator feel that since on tomorrow the price supports will be lowered from 90 percent to 75 percent of parity, relief through a concurrent resolution, or in some other way, should be provided pending the study of the Senator's bill or any other measure, so that a more permanent program may be put in effect?

Mr. ANDERSON. I must say I do not think so. Since the Secretary of Agriculture has made his recent announcement, I believe the worst thing that could happen would be for him to issue another statement, to make one announcement one day and another announcement another day, going back and forth.

Already it has been pointed out that in many areas the price of milk has dropped. Certainly the prices of many other dairy products have been reduced. If the Senator will look at the record which has been made in hearings before the Committee on Agriculture and Forestry, he will find there was instance after instance where, by the 90-percent support program, the processor was protected, but the dairy farmer, even though 90-percent supports were guaranteed, was receiving as low as 70 or 75 percent of parity. As a matter of fact, the average was something like 84 percent.

A great quantity of milk flows into areas where there are milk marketing orders and agreements, and the price is held up to 90 percent or above. It is quite obvious that, across the country, the prices received by the remaining dairymen, even under the 90-percent-price-support program, ran from 70 to 75 percent. That being true, it would not do any good to mix up the situation again. I am hopeful that when the order of the Secretary of Agriculture becomes effective tomorrow, Congress may then take a careful look at the whole situation, and try to answer some of the questions I have raised in my remarks.

Mr. KEFAUVER. If dairymen in the State of the Senator from New Mexico have been suffering as they have been in my State, and they have to wait for relief until this bill or some other bill may be considered, they are going to be in a sorry plight. Such dairy farmers have already lost a great amount of money. Their herds have decreased in value. The prices they have been receiving for milk will further decrease, which will hurt the dairy industry more.

Mr. ANDERSON. I question how far the price of milk is going down; we will have to wait and see. But in great areas of this country which are under milk-marketing agreements, the prices of milk are not fixed by the prices of butter, necessarily. They may be in some areas, and not in others. But I think the Members of the Congress will be well advised to take a look at the Dairy Situation, a publication of the Department of Agriculture, and particularly at the issue of March 1, 1954. I refer to page 4, from which I read:

> Though consumer incomes were highest on record in 1953 and retail prices a little lower than in 1952, consumption of some dairy products declined.

Mr. President, that is a measure of poor sales work on the part of those handling dairy products, because at the same time we find that sales of various other liquid groups have been moving up very rapidly.

I do not wish to continue to use the illustration of beer only, but we have been hearing a great deal of greatly expanded beer sales. Possibly some of the expansion in beer sales is due to greatly expanded beer salesmanship. Perhaps some of that type of salesmanship could be applied to selling milk, which is certainly one of the finest products known to man.

A little further on page 4 appears this statement:

> The decline in the United States average price received by farmers for all milk from 1953–54 marketing year to 1954–55 probably will be no greater than, if as large as, the decline which took place from 1952–53 to 1953–54.

That simply means it has not suddenly happened, the price decline has been going on. The accumulation of surpluses has had something to do with it. Even though there is in effect a 90 percent guaranteed-price program, farmers are not necessarily going to receive 90 percent any more than the growers of wheat received 90 percent when 90 percent support prices were in effect. The average price has been well below that, and is now well below it. At one time the wheat growers received well below 80 percent, even though 90 percent prices were guaranteed. Even though 90 percent was guaranteed, corn is now selling at 76 percent of parity. Even though 90 percent was guaranteed on dairy products, the producer got from 70 to 90 percent with an average nationwide of 84 percent. All the program did was to result in a profitable creamery industry, while the farmers found themselves in the sort of situation which the Senator from Tennessee has mentioned.

On pages 4 and 5 of the March 1954 issue of the Dairy Situation, there are contained some additional figures:

> In the past 2 years the number of milk cows on farms increased 6 percent.

As of the beginning of 1954, that was the largest number of milk cows on farms since January 1, 1947. That is of some interest. An examination of the chart on page 5—and I hope all Senators who are interested in reviewing the dairy situation will examine it—will disclose that from 1940 straight through to 1947, there were more cows on farms than there are at this time, even though this is a fairly high year. In that period we had heavy military demands, and it was possible to sell milk products very quickly to the military. Enormous quantities of ice cream were made. There was high employment throughout the country, and there was the very highest consumption of these goods. It might be that we became a little bit lax in respect to sales. Selling was so easy people would not work at it.

The chart refers to all sections of the country; and table 2, on page 6, shows that the increase in dairy-cow numbers was not, as was testified a day or two ago before the Senate Committee on Agriculture and Forestry, confined to one small pocket, but occurred all over the United States.

On page 7 we find the statement:

> The upturn in the number of milk cows which began in 1952 has occurred in all regions of the country.

A little farther down on that page we find the following:

> MILK PRODUCTION PER COW AT A RECORD IN 1953
>
> In most periods for which records are available, changes in numbers of milk cattle have been accompanied by changes in the

opposite direction in the production of milk per cow. One reason for this was that the average quality of cows kept tends to vary inversely with the number kept. In every previous period in which numbers of cows increased, the rate of production per cow showed no increase. In the current upturn in cow numbers, however, the average production per cow has steadily increased and in 1953 reached a new high of 5,447 pounds, compared with 5,329 pounds in 1952, and 5,313 pounds in 1951.

Mr. President, we do not need look much further than that, in order to know what some of the trouble has been, namely, a tremendous increase in the number of cows and at the same time an increase in productivity per cow. A man need not be very smart to know that such a situation will produce a surplus, if the increase is greater than the amount of normal consumption in the United States.

Mr. President, if Senators will examine page 8 they will find the headline, "Milk Production Now Running at a Record Rate."

A little farther down on the same page, Senators will see the headline, "Use of Milk in Butter and Cheese Increased Sharply."

There follows this statement:

As a result, plants making butter, American cheese, and nonfat dry milk absorbed the equivalent of practically all of the increase in farm production of milk.

All of it went into the stocks of the Commodity Credit Corporation and was bought by the Treasury of the United States—400 million pounds of dry skim milk solids, 300 million pounds of butter, and 300 million pounds of cheese; and when we get through, 600 million pounds of skim milk powder will find their way into Commodity Credit stocks.

Mr. President, if we really wish to find out what is wrong with the dairy situation, we can find it by reading this publication of the Department of Agriculture, which analyzes the dairy situation.

SUBSERVIENCY OF HEARING EXAMINERS TO THEIR AGENCIES—ADDRESS BY CHARLES S. RHYNE

Mr. McCARRAN. Mr. President, at the southern regional meeting of the American Bar Association, Mr. Charles S. Rhyne, of Washington, D. C., delivered before the administrative law section of the association an address in which he contrasted the trial of an administrative agency case with the trial of a case in court. The Bar Association could not have heard from a better man on this subject, for Mr. Rhyne is a lawyer's lawyer, with broad and varied trial experience both in court and before administrative tribunals, besides being a specialist in appellate practice.

Not only did Mr. Rhyne make an excellent and most instructive address, Mr. President, but in the course of his remarks he very effectively pointed up one of the major problems in seeking to make the Administrative Procedure Act effective in accordance with its objectives; namely, the problem posed by the subserviency of hearing examiners to their respective agencies. Until we can somehow achieve independence for hearing examiners, the purposes of the Administrative Procedure Act can never be satisfactorily realized.

This is the underlying problem which led me to introduce my bill, S. 1708, to provide for Presidential appointment and Senate confirmation of hearing examiners. Mr. Rhyne's remarks show so clearly the need for some effective action to deal with this problem that I ask unanimous consent that the text of his address be printed at this point in the RECORD, as a part of my remarks.

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

With respect to the question of trying an administrative case, it should be pointed out at the outset that we are not now talking about those administrative proceedings, commonly called rulemaking, which are essentially legislative in nature. Rather, we are talking about adjudicatory proceedings.

Our case could be an accusatory (or a disciplinary) case which has been initiated by the agency itself. An example would be a complaint issued by the Federal Trade Commission charging unfair trade practices. Or our case could be a dispute between private parties. Such cases arise frequently, for example, before the Federal Communications Commission when two qualified applicants seek the same radio or television facilities and the Commission must decide which should be preferred on the basis of the public interest, convenience, and necessity. Or our case could be one where our client himself initiates a proceeding to establish a right or a claim and in which he may or may not be opposed by agency counsel or other private persons. Certain claims before the Social Security Administration, or Veterans' Administration, or the Office of Alien Property, are examples.

Now, what of the lawyer whose client is involved, or seeks to become involved, in a proceeding of this sort? First of all, he should get into the case at the earliest possible moment by advising the agency, agency counsel, and counsel for other parties that he is representing his particular client. Perhaps it will be appropriate to seek a conference with agency or other counsel in the case. Perhaps, if the case has already been assigned for hearing, he should seek a prehearing conference where one has not been formally ordered.

I have no hesitation in asserting that a lawyer who is experienced in handling cases in court is better equipped to handle an administrative case than the lawyer experienced only in administrative practice is to handle a trial at first instance in a court of law. This is not to say that you can in all respects try an administrative case in just the same way that you do a case in court. You cannot. But, then, neither can you try any two court cases in the same way.

Our interest, however, lies in those differences in preparation and technique which arise more from the differences between the administrative and judicial forums than from the inevitable differences between the factual and legal contexts of any two cases. In an administrative case, as in a court case, you come up in the end with a decision based upon some statute, rule, regulation, decision, or other foundation in law.

The first differences that come to mind are those which are so often mentioned and so often exaggerated: the informality of administrative trials, the relaxed interpretation of the rules of evidence, and the comparative unimportance of pleadings in administrative practice. But do not let that informality or relaxed interpretation mislead you—in the ultimate decision you must relate the evidence up to the foundation in law to which I have just referred. It is a good guiding principle to adhere to good nonjury courtroom practice. The so-called administrative informality is no excuse for carelessness. Put it this way: the fact that in some agencies counsel, witnesses, and the examiner may smoke cigarettes during the hearing does not mean that they can afford to ignore all rules of evidence or all courtroom proprieties. Certainly the alleged informality of administrative proceedings does not relieve counsel from the obligation of thorough, careful, grinding preparation. In that respect the administrative case and the court case are identical: careful preparation of all aspects of the case, thorough familiarity with all legal questions that might arise, accurate and proper exhibits, and a good trial brief are essential to success. So do not let administrative hearing informality mislead you into thinking that informality means you can win your case without thorough preparation. If you are unprepared, agency and opposing counsel will swamp you. Rest assured they will be prepared.

And certainly it is essential for the lawyer engaged in an administrative case to be thoroughly familiar with the rules of procedure of that particular agency in that particular type of case in which he is interested. Every agency has its own rules of procedure. They are of necessity often quite detailed. Sometimes, and in some agencies, they seem baffling and ambiguous. Perhaps it is because they are so readily and so frequently changed (although some would say they're not changed often enough), but agency rules of procedure seem to me to compare very badly with the Federal Rules of Civil Procedure and with all court rules with which I am familiar on the point of clarity and on the point of covering all situations. The Administrative Procedure Act cannot remedy this difficulty, since it was not intended as a code of practice and procedure for all agencies.

It is very definitely my opinion—and I know that while some would disagree with me others would phrase it even more strongly—that the rules of procedure in some administrative agencies contain more traps for the unwary than do court rules, certainly more than the Federal Rules of Civil Procedure. For all their alleged informality, administrative agencies sometimes seem to be veritable jungles of procedural technicalities. This can be a real problem because of the lack of published services and indexes covering practice in some agencies. Such services are needed, of course, for both the substantive and procedural aspects of agency practice. There are such tools available for some agencies, such as the Interstate Commerce Commission and the Federal Communications Commission. The lack of such publications for other agencies often means that the inexperienced practitioner must go to members of the agency itself for guidance in understanding the agency's rules and in ascertaining agency precedents. Where necessary, you ought not to hesitate even to seek the advice on matters of procedure of the agency counsel who is your adversary.

The actual hearing of your case will be preceded by the issuance of a notice of hearing by the agency, giving the time and place of hearing. This notice also usually gives the name of the hearing examiner, or it may be accompanied by another notice which gives his name. The Administrative Procedure Act requires that the notice of hearing inform the parties of "the matters of fact and law asserted." These can, of course, and frequently are, referred to in the most general terms only. However, some agencies have found it desirable or necessary to specify in considerable detail the issues upon which the hearing will be held.

If your case is a disciplinary or accusatory one, the notice of hearing will have been

preceded by the service of a complaint upon your client and by the filing of his answer. A case of this sort is somewhat analogous to a criminal proceeding in court, and like the institution of a criminal proceeding in court the institution of a disciplinary administrative proceeding is usually preceded by a thorough investigation by the agency which brings the charges. The person or company charged, that is, your client, is often taken completely by surprise by the institution of the case against him. This means that agency counsel has the great initial advantage of thorough preparation and surprise. The disadvantage to you is accentuated by the fact that generally your client must respond or answer within 10 or 20 days and that almost immediately thereafter the matter is set down for hearing. It is obvious that counsel for a person cited in an administrative disciplinary proceeding must move very quickly in order to attempt to develop the facts on his side. Moreover, he must generally move without benefit of the discovery devices which are now so widely used by practitioners in civil cases before the Federal courts.

Sometimes, for example in the Post Office Department, the attorney for a client charged in an agency disciplinary proceeding must move not only without benefit of discovery but also without the assistance of subpenas. You cannot assume that you will be able to use subpenas in all agencies. Not all of them have authority to issue subpenas. The Administrative Procedure Act goes no further than to state that hearing examiners have authority to "issue subpenas authorized by law." In other words, the Administrative Procedure Act itself does not authorize hearing examiners to issue subpenas. You can have your subpena only if the agency itself has statutory authority to issue subpenas. And sometimes the agency itself has restrictive rules regarding subpenas. Naturally, the lack of or limited power or authority to issue subpenas often proves frustrating to counsel engaged in trying a case before an agency.

In agency hearings which are essentially disputes between private parties, some agencies make effective use of prehearing techniques. Unfortunately, the prehearing device is not generally used in disciplinary or accustatory proceedings. In those proceedings where prehearing techniques are used, they can compensate to a certain extent for the lack of discovery procedures; that is, they can pretty well eliminate the element of surprise from the hearing proper. The purpose of an agency prehearing conference is similar to the purpose of pretrial in court cases: to simplify the issues, exchange exhibits, obtain admissions of facts and of documents, limit the number of expert witnesses, agree upon matters of which official notice can be taken, and so forth. In many instances, this narrows the issues considerably in contested cases. After the prehearing conference is held, and possibly after a prehearing order has been issued, the case comes on for hearing. Also, the prehearing conference, as in court, often offers you an excellent opportunity to settle the case.

Your case will generally be heard by a hearing examiner. It has been my experience that most of our Federal hearing examiners are extremely able men. They are, with some few exceptions, lawyers, learned in their specialized fields and with considerable experience in the trial or hearing of cases. In general, they have all of the qualifications of courage, impartiality, and broad legal competence possessed by our Federal and State judges. In addition to that, they are specialists. They have a broad knowledge of the subject matter of their agency so that you do not have to spend as long educating a hearing examiner about the subject matter of your case, as you sometimes need to do in court with judges. If your case is an accusatory or disciplinary one, or if it is any type of case in which the agency itself is a party, you will undoubtedly be disturbed at the realization that the hearing examiner assigned to hear your case is employed by and selected by one of the parties to your case, the agency itself. The fact that hearing examiners are agency employees has caused concern not only among litigants and parties but also among the hearing examiners themselves. In no other forum can a party litigant fire the judge or control the amount of his compensation, but agencies who are litigants have those powers. This is a deplorable situation which does exist and which must be accepted until the Administrative Procedure Act is amended to make hearing examiners independent so as to remove all doubt of their ability to render impartial decisions for or against the agency's position. You can proceed, however, with the assurance that the corps of Federal hearing examiners is composed of able, competent, and fair men—they will generally lean over backwards to avoid unfairness growing out of the control of their compensation and advancement by their agencies.

The hearing before an examiner proceeds very much like a trial before a court sitting without a jury. In general, the hearing examiner at the outset will insert into the record the order of the agency setting the matter for hearing, will have the appearances of the parties noted, and then will allow opening statements from the parties. Then the evidence is presented by the party having the burden of proof. In disciplinary proceedings, this, of course, means the agency itself. In other cases the order of procedure will probably have been settled by a prehearing conference, by stipulation, or by custom. Incidentally, some have detected a tendency in appellate courts to find a waiver of illegal procedures unless they are objected to on the record at the hearing. If, therefore, you object to the lawfulness of the hearing or even to the jurisdiction of the examiner, you should do so on the record at the hearing. (See *U. S. v. L. A. Tucker Truck Lines* (344 U. S. 33, 1952).)

You may find yourself disturbed—or possibly you will find yourself delighted—by the possibility of interlocutory appeals from an examiner's ruling. As you well know, interlocutory appeals from rulings of trial judges are generally frowned upon, and they are extremely difficult to maintain with any success in appellate courts. But all too often some of our administrative agencies seem bent on impressing on their examiners, on agency counsel, and on the bar in general that they will entertain interlocutory appeals almost as a matter of course. Where such a policy or practice on interlocutory appeals obtains, the hearing examiner is, of course, constantly threatened—tacitly and otherwise—with such appeals, with the threat seeming to come most frequently and most regularly from agency counsel. Sometimes counsel tells an examiner quite openly "If you rule against me, I am appealing your ruling to the Commission." The effect of such a threat—especially by agency counsel—is naturally disturbing to the examiner or so it has sometimes appeared to me. I suggest that this is one of those instances where administrative agencies could, with profit, follow the example of the courts and, as a general rule, leave interlocutory objections for determination when the entire case is on appeal.

I regard it as unfortunate that hearing examiners, who have so much of the responsibility of trial judges in the courts, do not have more of the authority of those trial judges. In addition to agency readiness to consider interlocutory appeals, there is the fact that some agency rules withhold from examiners authority to pass upon such matters as a motion to intervene, a motion to add an issue, or even to issue subpenas. The existence of such rules together with the policy of liberality on entertaining interlocutory appeals do little to enhance the status, prestige, and authority of hearing examiners. Moreover, the result not infrequently is as many as 4 or 5 or even more opinions in a single case prior to the issuance of the final agency decision in that case.

To my mind, the most important distinction between the trial of an administrative case and the trial of a case in court is the difference in the part played by proposed findings of fact and conclusions of law in the two situations. The filing of proposed findings in a court is often—not always of course—an anticlimax. The judge has ruled in your favor and directs or allows the filing of proposed findings. In an administrative case, however, the consideration of proposed findings is usually a necessary part of the decisional process. Your proposed findings of fact and conclusions of law filed with the examiner become, and remain, a part of the record to be considered by the agency itself and by the reviewing courts. The preparation of proposed findings of fact calls for the most skillful advocacy. Their object is to persuade the finder of fact rather than to reinforce him in an opinion already reached. Ideal findings of fact in an administrative case will both tempt and threaten the examiner—tempt him with their clarity, completeness, and reasonableness and by virtue of those same qualities threaten him with reversal if they are ignored. No part of the administrative practice is more important than the preparation and filing of proposed findings of fact.

Good proposed findings presuppose a well-prepared and well-presented case at the hearing. They presuppose also long study and absolute familiarity with the transcript, exhibits, and evidence. They require that you keep clear in your own mind, and in your proposals, not only the distinction between, but also the interrelationship between, findings of fact and conclusions of law. Your proposed findings of fact should be just that—facts—but they should be so stated, arranged, and presented as to lead logically and irresistibly to the conclusions of law for which you contend. Proposed findings of fact have the importance in the administrative tribunal that the prayers for instruction and summation to the jury have in a trial in court.

After the hearing examiner has issued his initial decision, assuming that he has been authorized to do so and that he has not been limited merely to recommending decisions or even certifying the record only, there is an opportunity for agency review of his decision. You may or may not have an absolute statutory right to oral argument before the reviewing authorities. It depends on the agency and on the case. The Federal Communications Commission, for example, is required to hear oral argument in some, but not in all, types of appeals.

Generalizations have little validity in this area, but I believe that it can be said that most of the agencies and departments are coming to recognize the desirability of hearing oral argument on an appeal from an examiner. This does not apply, however, to interlocutory appeals: despite their hospitality to interlocutory appeals, there is considerable reluctance on the part of the agencies to allow oral argument prior to their disposition.

It is at the point of appeal that one notes the greatest difference between the great regulatory agencies—such as the National Labor Relations Board, the Federal Trade Commission, and the Civil Aeronautics Board—which are, so to speak, in the quasi-judicial business and the other departments which function only incidentally in a quasi-judicial capacity. In these other departments, appeal usually lies not to a group, but rather to a single individual who will probably have

little time to spare for the consideration of your appeal. In studying the record and in preparing his opinion, he is probably going to have to rely heavily on others in his department. The situation in these departments can be quite frustrating and disconcerting to the lawyer who is accustomed to the proprieties of our Federal and State courts of appeal. Here one often gets a so-called institutional decision in which many agency employees may aid as compared with the "personal" decision of a court judge.

What can I say in summing up other than that you cannot try an administrative case in exactly the same way you do a case in court, but only in pretty much the same way? Administrative practice has its fictions and its shibboleths even as does court practice. It has its own procedural technicalities. It is, I believe, unnecessarily bedeviled by a failure on the part of most agencies to give more authority to the hearing examiner. There is perhaps too much of an evangelical approach on the part of the agency counsel and too little respect all around for the procedural aspects of due process, but it's interesting practice, it's lively, it is definitely in the Anglo-American tradition, and it presents no insuperable obstacles to a lawyer who has spent any time at all sweating it out in State and Federal courts.

WHY RETURN TO GOLD—ARTICLE BY HENRY HAZLITT

Mr. McCARRAN. Mr. President, my attention has been called to a very short article bearing the title "Why Return to Gold?" written by Henry Hazlitt, and published in the Business Tides section of the January 4, 1954, issue of Newsweek magazine. Because the article is extremely thought provoking, with a depth and cogency out of all proportion to its size, I ask unanimous consent that it be printed at this point in the CONGRESSIONAL RECORD as a part of my remarks.

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

WHY RETURN TO GOLD?

(By Henry Hazlitt)

Forty years ago practically every economist of repute supported the gold standard. Most of the merits of that standard were clearly recognized. It was, for one thing, international. When the currency unit of nearly every major country was defined as a specified weight of gold (previous to 1934 the American dollar for example, was defined as 23.22 grains of fine gold) every such currency unit bore a fixed relation to every other currency unit of the same kind. It was convertible at the fixed ratio, on demand, to any amount, and by anybody who held it, into any other gold currency unit. The result was in effect an international currency system. Gold was the international medium of exchange.

This international gold standard was the chief safeguard against tampering with the currency on the part of politicians and bureaucrats. It was the chief safeguard against domestic inflation. When credit inflation did occur, it produced a quick sequence of results. Domestic prices rose. This encouraged imports and discouraged exports. The balance of trade shifted against the inflating country. Gold started to flow out. This caused a contraction of the bank credit based on the gold, and brought the inflation to a halt.

Usually, in fact, the chain of consequences was shorter, quicker, and more direct. As soon as foreign bankers and exchange dealers even suspected the existence of inflation in a given country, the exchange rate for that country's currency fell below the gold point. Gold started to flow out. Then the central-bank managers of the country that was losing gold raised the discount rate. The effect was not merely to halt credit expansion at home, but to draw funds from abroad from lenders who wanted to take advantage of the higher short-term interest rates. The gold flow was stopped or reversed.

Thus so long as the gold standard was resolutely maintained, a whole set of related benefits ensued. Domestic currency tampering and anything more than a relatively moderate inflation were impossible. As gold convertibility had to be maintained at all times, confidence had to be maintained not only through every year but every day. Unsound monetary and economic policies, or even serious proposals of unsound policies, were immediately reflected in exchange rates and in gold movements. Unsound policies or proposals had to be quickly moderated or abandoned.

Because there was a fixed and dependable exchange ratio as well as free convertibility between one currency unit and another, international trade, lending, and investment were undertaken freely and with confidence. And, finally, the international gold standard established (apart from differences caused by shipping costs and tariffs) uniform world prices for transportable commodities—wheat, coffee, sugar, cotton, wool, lead, copper, silver, etc.

It has become fashionable to say that in a major crisis, such as war, the gold standard "breaks down." But except to the extent that the citizens of a country fear invasion, conquest, and physical seizure of their gold by the enemy, this is an untrue description of what happens. It is not that the gold standard "breaks down," but that it is deliberately abandoned or destroyed. What the citizens of a country really fear in such crises is inflation by their own monetary managers, or seizure of their gold by their own bureaucrats. This inflation or seizure is not "inevitable" in wartime; it is the result of policy.

In short, it is precisely the merits of the international gold standard which the world's money managers and bureaucrats decry. They do not want to be prevented from inflating whenever they see fit to inflate. They do not want their domestic economy and prices to be tied into the world economy and world prices. They want to be free to manipulate their own domestic price level. They want to pursue purely nationalistic policies (at the expense or imagined expense of other countries), and their pretenses to "internationalism" are a pious fraud.

THE DOLLAR-GOLD RATIO—ARTICLE BY HENRY HAZLITT

Mr. McCARRAN. Mr. President, in the March 1 issue of Newsweek magazine there appeared an article under the title "The Dollar-Gold Ratio," by Mr. Henry Hazlitt. The article is so cogent and so much in point to one of the problems now urgently demanding the attention of the Congress, that I ask unanimous consent that this relatively short article be printed at this point in the RECORD, as a part of my remarks.

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

THE DOLLAR-GOLD RATIO

(By Henry Hazlitt)

One of the most serious hurdles in the path of a return to the gold standard is the wide disagreement, even among those who favor such a return, regarding the exact dollar-gold conversion rate at which that return should be made.

The gold-standard supporters are divided into three main groups: (1) Those who think we could safely return to a full gold standard at $35 an ounce; (2) those who urge return to a full gold standard at some specific higher price for gold (e. g., $70 an ounce) which they claim they already know to be the correct one; and (3) those who recommend that we permit a temporary free market in gold for the guidance it will provide in fixing a final dollar-gold conversion rate.

I have already discussed (Newsweek, January 18) the main arguments of those who urge a return to gold at $35 an ounce, and what I consider to be some of the shortcomings of those arguments. Those who are urging that we set the price of gold at a higher figure, and who claim to know already what that figure should be, commonly base their conclusion on some comparison of price levels. For example, since 1932, the last full year in which we were on a real gold basis (at $20.67 an ounce), wholesale prices have increased 162 percent. On the argument that only a corresponding increase in the price of gold could prevent a fall in prices if we went back to a full gold standard, the new price of gold would have to be about $54. Again, the price of gold was set at $35 an ounce on January 31, 1934. For the next 7 years wholesale prices averaged only 47 percent of their present level. If we assume that $35 was the right price of gold in those 7 years—1934–40—then the price of gold necessary to maintain the present wholesale price level might have to be about $75.

The dubious nature of the assumptions behind such calculations is clear. But the rate at which we return to a full gold standard is not a matter of indifference. Charles Rist, one of the world's leading monetary economists, argued in a powerful article in Foreign Affairs in April 1934 that one of the major causes of the world crisis of 1929–33 was the attempt of leading countries, including the United States, to maintain or return to gold convertibility at their prewar rate for gold after having enormously multiplied their paper currency circulation.

The case of Great Britain is clear. It had gone off gold in the First World War. The pound had dropped from a gold parity of $4.86 to a low of $3.18 in February 1920, and had returned in late 1924 to approximately 10 percent below the gold parity. But wholesale prices in Britain in 1924 were still 70 percent above their prewar level. The British Government decided to resume the gold standard at the old par in 1925. The result was a steady fall in wholesale prices over the next 7 years from an index number of 171.1 (1913 equals 100) in January 1925 to 99.2 in September 1931, the month in which England abandoned the gold standard. As the British all during this period were unwilling to make corresponding cuts in retail prices and wage rates, the result was falling exports, stagnation, and unemployment. And it was the gold standard itself, not the false rate (or the internal inflexibility of wages), that got the popular blame.

The British repeated this pattern in essence in the summer of 1947, when they tried to make the pound convertible into the dollar at the wholly unrealistic rate of $4.03. When that experiment broke down within a few weeks, the British once more blamed convertibility itself, and not the false rate, for the breakdown.

It is of the highest importance not only to our own economic future, but to the future of the world, that we do not repeat the British errors by trying to return to gold convertibility at an overvaluation of the paper dollar (which would mean an undervaluation of gold). A temporary free market in gold would give us more guidance regarding what the new conversion rate should be than

either an adamant insistence on $35 an ounce or some dubious calculation based on a pure theory.

APPOINTMENT OF TRIAL EXAMINERS BY THE PRESIDENT, WITH THE ADVICE AND CONSENT OF THE SENATE—EXCERPT FROM ADDRESS BY PHILIP RAY RODGERS

Mr. McCARRAN. Mr. President, on March 5, Mr. Philip Ray Rodgers, a member of the National Labor Relations Board, addressed the southern regional meeting of the American Bar Association. In the course of his address, Mr. Rodgers expressed his views with respect to the need for legislation to provide that trial examiners be appointed by the President, by and with the advice and consent of the Senate.

Because of the present great interest in this subject, and the fact that a bill to accomplish this objective is now pending in the Senate—S. 1708, which I introduced in the last session, I ask unanimous consent that this particular portion of Mr. Rodgers' address be printed at this point in the RECORD, as a part of my remarks.

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

A second step which I, as an individual member of the Board, believe should be taken to strengthen the quasi-judicial stature of this agency is the enactment of legislation to provide that trial examiners be appointed by the President, by and with the advice and consent of the Senate.

I am convinced that this action, in and of itself, would do more to enhance the public acceptance and support of quasi-judicial agencies than any other step that could possibly be taken.

In many respects, trial examiners are the most important single component in our administrative jurisprudence. They constitute the court of primary jurisdiction, and as such perform functions similar to, and fully as important as, those performed by judges of the United States district courts. Public confidence in the administrative process depends in great part on the competence, impartiality, judgment, and manner of the trial examiners. The position which they occupy should therefore be accorded the public stature which attaches to Presidential appointments, generally.

This proposed system of Presidential appointment of trial examiners would be attended by political influences of no greater magnitude than those already involved in the present system of appointing Federal judges. And the Federal judiciary, whatever its shortcomings, enjoys the full support of our people and the confidence of those who appear before it. That situation, unfortunately, does not obtain in the case of many Government trial examiners.

Moreover, in my opinion, it is better that whatever political considerations are present in this area be subjected to the open examination of the press, public, and other interested parties, as in the case with Presidential appointments generally, rather than that they be left to lurk in the unexplored recesses of bureaucratic obscurity. The politics of bureaucracy are more sinister, more irresponsible, and more difficult to detect than the politics of a duly elected Chief Executive, whose every act is subject to full public comment and complete public analysis. It is more in keeping with the public weal that a trial examiner survive the open, thorough public analysis and investigation accorded most Presidential appointments than that he survive the unexplained and ofttimes unexplainable maze of weighted factors, personality ratings, and staggered eligibility lists which are the private hallmarks of bureaucracy.

Moreover, I am convinced that once our trial examiners achieve the stature of Presidential appointment, their rulings will be more readily accepted by the parties, without routine recourse to the Board and the courts. This is a result with which no one can quarrel, for it means the more rapid resolution of cases, and the more immediate resumption of true collective bargaining. Indeed, such a result would tend to dispel one of the most prevalent, if not the most accurate, complaints levied against this agency—that it does not issue live decisions, it publishes epitaphs.

PROBLEMS OF HEARING OFFICERS IN THE EXECUTIVE BRANCH

Mr. McCARRAN. Mr. President, from Mr. Michael Driscoll, a hearing officer with the Interstate Commerce Commission, I have received a letter and a statement which I believe my colleagues will find both helpful and enlightening. The statement deals with the problem of hearing officers in the executive branch, which is one of the most troublesome problems in the field of administrative law today.

In his statement Mr. Driscoll refers to the bill S. 1708, now pending before the Committee on the Judiciary, which would provide for appointment of hearing officers by the President, with the advice and consent of the Senate.

I ask unanimous consent that Mr. Driscoll's letter and the statement to which I have referred, together with the text of Senate bill 1708, be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter, statement, and bill were ordered to be printed in the RECORD, as follows:

FEBRUARY 1, 1954.

Hon. PAT McCARRAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The President's Conference on Administrative Procedure has requested my views on the problems of hearing examiners. I am enclosing a copy of my response to that request.

I am convinced that the decision by the Supreme Court of the United States in the hearing examiners' case has made it necessary to amend the act.

With my respects and good wishes, I am,
Very respectfully yours,
MICHAEL B. DRISCOLL.

VIEWS OF MICHAEL B. DRISCOLL ON THE SUBJECT OF HEARING OFFICERS

These expressions are strictly limited to long and actual experience with Bureau of Motor Carriers, Interstate Commerce Commission. These are not criticisms, nor do they present any personal problem. There is no intention to impute improper motives to any person. They are intended as fair but forthright statements of fact.

My agency did not take to the Administrative Act with glee. It opposed the idea. When it became subject to the act, it left outside the effects of the act a very great part of its hearing work. When the courts declared this work under the act, the agency, with very few exceptions (and these practically all by choice), made every single one of its eligible examiners a hearing officer. It went further. It even made the chief examiner and his assistants hearing officers. If the act permits such a diluting and cheapening of status, it obviously ought to be amended or repealed.

In addition to that matter of status, there is the obvious anomaly of the chief examiner and his assistants, being hearing officers and being, in actual practice and for all practical purposes, supervisors of other hearing examiners. While it is a great pleasure to work for them, how can one group of hearing examiners be officers of the agency and de facto supervisors of hearing officers, and at the same time be hearing officers? If they can be under the act, that act should be amended or repealed.

Just a couple of weeks ago, for example, the chief examiner called the hearing officers to a meeting and more or less said, in effect, do so and so or some kind of supervisory action will be taken. I certainly have no objections to the order, but how could that be reconciled with the alleged free and independent judgment of hearing officers? Under the present law, these things are both possible and probable, so that the act should be amended or repealed.

The biggest single joker—and it is not so funny to many people—is that, under the present law, an assignment officer can for years and years assign one man small and unimportant cases, and at the same time assign another man large and important cases. The results are obvious. Under civil-service practice, which has prevailed up to this time, the small fry, regardless of increased ability or experience, would forever remain a small fry, while the other person, even though not as experienced or as able, would be in the clover all of his days. This is the meanest single possibility in the whole setup. There could also be preferences and prejudices from the ability of assignment officer to see that one man got good stops and good territories, while another got cooled off in winter and warmed up in summer. I do not imply anyone has done these things, but they are human possibilities. The Interstate Commerce Act has some of its most important sections devoted to remedies for preference and prejudice and discrimination. Any law which even theoretically permits such preferences, prejudices, and discriminations should be amended or repealed.

The hearing officer today has no facilities under his control and no right to facilities, so that he is consequently wholly dependent upon agency officials for space, appliances, and secretarial assistance. This may appear as a small point, but it has the effect of placing hearing officers in a situation where, for their merest necessities, they must apple polish, appease, or trust to luck. Any law which permits such dependence should be amended or repealed.

The law has something to say about a hearing officer not doing work inconsistent with his duties, but who shall be the judge? If I am handed a piece of work, I have the choice of doing it or of making an ineffective nuisance of myself. There is no person nor authority to which I can appeal. If there is, the address is here solicited. Any law which recognizes the importance of a possible abuse and yet makes no effective provision for its avoidance should be amended or repealed.

From experience, observation, and study, I have concluded that, outside of some additional words, and some technical changes that add up to nothing more than empty words, the Administrative Act has amounted to nothing more than a flock of new names in the arsenal of bureaucracy. If this is found to be true, the act should be amended or repealed.

Having reached those conclusions, I am convinced that the act should be amended in such a way as to carry out its objects or that, in the alternative, it should be repealed.

Having such views, I am therefore in favor of S. 1708 by Senator PAT MCCARRAN.

If I have any problem, it is only that I prefer to be either an independent hearing officer or a plain old-fashioned agency examiner; and that I do not wish to be a make-believe hearing officer.

S. 1708

A bill to amend section 11 of the Administrative Procedure Act, and for other purposes

Be it enacted, etc., That section 11 of the Administrative Procedure Act (60 Stat. 244; 5 U. S. C. 1010) is amended to read as follows:

"SEC. 11. (a) The President shall appoint, by and with the advice and consent of the Senate, to and for each agency such number of qualified and competent examiners as may be required for proceedings pursuant to sections 7 and 8. Such appointments shall be made without reference to political affiliations and solely on the basis of character and fitness. Each examiner so appointed shall receive compensation at the rate of $14,000 per annum, shall hold office during good behavior, and may be removed only for neglect of duty, misconduct in office, or physical or mental disability. Removal of any examiner for any such cause may be accomplished only upon final order of the United States district court for the district in which such examiner is stationed in a civil action for removal instituted by the agency in which such examiner is serving. No examiner shall be removed from office by reason of any reduction in force within any agency, any reorganization of or affecting any agency, or for any other reason (except for cause as herein provided) unless provision for such removal is made expressly by law hereafter enacted.

"(b) Examiners appointed pursuant to this section shall perform no duties inconsistent with their duties and responsibilities as such. Such examiners are hereby declared to be administrative judges and subject in all respects to the canons and standards of conduct applicable to members of the Federal judiciary. Within any agency, they shall be assigned matters and proceedings in rotation except to the extent that their unavailability may otherwise require. Upon a showing of need in each case, agencies may obtain the services of examiners temporarily assigned thereto at the direction of the President from other agencies on a reimbursable basis."

SEC. 2. Any hearing commenced before the date of enactment of this act by any examiner appointed under section 11 of the Administrative Procedure Act shall be completed by such examiner, who for that purpose shall serve as a temporary examiner. Any examiner heretofore appointed pursuant to such section may serve as a temporary examiner until he is replaced by an examiner appointed pursuant to such section as amended by this act. No examiner while serving pursuant to this section as a temporary examiner shall receive increased compensation by reason of the enactment of this act.

PROPOSED TEMPORARY EXTENSION OF DAIRY PRICE SUPPORTS

Mr. KEFAUVER. Mr. President, I desire to call the attention of the Senate to the fact that today is March 31. This is our last chance to block the blow aimed at the dairy farmers of the Nation tomorrow—when dairy price supports will suddenly be dropped from 90 to 75 percent, while everything the dairy farmer has to buy remains at 90 percent.

A few days ago, I called attention to what that will mean to my home State of Tennessee, where the inventory value of dairy herds has already dropped $50 million and where there has already been a decline of 20 percent in the farmers' income.

Earlier this week I introduced a joint resolution extending the supports for a 90-day period. Similar measures calling for temporary extensions have been introduced in the Senate. In the House, Representative LESTER JOHNSON of Wisconsin, has been leading a fight for a temporary extension. I am quite sure that if we can vote on a temporary measure today, it will pass the Senate and the House by substantial margins.

Why will not the leadership permit that to happen, so we can have time to study the other more permanent solutions? I personally favor the bill which a number of us have co-sponsored with the distinguished senior Senator from Minnesota [Mr. THYE], which would tie the dairy price supports to other support prices. I think there is much merit in the bill introduced yesterday by the Senator from Vermont [Mr. AIKEN] and the Senator from New Mexico [Mr. ANDERSON].

But we need time to work out these more permanent solutions.

Today we need to pass the temporary extension.

WHOLESALE FOOD PRICES REACH THEIR HIGHEST POINT

Mr. MAYBANK. Mr. President, farm prices keep going down, down, and down. An Associated Press dispatch from New York today reads as follows:

NEW YORK.—Wholesale food prices as measured by Dun & Bradstreet, climbed this week to their highest point since the agency started keeping records in 1916.

At $7.42, the index was up 17.4 percent from the same week of 1953, when it stood at $6.32.

Mr. President, while farm prices go down, down, and down, the poor housewife, the poor consumer, pays more, more, and more. This is largely caused by Secretary of Agriculture Benson, who continues to say that it is the fault of 90 percent parity. But the farmer does not receive high prices for his products. While farm prices have gone down, the farmer has been paying more for his farm supplies. Yet wholesale food prices this week reached their highest point since Dun & Bradstreet began keeping records in 1916.

THE PLIGHT OF THE DAIRY INDUSTRY

Mr. HUMPHREY. Mr. President, the day of reckoning is at hand for this administration and for America's dairy industry.

This is our final chance to avert a serious and dangerous economic blow to a major segment of American agriculture. It is our final chance to correct a mistake of judgment, and undo some of the harm that has already been done to America's dairy markets. It is our last chance to keep from having the dairy industry thrown into a turmoil and kept in a turmoil for the next 4 months, at the expense of dairy producers.

Mr. President, I suppose some of my colleagues are perhaps weary of hearing about the serious problem confronting the dairy industry. Ever since the day Secretary Benson made his regrettable announcement February 15 that he intended pulling the rug out from under the dairy industry on April 1, I have conducted an almost day-to-day battle on this floor to have something done about it. After the first flurry of debate, there has been little inclination from the other side of the aisle to either defend the Secretary, or justify his present position. I warned early that I would keep this issue before this body until something was done, and I have persisted in doing so because I believe the cause of the dairymen is fair and just, and the attitude of the administration is unfair and unjust.

Let me briefly review the situation we now face:

Senators on both sides of the aisle from dairy States have made perfectly clear that they think this cut is far too drastic, that it is unjustified, and that it is unfair to single out the dairy industry for such treatment before completing action on a general farm bill.

No one has seriously disputed the loss this order will cause to the American dairy industry, nor the further depressing effect it will have upon our entire economy.

No one has seriously been able to dispute the evidence of competent authorities in the dairy field that the cut in price supports will do little to increase consumption, that it still will not make butter competitive as far as price is concerned with oleo, that it will do little to change the production picture and in fact may force increased production in some areas, and that it certainly will not eliminate the necessity for continued Government purchases in the year ahead.

In other words, Secretary Benson's order is a complete farce. It will not accomplish any of the things claimed for it. If he does not know it by now, he is a little behind in his homework. It will only deprive America's dairy farmers of some $600 million in farm income, and depress the value of dairy farm assets in this country by more than a billion dollars. No one has disputed those facts, because the facts are indisputable.

Twenty-five Senators have joined in cosponsoring a bill to limit any reduction to not more than 5 percent per year, and in no event to cut dairy supports below the support level on feed grains—the same principle now embodied in another constructive proposal advanced by the distinguished Senator from Vermont [Mr. AIKEN], chairman of the Senate Agriculture Committee, and cosponsored among others by the experienced agricultural leader and former Secretary of Agriculture, the capable Senator from New Mexico [Mr. ANDERSON]. Yet the Agriculture Committee has not permitted any bill on this issue to come to the floor for a vote before April 1.

I make note of the fact that only yesterday the administration's leading spokesman in the Senate, the distinguished Senator from Vermont [Mr. AIKEN] introduced legislation which makes it perfectly clear that he feels

that the 75 percent parity price support is indefensible. He introduced legislation to put price supports on the basis of feed grain prices. At the present level that would mean from 85 to 87 percent. So I ask, For whom is Mr. Benson speaking, except himself? He is the most expensive speechmaker this country has ever had. Every time he speaks, agricultural markets go into a topsy-turvy tailspin. We cannot afford this oratory. We cannot afford these press releases on the part of the Secretary.

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

Mr. HUMPHREY. I yield.

Mr. LONG. I congratulate the Senator from Minnesota for his diligence in trying to relieve the situation so far as dairy farmers are concerned. The dairy industry in Louisiana is not nearly so large as the dairy industry in Minnesota, but even in the South we feel the effects of depressed dairy prices.

I had hoped that we could have some action on the bill which I joined the Senator in introducing, and which proposes to distribute some of the surplus dairy products among people who do not have enough food. There are many people who would like to have more milk. There are many people who would like to have on their bread some of the butter which is in storage. At the present time we do not see much likelihood of obtaining favorable action on our bill which would furnish dairy products to feed some of those people. The administration can take the tax off dividends at a cost to the Government of $800 million; but when we propose to use a few hundred million dollars to feed hungry people and protect the price of dairy products, we do not seem to find any enthusiasm on the part of the administration.

Mr. HUMPHREY. The Senator is so right. The only suggestion that has been made is to pull the rug out from under the dairy industry. In the State of Minnesota we have more than 50,000 dairy farmers. We are witnessing the spectacle of the Government of the United States delivering literally an economic death blow to 50,000 of the finest producers in the State of Minnesota. I am not even afforded the courtesy of an explanation from the Secretary of Agriculture. Yesterday I sent a telegram to the Secretary urging and pleading that he cooperate with the Congress by supporting a 4-month extension so that we could do something about the Aiken bill or the bill introduced by my colleague [Mr. THYE], of which I am a cosponsor, as is the Senator from Louisiana. But no; the Secretary persists, against the advice of distinguished leaders in the House who have gone to him and asked for time to see if we cannot solve the problem. The Secretary insists that the dairy industry march straight ahead to its doom.

When the wool bill was scheduled for action, I introduced an amendment which would provide the same protection for the dairy industry provided in S. 2962, which 25 Senators had cosponsored, only to find that the amendment was not to be reported from the committee, and only to find that the wool bill was to be set aside.

Again the administration's leadership showed its intent not to let this body vote on dairy supports before April 1, by sidetracking the wool bill.

As a further move to head off this drastic blow, I then introduced Senate bill 3169, which provided simply a 4-month temporary extension of present support levels to permit Congress to reach its own decision.

I have repeatedly asked a chance to vote on that bill. The Agriculture Committee has not brought it forth. The Senate's majority leadership has not answered my question as to why we are not given an opportunity to vote on emergency temporary legislation to keep the present program in effect until our own committees have completed their work.

Apparently, it is an administration decision—a Benson decision, backed by the White House—not to let the Congress have anything to say about what happens on April 1.

Yesterday I addressed a last-minute telegram to Secretary Benson, urging him in the name of all that is fair and just to announce his willingness to accept such a temporary extension. As of yet I have been unable to get a reply from him.

Mr. President, this body should consider the consequences of letting dairy prices be slashed tomorrow, only to be pushed back upward within a month or two by action of this body.

Note that, Mr. President: Slashed tomorrow, and pushed back later. Mark my words, Mr. President, a scandal is brewing in America, because already millions of pounds of butter are being dumped onto the Government before the price goes down. After the price of butter goes down, the price will be boosted up again by the process of legislative action, and some of the speculators will get in for the kill. The junior Senator from Minnesota will be right here to expose those people. I do not intend to have butter used in a speculative activity, at both the farmers' and the Government's expense.

Mr. President, already some dairy processors are dumping their supplies into the Government's hands. That is just as true as today is Wednesday. They are doing it because they know they can buy it back cheaper by tomorrow. Many of those buy-and-sell transactions are paper transactions, in which the stock does not even move out of the dealers' warehouses. Yet they will be making profits from the Government's decision.

In all seriousness, I ask the Senate if there is any doubt at all that Congress will never adjourn with dairy price supports at 75 percent of parity. Of course, we would not adjourn and permit such a gross inequity to persist.

My Republican colleagues will not permit that to happen. They can count. They know November 2 is close at hand. We will not let that happen. However, in the meantime the Congress permits fluctuations in the dairy prices; and the one who will get hurt will be the farmer. He is the one who will be hurt. He does not have the warehouses, the finance and credit, to carry him through the up-and-down fever-like activity of the dairy markets.

The speculators, many of whom do not know the difference between a pound of butter and a brick, will be making great profits.

The last fortress of the lower support forces—the foremost spokesmen for flexible supports—the Senator from Vermont [Mr. AIKEN] and the Senator from New Mexico [Mr. ANDERSON]—have themselves conceded the dairy slash is too drastic by proposing constructive legislation to lessen the blow.

Over on the House side the sentiment is even more apparent. Chairman AUGUST H. ANDRESEN, from the First District of Minnesota, a Republican Representative from my State who knows the dairy industry in and out, and who can count—he knows the effect of the dairy order—was quoted by the wire services yesterday as telling the press he was "pretty sure" that Congress will cancel the support cut before July 1st, forcing the administration to raise supports to at least 85 percent of parity.

I ask, Mr. President, whether this makes any sense? On April 1 we lower the price support to 75 percent of parity, and at the same time the leading spokesman in the House Committee on Agriculture assures the country that on July 1 they will be brought up to 85 percent of parity.

In the meantime, of course, it will give statisticians an opportunity to have a workout, and it will give them some intellectual exercise, but it will certainly result in distress for the farmers. It will result in ill-gotten gains for the speculators. If they want to cheat, Mr. President, let them cheat with something else, not butter. Butter is too clean a product. It comes from a clean source.

With committee members of both Houses forecasting an upward revision of Secretary Benson's drastic cut, does it make any sense to let the full cut go into effect?

It is like a doctor saying to his patient, "We know you can live, and we know we have the right medicine and we know you can live, but why don't you die on April 1, and we will then see if we can bring you back to life on July 1."

Mr. President, we would not permit that kind of quackery to go on. Why cannot the administration use commonsense and go along with a temporary extension of the present program until Congress has completed action on what it will eventually insist must be done?

Why do not the majority leader of the Senate and the Secretary of Agriculture commit themselves one way or the other on such a temporary extension?

Mr. President, I believe we are entitled to an explanation of such blind insistence upon plunging ahead with this dairy slash in view of the obvious intention of Congress to revise it later.

I am sure Members of this body saw the announcement from the Department of Agriculture yesterday on what is currently happening to farm prices. I ask my colleagues to listen to this. Farm prices have fallen again. Eggs, milk,

hogs, potatoes, and butterfat showed the biggest drop.

The cost of farm living and production rose again, in the same period, from mid-February to mid-March.

The farm-parity ratio has fallen to a new low for this administration. It is now down to an average of 90 percent of parity. Farm prices started down from full parity right after the election in November 1952. Time after time Secretary Benson and the President have optimistically announced that the decline has been checked.

I want to know where the decline had been checked. Perhaps it was checked in the mind of the Secretary of Agriculture. Certainly it has not been checked in the markets. I should like to know from the majority leader why we cannot have a chance to act on the matter. I should like to have the attention of the majority leader. Are we going to have a chance to stop this blow, or is the Senate going to sit idly by?

Many times, as a Member of the Senate, I have seen a Senator rush on to the floor and say, "We must get quick action on an extension of an act, and we must therefore set aside the pending business, because if we do not do so there will be great hardship."

I ask my friend, the majority leader, and Members of the Senate on the other side of the aisle what is more important than to stop this blow. Surely no one will admit that one of the bills that have been introduced will not be passed.

The chairman of the Committee on Agriculture and Forestry, and one of the leading Democratic spokesmen on the Committee on Agriculture and Forestry, the Senator from New Mexico [Mr. ANDERSON] presented a bill dealing with the subject. Surely this bill is not just window dressing. Are we going to act on it? I imagine we will act on it, Mr. President, but it takes time.

I ask a very simple question: If we are going to rescind this foolish action on the part of the Secretary of Agriculture, why do we not act today? It is not April 1 yet. We are not fooling anyone today, and we will not fool anyone tomorrow. We can still act. Why wait until April 1 to show how foolish we have been? The American people will brand this Congress as a living example of April Fool's Day. I hope we will not let it happen and that we will save ourselves from the shame of being blamed for a great disaster that could have been prevented. At this last hour, even, we could prevent it from happening.

Remember, the agricultural parity ratio continues to fall.

How well the decline was checked is shown in this new decline in the parity ratio, which measures farm prices against farm costs.

May I remind this body that this new low was hit as of March 15. In view of the action now contemplated by Secretary Benson tomorrow, we can draw our own conclusions as to what is going to happen by April 15 and May 15. We are putting agriculture on the downhill skids, and giving it a deliberate shove.

I repeat, Mr. President, it is on the downhill skids, and it is being given a deliberate shove. There is not very much being done to stop it.

I wish some of Secretary's Benson's economists could read some of my mail, and had enough normal human concern for their fellow man to realize the pitiful plight of individuals facing new hardships.

I have here some cream checks sent me by Harry Arnold of Holloway, returns for his butterfat sold to the Holloway Produce Co.

If Senators knew Harry Arnold as well as I know him they would know it is an honor to get a letter from a real substantial, God-fearing, patriotic American citizen who is fed up with this glorified administration nonsense about the New Look and all the other public relations gadgets. Mr. Arnold wants action. What does he have to say? He shows sales of butterfat on January 4 at 67 cents a pound, and on March 26, at 58 cents a pound. This was before Secretary Benson's action, which is to go into effect tomorrow. Mr. Arnold writes that even if the loss does not go further, it means a loss of $51.46 a month to him.

Mr. President, we are talking about raising our pay. I suggest that we first provide a fair return for the farmers. I shall not sit idly by and permit a God-respecting, patriotic American citizen—and he represents thousands of them—to lose all that money.

Mr. Arnold is a typical small-dairy man, struggling to raise a fine family of 7 children. He has 20 cows, although he is milking only 16 of them at this time. He will have to milk the entire 20 cows to try and eke out a living, and even then, he says, he will not be able to make ends meet at the new low prices.

If the Secretary of Agriculture thinks we can get rid of the surplus in this way, he is wrong. All his program is doing is to relieve the administration of having to come up with a responsible program. It does not take one bit of imagination to cut wages, income, and cut down our economy. That is what will happen.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, the letter from Harry Arnold to which I have referred, together with receipts he has received for butterfat and the prices he received.

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

HOLLOWAY, MINN., *March 26, 1954.*

Senator HUBERT HUMPHREY.

DEAR SIR: Please note they have already lowered the cream price on March 26. It was not to go down till April 1. My cream, that I sold on that day, was 50.9 percent butterfat. I took a loss of $4.58, that was 3 days' production; it will be a $11.62 a week loss to me, if it does not drop more which we feel it will if the 75-percent law goes into effect, or $51.46 a month, $617.52 a year loss. I have 20 cows. Sixteen are only milking now. When they are all in milk the loss will be more.

I am sending you two of my cream stubs so you can see for yourself they are about the same grade. We have been getting 67 and 68 cents per pound all winter for cream now it is 58 cents, so it is not hard to see what the loss will be to us. You also can see that we cannot get along on that as you will note that every stub has an advance on it. We do not have the money so we can wait till we get the next check. We have 7 children, my wife and I make 9. We just have to have more for our cream. You can use those stubs in the hearings. You can let Senator THYE, and also H. C. ANDERSEN, use them if they like; also this letter. We just have to have help.

Yours truly,

HARRY ARNOLD.

Would you send back those stubs later on, as I may need them for my income tax. I am taking a record of them if they should get lost but it may be better to have them. Please do all in your power for us you can. I know you will but we need it so bad that I cannot help but urge you on. Thanks for all you have done for us. My family is very thankful to you.

HARRY ARNOLD.

Name: Harry Arnold.
Date: January 4, 1954.
(Sold at Holloway Produce, Holloway, Minn.)

Cream	Grade	Lbs.	Test	B. fat	Price	
Select	50	79	33	26.1	67	$17.47
	50	81	31	25.1	67	16.82
						34.29
3 pounds butter						2.10
Adv						24.37
						26.47
						7.82

Name: Harry Arnold.
Date: March 26, 1954.
(Sold at Holloway Produce, Holloway, Minn.)

Cream	Grade	Lbs.	Test	B. fat	Price	
Select	40	79	32	25.3	58	$14.67
	50	80	32	25.6	58	14.85
						29.52
2 pounds butter						1.22
Adv						15.46
						16.68
						12.84

Mr. HUMPHREY. Mr. President, the chips are down. While I have not had a reply to my wire to Secretary Benson, my staff has been informed by his assistant, Mr. Hoops, that the Secretary will refuse to reconsider. He is insisting on going ahead with this unwise move.

Only the Congress can stop it.

Only the administration's leadership can give the Congress that chance.

Only by temporarily setting aside the unfinished business of the Senate and calling up my bill or anybody's bill for a temporary extension can we prevent this blow from taking place.

In the name of commonsense, I appeal to the Senate to take this last-minute action. In the name of commonsense, I urge the administration's majority leader to protect his own committees by giving them a chance to complete their hearings and make their recommendations to us without having administrative decisions shut the door in our faces, and pull the rug out from under the dairy industry before the Congress has an opportunity to express its will.

BATAAN DAY

Mr. KNOWLAND. Mr. President, on April 9, 12 years ago, the bonds of friendship between the peoples of the Philippines and the people of the United States were firmly linked together by the heroic defenders on Bataan. Meeting the decision of defeat with heads unbowed, the soldiers of our two nations captured forever the hopes and aspirations of liberty-loving citizenry everywhere. The spirit of freedom which was strengthened through the defense of Bataan by Republic of the Philippines and American forces was carried forward into the recent conflict which took place in Korea. Although only 17 out of the 60 members of the United Nations furnished forces for the resistance of the first overt active aggression since the organization of the United Nations, the cause of collective security in that area was met with a ready response by the Philippine people. With this recent history of the dedication to freedom by the Philippine nation, it is fitting that we should join with President Magsaysay in setting aside April 9, Bataan Day, for appropriate commemoration services in our two countries.

So, Mr. President, I introduce a joint resolution providing for the observance of April 9, the 12th anniversary of the fall of Bataan, as Bataan Day. I ask unanimous consent for the present consideration of the joint resolution.

I have discussed the matter with the minority leader.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. JOHNSON of Texas. Mr. President, the majority leader has spoken to the minority leader with reference to the joint resolution. I have no objection. I commend the majority leader for introducing the joint resolution. I think it is very appropriate, and I hope the Senate will pass it.

Mr. KNOWLAND. Mr. President, I renew my unanimous-consent request that the Senate proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Reserving the right to object—and I shall not object, because the purpose of the joint resolution is highly commendable, and I commend the majority leader for introducing it—I should like, since this is the only way I have of getting my point across, to ask: Will the majority leader, having asked unanimous consent for the consideration of this worthy measure, also ask unanimous consent to consider a resolution to prevent the blow which is about to fall on the dairy industry, about which I spoke a while ago?

Mr. KNOWLAND. The distinguished Senator from Minnesota knows there is proposed legislation before committees of the Senate. He is within his rights if he wishes to object to the consideration of this resolution.

Mr. HUMPHREY. I think the Senator knows that I shall not object to it.

Mr. KNOWLAND. The Senator also knows that I am not willing to agree to any such proposal, because there are bills before the proper committees of the Senate of the United States involving the question which the Senator from Minnesota has discussed.

Mr. HUMPHREY. The majority leader is a wise parliamentarian, and he knows that I shall not object to his unanimous-consent request, because I commend him for presenting his resolution; but the majority leader also knows that while there is appropriate proposed legislation before committees of the Congress, he did not send his resolution to the appropriate committee, because time was running out. Time is running out for what I am talking about. The action proposed by the Secretary of Agriculture will go into effect on April 1. If April 9 is a date which requires expeditious action of the Senate, how about April 1? Nothing is going to happen in the time which remains to afford any relief to the dairymen. The bills in committee are lost, so far as any relief is concerned. The only thing that can be done is to present a unanimous-consent request asking for immediate action on a measure to set aside the order of the Secretary of Agriculture. I shall be glad to draft an appropriate resolution and ask the Senator from California to introduce it in his own behalf.

Mr. KNOWLAND. The Senator from Minnesota will not draft resolutions for the majority leader to introduce. The Senator from Minnesota has all the rights possessed by the majority leader as a Senator. The majority leader is not having resolutions drafted by the Senator from Minnesota.

Mr. HUMPHREY. I only wished to help the majority leader, because the blow is going to fall, and it will be a very serious one.

The PRESIDING OFFICER. Is there objection to consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 143) providing for the observance of April 9, the 12th anniversary of the fall of Bataan, as Bataan Day, which was read the first time by its title and the second time at length, as follows:

Whereas April 9 of this year marks the 12th anniversary of the end of the epic struggle of American and Filipino forces on Bataan;

Whereas Bataan symbolizes the spirit which moves men of different races and different creeds to fight shoulder to shoulder for their freedom;

Whereas the rallying of the people of the Philippines to the side of the United States and the other United Nations in the recent struggle in Korea was a further expression of American-Filipino unity;

Whereas the people of the Philippines have demonstrated to all other nations in the Asian sphere the fact that mutual friendship and mutual security are common goals, and the role of the United States in Asia is that of a friend of peoples, regardless of race; and

Whereas President Ramon Magsaysay has designated April 9 as Bataan Day in the Philippines:

Resolved, etc., That April 9, the 12th anniversary of the fall of Bataan, should be observed as Bataan Day and that the Congress recommends that on that day the flags of the United States and the Republic of the Philippines be flown, and that encouragement be given to the holding of appropriate services in schools and churches, and in other gatherings.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a proclamation issued by the President of the Philippines.

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

PROCLAIMING FRIDAY, APRIL 9, 1954, AS BATAAN DAY AND DECLARING IT AS A SPECIAL PUBLIC HOLIDAY

Whereas the 9th day of April 1954 marks the 12th anniversary of the fall of Bataan where the bonds of friendship were forged in blood and fire; and

Whereas the commemoration of the fall of Bataan is a fitting homage to the heroism of Filipino and American forces who fought side by side against overwhelming odds in the epic struggle for democracy and freedom: Now, therefore, I, Ramon Magsaysay, President of the Philippines, by virtue of the powers vested in me by law, do hereby proclaim Friday, April 9, 1954, as Bataan Day and declare it as a special public holiday. I call upon all provincial governors, city mayors, and all other public officials and citizens of the Philippines, as well as all American nationals residing in this country, to observe the day with appropriate ceremonies expressive of the immortal spirit of Bataan and of its heroic defenders.

In witness whereof, I have hereunto set my hand and caused the seal of the Republic of the Philippines to be affixed.

RAMON MAGSAYSAY.

ORDER FOR RECESS UNTIL TOMORROW

Mr. MALONE obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Nevada yield to me for a unanimous-consent request?

Mr. MALONE. I am happy to yield, provided I do not lose the floor, and provided the interruption appears at the conclusion of my remarks.

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

Mr. KNOWLAND. I ask unanimous consent that when the Senate completes its work this afternoon it stand in recess until 12 o'clock noon tomorrow.

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

PROGRAM FOR REMAINDER OF THE WEEK AND NEXT WEEK

Mr. KNOWLAND. Mr. President, if the Senator from Nevada will yield further, I should like to make an announcement.

Mr. MALONE. I yield to the distinguished majority leader for that purpose.

Mr. KNOWLAND. Mr. President, I have been asked as to the program for the remainder of the week and for next week, and I make this statement for the information of the Senate.

There is now in force a unanimous-consent agreement which will produce

a vote on the statehood bill tomorrow. I expect to try to hold the Senate in session as late as necessary in order to complete consideration of the statehood bill and the necessary amendments before the Senate recesses or adjourns tomorrow night.

If the Senate completes consideration of the statehood bill by tomorrow evening, I shall propose that the Senate stand in recess until Monday next, in the hope that the various committees will use Friday to expedite action on proposed legislation which is before them, and that Senators will be able to catch up with the work in their respective offices.

On Monday next I propose that there be a call of the calendar, beginning at the point where the last call ended, for the consideration of bills to which there is no objection.

When the Senate completes its work on the statehood bill, I intend to move that it proceed to the consideration of the highway bill, which has been reported from the Committee on Public Works. It is No. 1092 on the calendar, Senate bill 3184. I shall propose that that bill be made the unfinished business of the Senate. The Senate will then adjourn or recess until Monday, and there will be a call of the calendar on Monday.

We have a fairly substantial calendar. Sometimes calendar calls proceed fairly rapidly, and sometimes they proceed more slowly. If the call of the calendar should be completed by midafternoon, I should expect to open the debate on the highway bill on Monday. If, on the other hand, the calendar call should continue until 5 or 5:30, I would then not expect to take up the highway bill at that hour in the afternoon, but we should be prepared to proceed with it on Monday next.

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

Mr. KNOWLAND. I yield.

Mr. STENNIS. I understand that there will not be a session on Friday, but that there will be committee meetings, and a call of the calendar will be the first thing on Monday.

Mr. KNOWLAND. That is correct.

Mr. STENNIS. I assume the Senator from California has conferred with the minority leader.

Mr. KNOWLAND. I have discussed this subject with him during the past day or two. For a time it was thought we might have a call of the calendar on Friday, but, all factors considered, it was thought better to have the calendar call on Monday, so as to give ample notice to the calendar committees on both sides of the aisle, in order that they might make adequate preparation.

I thank the Senator from Nevada for yielding to me. I thought Senators would be interested in knowing the program for next week. When the Senate completes consideration of the highway bill it is planned to take up calendar 1085, House bill 6342, dealing with the lease and purchase of Government facilities. That will probably be the next order of business.

CONGRESS CAN END RECESSION NOW

Mr. MALONE. Mr. President, the United States has the resources, the ability, and capital to maintain a strong, balanced economy. But, over a period of 2 decades there have been 5 approaches in the effort to destroy the Nation's living standards, built up over a period of 175 years, and to average them with the lower standards prevailing elsewhere in the world.

First, the political approach, which has been identified as communism, did not start yesterday; it began in 1934, with the recognition of Communist Russia without any safeguards whatever.

Second, there is the economic approach, which was started in 1934 with the passage of the 1934 Trade Agreements Act, when Congress transferred to the Executive its constitutional responsibility of regulating foreign trade, and of determining and adjusting duties, imposts, and excises.

The third approach has been the continual whittling away of constitutional provisions and safeguards through the medium of Executive orders, executive agreements, and other types of agreements, which needed the approval of only a majority of each House of Congress, instead of a two-thirds vote of the Senate; and also by other means, including United Nations actions.

Fourth, there has been the taxation approach, with the continual rise in income taxes, and the consequent inability of companies and individuals to build reserves with which to carry on through lean years, while at the same time they are taxed out of the international market.

The fifth approach has been irredeemable currency. The gold standard was abolished in 1934, and the Government proceeded to print money and to go into debt. As the result of the WPA, the PWA, two world wars, and other emergencies, the national debt has now been increased to about $260 billion. There are indications that a request will be made for an additional increase in the debt limit ceiling.

Today, there is a depression in certain industries including many producing critical minerals and materials, and a recession in 80 of the 195 labor-market areas listed by the Bureau of Employment Security in its latest bimonthly summary.

Seventy-seven of these distressed areas are in the continental United States. There are 1 or more areas in each of the following 27 States:

Alabama, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Virginia, West Virginia, Washington, and Wisconsin. In addition there are areas extending into Arkansas, Iowa, and Minnesota.

In 1934 the Congress of the United States, including the United States Senate, passed the Trade Agreements Act, which set the stage for an irresponsible State Department to open the door to unlimited imports of sweatshop labor products, and simultaneously started a cycle of inflation which priced American goods out of the world markets.

As the junior Senator from Nevada will show later in his remarks, this recession is a carryover from the Acheson-Truman administration, with its misguided foreign policies and proforeign trade program, which had its origin in the Trade Agreements Act of 1934, which expires on June 12 of this year.

This act was named "reciprocal trade," a catch phrase to sell free trade to the American people. It is the economic approach to destroy this Nation.

Through this program, foreign competition, subsidized by billions of dollars in American aid, has been and is flooding American markets with the products of coolie, peon, and sweatshop foreign labor ever since the act became effective and particularly since World War II.

The result is that we have industries that are hurt, industries partially destroyed, industries half destroyed, and industries that are almost completely destroyed.

IMPORTS CREATE DISTRESSED AREAS

We have areas and cities that have been distressed 1 year, 2 years, 5 years, and longer, with no relief in prospect so long as imported products from subsidized foreign nations displace products produced by American workers in the basic industries of these areas.

The full devastating effect of this deliberate division of the American markets with the nations of the world has been delayed because of continual emergencies, including WPA, PWA, World War II, UNNRA, Marshall plan, ECA, Korea, world war III, Mr. President—Mutual Security Organization, point 4, and a continual inflation and rising prices.

The result at the end of 20 years—2 decades—is an additional $260 billion national debt, which added to the States indebtedness is more than equal to the total tax valuations of all the property in the United States of America.

In other words, Mr. President, we have created and are creating our own depressed industries and distressed areas through diplomatic schemes and deals designed to fatten foreign competition against American goods and materials, whatever the cost or sacrifice to American industries, investors, workers, or communities.

We export handouts, trade concessions, and jobs at the expense of American workingmen, investors, and taxpayers.

We import cutthroat foreign competition that causes cutback payrolls, closed mills, mines, and factories, business failures, and unemployment.

We ship abroad $42 billion of our purchasing power and get back foreign products that swamp and suffocate American markets.

We import recession and create our own depressed industries and distressed areas.

This is the tragic result of the proforeign policies and proforeign trade program of previous administrations.

The proforeign trade program was first inflicted at the height of New Deal socialism and foreign coddling through the Trade Agreements Act of 1934.

Significantly, it was during this same era that recognition was granted to Communist Russia on the silly contention of proforeign traders that Russia would become a market for billions in American products. This was the political approach to destroy this Nation.

Continual pressure is being brought at this time not only by foreign nations, but by certain of our own businessmen, to open up completely trade with the satellite nations and with Russia, which we are all aware was carried on without stint, after World War II and after what I call world war III in Korea, by our supposed allies in Europe.

Mr. President, in 1950, the junior Senator from Nevada put into the RECORD 96 trade treaties which the Marshall plan countries had at that time made with Russia and with the so-called Iron Curtain countries, shipping them everything from tool steel and engines, to all kinds of materials which they would need to arm themselves for a war with this Nation. Some of the proforeign trade contentions we hear today seem equally as fantastic as the recognition of Communist Russia in 1934.

Under pressure and propaganda of thils proforeign-trade clique, the Trade Agreements Act of 1934 has been frequently extended—the economic approach to destroy our Nation.

This year, Mr. President, it is time for a change.

LABOR, INDUSTRY ENTITLED TO PROTECTION

It is time to change from a policy of socialized international trade that divides and scatters our substance and wealth around the world to a policy of protecting American industries, workers, and investors from destructive sweatshop foreign competition.

The junior Senator from Nevada contends, and has always contended, that the first obligation of this administration and the Congress is to the American economy, with stability for all its economic segments.

The American economy deserves an equal opportunity in this market with that of foreign nations.

The American workingman and investor is entitled to a protection equal to the difference in wages and taxes paid in this Nation and those paid in the chief competing countries.

The American taxpayer deserves relief from subsidizing foreign competitors reluctant to bear tax burdens necessary to support themselves.

American industries and American workers deserve security from ruthless, unfair foreign competition subsidized by American aid in dollars, new equipment, and prodigal trade concessions.

American communities need safeguards against recession inflicted by proforeign New Deal trade policies and subsidized imports.

END NEW DEAL FOREIGNISM

Recession can be relieved now by a return to the constitutional American system, under which the Congress levies duties or tariffs on imports on the basis of fair and reasonable competition, and by a program of action undoing the mistakes of New Deal foreignism and socialized international trade made by previous administrations, by taking the profit out of sweatshop labor.

Give foreign nations equal access to American markets, but no advantage.

Later in his remarks the junior Senator from Nevada will suggest such a program. He wishes to discuss the plight of certain American areas as detailed by the Department of Labor's Bureau of Employment Security in its latest and recent bimonthly summaries.

In doing so, the junior Senator from Nevada casts no reflection on these areas, but wishes to bring their plight and the reasons therefor to the attention of Congress.

Labor in such areas is industrious and eager to apply its skills. Management is alert and enterprising. Civic leadership is diligent and concerned. But it is difficult, often impossible, to compete against both the import deluge and a proforeign State Department clique dedicated to foreign favoritism.

The junior Senator from Nevada will list those areas which the Bureau of Employment Security designates as group IV, or areas of substantial labor surplus, more commonly referred to outside official circles as distressed areas.

In each reference the junior Senator from Nevada will quote precisely from the Bureau's own reports.

Subsequently he will cite other Labor Department data and data from the Department of Commerce listing imports of commodities that affect these areas, and information supplied by representatives and spokesmen from affected industries.

HURT CITIES AND INDUSTRIES

The purpose of the junior Senator from Nevada in doing this is to examine whether or not recession is a direct result of the impact of competitive imports. It is his conviction that it is.

The cities and areas are listed in the exact order in which they are listed in the March summary of the Bureau of Employment Security, and have no relation to the degree of distress, but do have relation to geographical location in the various labor market regions:

EXCERPTS FROM SUMMARY REPORTS ON THESE AREAS FOLLOW IN THE ORDER LISTED ABOVE

Lawrence, Mass.: Extremely sharp curtailments in the level of textile employment during past several years (employment in industry has dropped from over 20,000 in September 1950 to 8,700 in September 1953) have been primarily responsible for area's substantial labor surplus—relatively the most severe in Nation.

Lowell, Mass.: Historically, Lowell has been a textile center specializing in manufacture of cotton, synthetic and woolen fabrics. About two-fifths of the area's jobless workers are men, slightly more than half of these are displaced textile workers.

New Bedford, Mass.: Cotton textiles has been the historic mainstay of area's economy. During recent years, however, the industry, like most other New England textiles, has been declining.

North Adams, Mass.: Layoffs in textiles, electrical machinery.

Webster, Mass.: Unless unforeseen events boost sick textiles industry there is little hope area will recover in predictable future.

Biddeford, Maine: Recent declines centered in textile machinery and trade.

Providence, R. I.: Providence was classified as area with very substantial labor surplus prior to Korean conflict * * * sharp slump in textile employment in recent years is largely responsible for persistence of sizable unemployment.

Atlantic City, N. J.: Lack of industrial diversification, and the seasonal nature of resort business, are largely responsible for the area's heavy labor surplus.

Paterson, N. J.: Recent employment losses led by sizable layoffs in textiles. Smaller losses in electrical machinery, fabricated metals.

Gloversville, N. Y.: Difficulty in competing with foreign glovemakers has contributed to employment decline for a number of years.

Hudson, N. Y.: Permanent shutdown of one large textile mill, temporary closure of another primarily responsible for recent job declines.

Cumberland, Md.: Textiles, once area's most important activity with a peak of 11,000 during World War II, employed less than half that number in August 1953. Coal mining, once an important means of livelihood, now employs fewer than 500.

Asheville, N. C.: Depressed conditions in textile industry and lack of year-around employment opportunities for resort workers are largely responsible for the substantial labor surplus in the area.

Durham, N. C.: Extreme seasonality of the dominant tobacco industry and generally weak markets for textile products are chief causes of area's large labor surplus.

Waynesville, N. C.: Downtrend in important tourist trade activity, lack of nonseasonal job opportunities.

Winston-Salem, N. C.: Extreme seasonal peaks and lows in tobacco processing are the chief reasons for the substantial labor surplus.

Altoona, Pa.: Jobless rolls include many workers with electronics, garmentmaking, truck driving, and mining experience, as well as former railroad shop experience.

Clearfield-Du Bois, Pa.: Prior to 1940 bituminous coal mining dominated area's economy. During recent years mine payrolls declined.

Indiana, Pa.: Mining employment has declined precipitously from 7,000 in 1950 to 4,000 in November 1953.

Johnstown, Pa.: Heavy unemployment in area stems largely from job declines in coal mining. More than 3,600 workers have been separated from industry's payroll in past year and a half with no improvement in sight. About 5,000 miners are on short work week.

Kittanning-Ford City, Pa.: Layoffs in dominant gas and important bituminous coal mining lead to substantial labor surplus.

Pottsville, Pa.: Anthracite coal mining, long predominant in area's economy, has been replaced by manufacturing in recent years as largest employment source. One in every six area workers is jobless: Nine-tenths of unemployed are men.

Scranton, Pa.: Anthracite coal mining dominated area's economy until late 1920's and, although slumping, employed 17,800 workers in 1940. By September 1953, mining employment had dropped to 8,700.

Sunbury-Shamokin-Mt. Carmel, Pa.: Depressed conditions in the apparel, textiles, and lumber industries are largely responsible for high level of unemployment in area.

Uniontown-Connellsville, Pa.: Bituminous coal mining, dominate industry in the area, has suffered depressed conditions for some time.

Wilkes-Barre, Pa.: Area's employment totals continued to slump during past year, with most of decrease centered in coal mining.

Williamsport, Pa.: Aircraft, steel pace widespread factor declines since last fall.

Big Stone Gap-Appalachia, Va.: Sixty percent of unemployed former miners.

Covington-Clifton Forge, Va.: Heaviest losses were registered in textiles.

Radford-Pulaski, Va.: Drop in chemicals largely responsible. Construction, textiles, apparel, lumber also register recently.

Beckley, W. Va.: Mining employment dropped 1,700 from a year ago.

Bluefield, W. Va.: Long term declines in coal, resultant losses in railroads key factors in substantial (labor) surplus.

Charleston, W. Va.: Glass, chemicals, metal reductions pace factory losses. Most nonfactory industries also down, with declines sharpest in construction, bituminous coal mining.

Clarksburg, W. Va.: Sustained curtailments in coal, recent sharp declines in durable goods—particularly fabricated metals, glass, electrical equipment.

Fairmont, W. Va.: Loss of (coal) mining jobs—100 in previous 2 months, 1,000 since year ago—has caused steady decline in area employment totals despite over-the-year factory gain of 650.

Huntington, W. Va.-Ashland, Ky.: Long term decline in electrical machinery, nonmanufacturing cutbacks, losses in primary metals, apparel, furniture responsible for substantial labor surplus.

Morgantown, W. Va.: Approximately four-fifths of the 1,600 unemployed workers are men, a majority of whom have coal mining experience.

Parkersburg, W. Va.: Manufacturing jobs were concentrated in chemicals (synthetic fibers), clay-glass products and fabricated metals. No report on causes of unemployment.

Point Pleasant, W. Va.: There has been little change in employment during past year with a two-thirds decline in coal mining (all since June) somewhat offset by a gain in boat building. Further declines, centered in chemicals, in prospect.

Ronceverte-White Sulphur Springs, W. Va.: Mining employment dropped over 25 percent.

Welch, W. Va.: Very sizable declines in coal mining over past year boosts joblessness almost 150 percent.

Wheeling, W. Va.-Steubenville, Ohio: Job losses led by steel, toys, stone-clay-glass.

Cedartown-Rockmart, Ga.: Area's growing labor surplus consists largely of women with textile experience. * * * The outlook for the area depends on the possibility of converting cotton tire cord factories to other uses.

Chattanooga, Tenn.: Fairly general downtrend led by chemicals, fabricated metals, trade.

La Follette-Jellico-Tazewell, Tenn.: Coal mining activity has declined by over 60 percent since 1949, and many of the remaining 1,400 miners are employed only 1 or 2 days a week.

Newport, Tenn.: Nonfarm activities include lumber, leather, stone-clay-glass.

Gadsden, Ala.: Layoffs in primary metals made up nearly half of the drop of about 10 percent in factory payrolls during the year.

Jasper, Ala.: Bituminous coal mining, the dominant industry, has been in a depressed condition for some time.

Corbin, Ky.: Most of the loss in transportation and lumber and wood products.

Hazard, Ky.: Economy of area is dominated by bituminous coal mining, which has been declining since late 1948.

Madisonville, Ky.: About 90 percent of coal produced in western Kentucky is mined here. Economic conditions in area have been steadily deteriorating for several years due to depressed conditions in coal mining.

Middlesboro-Harlan, Ky.: Bituminous coal mining dominates the area's economy. * * * Since June 1950 about 6,000 mining jobs have been eliminated, 2,000 of them since June 1952.

Paintsville-Prestonburg, Ky.: Some 1,000 fewer men were employed in the mines in April 1953 than a year earlier. Many of the employed miners are on a partial workweek.

Pikeville, Ky.-Williamson, W. Va.: Economy of area is largely dependent on soft coal mining, declining steeply over the past year, bulk of unemployed were coal miners.

Ionia-Belding-Greenville, Mich.: Most of jobless * * * idled by refrigerator cutbacks.

Battle Creek, Mich.: Cutbacks in aircraft contracts major facor in 5-fold increase in unemployment over past year's minimum level. Losses in auto parts, machinery, and metal products and Government activities in area also contribute.

Bay City, Mich.: Layoffs in auto parts, lumber and wood products, machinery and furniture.

Detroit, Mich.: Lagging auto sales cut auto payrolls by 80,000 between April 1953 and January 1954. Unemployment more than 4 times above near-minimum year-ago levels. Other factory industries also down.

Monroe, Mich.: Declines in important autos, paper.

Muskegon, Mich.: Employment levels in both nonelectrical machinery and auto equipment were 14 percent below November 1952 levels as a result of sagging consumer demand for refrigerators and a drop in tank motor production.

Port Huron, Mich.: Recent declines led by motor vehicles, construction, trade.

Toledo, Ohio: Sizable cutbacks in local auto plants, accompanied by concurrent reductions in electrical machinery, aircraft parts, and glass. Employment about four times very low year-ago level.

Davenport, Iowa-Rock Island-Moline, Ill.: Unemployment four times mininum year ago level. Year-long downtrend in area's dominant farm machinery primarily responsible for substantial labor surplus.

Herrin-Murphysboro-West Frankfort, Ill.: Labor surpluses consisted primarily of coal miners, truck drivers, sewing-machine operators.

Michigan City-La Porte, Ind.: Loss of several plants, cutbacks in defense contracts, recent reductions in transportation equipment, farm machinery result in substantial labor surplus.

South Bend, Ind.: Declines in dominant auto industry key factory in area's current substantial labor surplus. Recent cutbacks also occurred in nonelectrical machinery, rubber products, furniture.

Terre Haute, Ind.: Depressed status due primarily to long-term declines in manufacturing, coal mining, and supporting trade, service activities. Mining, no longer a key industry, employed only 1,500.

Vincennes, Ind.: Bituminous coal mining, once the area's leading industry, has been declining for several decades. Miners and shoe factory workers predominated among the jobless, who comprised nearly 10 percent of the labor force.

Kenosha, Wis.: Former auto workers make up bulk of unemployed.

La Crosse, Wis.: Reductions in auto parts and rubber products chief causes of recent unemployment increases.

Racine, Wis.: Winter job declines led by electrical machinery, transportation equipment, printing-publishing and construction.

Duluth, Minn.-Superior, Wis.: Greater than usual decline in transportation, construction, trade, joined by reductions in primary metals and food.

Texarkana, Ark.-Tex.: A considerable proportion of the unemployed are former defense workers. The area's jobless rolls also included a number of seasonally idled cotton hands and lumber and construction workers.

San Antonio, Tex.: Sharp decreases in civilian employment at local military installations, construction, trade declines over past year, boost joblessness to two-thirds above year ago figure.

Albuquerque, N. Mex.: Job applications on file * * * indicate about two-fifths of jobless are skilled or semiskilled. Many former construction workers.

Mr. ANDERSON. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I am happy to yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Let me say to the Senator from Nevada that I believe the situation which he has been outlining across the country is true; but particularly when he mentions my home town I know it is true. There is a great deal of unemployment there, much more than we had anticipated. It has had its effect upon business. I am sure that if the story were told with respect to each of the cities which the Senator has named this afternoon, it would be found that there has been a very definite downturn in business in many such cities, because of the unemployment situation which the Senator has mentioned.

Mr. MALONE. I thank the distinguished Senator for his contribution. I ask the Senator whether or not he thinks the imports of minerals, metals, canned beef, lye, and other material competing against products in that area have contributed to unemployment?

Mr. ANDERSON. I cannot say as to each one of them, but as to minerals, I will say that the city of Albuquerque, which the Senator has mentioned, is the commercial center of the State. Naturally, when every mine in a certain section of the State is closed down, the effect is bound to be felt in the commercial center of the State.

As late as May 1952, the State of New Mexico was the fifth largest zinc producer in the Union. Today not one zinc mine in New Mexico is open. That is why I am happy to join the distinguished junior Senator from Nevada in trying to see to it that the mines have a chance to open. They are not getting that chance now.

The condition which the Senator mentions is not due entirely to the fact that the zinc mines are closed. It is not due entirely to the lead mines being closed; but when we add all the causes together, we begin to understand why there is unemployment there, and in many other cities in the Southwest. While the report which the Senator is reading may cover only the city of Albuquerque, if the Senator were to go to a community like Silver City, N. Mex., which is in the very heart of the lead and zinc producing area, he would find that the miners are having pretty rough going. Miner after miner is being thrown out of employment. Miners face the possibility of having to move to other sections of the country and find other work, because no lead or zinc mining is available to them. They face the possibility of leaving a community, which is one of our finest, and certainly one of the most beautiful, in a pretty bad state of repair.

I am very happy to have the Senator from Nevada call attention to the circumstances which are making it difficult for those communities to survive.

Mr. MALONE. I thank the Senator for his contribution. I should like to ask him a further question. I ask the Senator, if in his opinion, the slump in the metal markets of the United States, especially with reference to lead and zinc, may be partially due to the money which we have furnished to countries in Europe, particularly to England, through the Marshall plan, the ECA, and Mutual Security, enabling them to accumulate a large stockpile of zinc and lead? I understand that Mr. Stassen is now in Europe, probably looking for more places to spend money. Does the Senator feel that a partial cause, at least, of the unemployment which exists because of the closing down of the lead and zinc mines might possibly be the stockpiling program? About this time last year lead and zinc were dumped on American markets at prices below those at which American miners could afford to mine it.

Mr. ANDERSON. I think the answer to the Senator's question is in the affirmative. A great stockpile of these materials was acquired in other lands, and they were dumped on the world market at prices below the level at which our lead and zinc mines could afford to produce. The dumping of such materials had a very bad effect on the mining industry and upon all other industry in the State of New Mexico. Consider a community like Silver City. If the automobile dealer in Silver City is told, "You will not be able to sell as many cars as you might normally expect, but they are being shipped to you and you must get rid of them somewhere," he starts to move into other markets, and the next thing we know the automobile business has deteriorated in half a dozen communities because of a surplus in one.

Mr. MALONE. I will say to the distinguished Senator from New Mexico that there are many other cities in the States mentioned, and many cities in States not mentioned in the discussion of the junior Senator from Nevada, which are in the same situation today. I have confined my statement to the areas and the language of our own Labor Department. This is only a start.

As the distinguished Senator from New Mexico well knows, there are hundreds of cities which he could name and I could name offhand, which are in the same situation. However, I am confining my statement to conditions with respect to which there has been official recognition in Washington; and Washington is the last place to find it out.

The distinguished Senator from New Mexico is a member of the Committee on Interior and Insular Affairs, as is the junior Senator from Nevada. The Senate adopted a resolution, Senate Resolution 143, asking the Committee on Interior and Insular Affairs, or any subcommittee of that committee which might be designated for the purpose, to conduct an investigation. I happen to be chairman of the Minerals, Materials, and Fuels Subcommittee, the economic subcommittee of that committee, charged with the duty of determining the availability of critical materials. There are about 77 different materials with respect to which the situation in wartime would be critical to the United States.

I would say that we have just about concluded our hearings, and probably will conclude them within a week or 10 days, and then we shall be ready to prepare our report. That report will show, among other things, that what we referred to a moment ago did happen, including the build-up of the stockpile, with our money being used to provide it, and then the dumping of lead and zinc at an opportune time into this market, which stopped practically every mining operation in America in that field. Practically everyone in the business is broke. The price dropped from 16 and 17 cents for zinc down to about 10 and 11 cents below any kind of cost of operation in the United States.

We also investigated our own stockpile methods, and we found—all of this will be incorporated in the report—that our own stockpile had been used to break the market in this country, and that we had made contracts in Africa and in other areas for these strategic and critical minerals and materials at a greater price, often, than we would pay the domestic producer.

Why that should be, I cannot tell, but it will all be before the committee and the Senate in due time, and the distinguished junior Senator from New Mexico will be very much interested in it.

Mr. ANDERSON. I may say that I have been interested in the work of the subcommittee thus far, and I know I will be very much interested in the final report. I am glad the Senator from Nevada has indicated that the hearings are about to be concluded and that the subcommittee will begin the preparation of its report, because the subject is of great interest to the people of my State.

Mr. MALONE. I thank the distinguished Senator from New Mexico for his contribution

I should like to ask the distinguished Senator another question. Does he believe that the practically free importation into the United States, without duties, tariffs, or any other evener of costs and without any safeguards whatever, of materials produced in the sweatshop labor areas will assist in restoring the market in New Mexico and in reactivating the mines?

Mr. ANDERSON. I am not attempting to pass judgment on what should be the tariff policy on every article that comes into this country, because I do not know. I believe it is a long process. However, when goods come into this country in competition with articles that can be produced in the United States and thereby put many of our people out of work, and when this process reaches the point where miners in my home State must ask for agricultural surplus commodities in order to feed their children, I am not very happy about it. Of course as a member of the Committee on Agriculture and Forestry, I am glad that we can use some of our surplus agricultural commodities, and I am glad we have the surplus commodities, but I do not like to have them used that way.

Mr. MALONE. I will further say to the distinguished Senator from New Mexico that since 1934, when Congress transferred its constitutional responsibilities to regulate foreign trade and fix duties, tariffs, and excises, to the Executive—which meant for all practical purposes the Secretary of State—Members of Congress have had to get down on their knees and to crawl to the Secretary of State—who would not know an industry from a bale of hay—and plead with him to put an oxygen tent over an expiring industry.

All we needed to do, I will say to the Senator, was to use the soft cushions and not pass any extension of the Trade Agreements Act. In that way the situation would revert to the Tariff Commission, which is an agent of Congress, and the law already provides that the Commission can consider economic conditions in determining what the duties shall be. The Tariff Commission can fix the duty on an article on the basis of the difference between the cost of production in the United States and the cost of production in the chief competing nation—not the highest or the lowest, but what it considers to be the reasonable cost. Then let the Secretary of State, after the situation reverts to Congress, use the kneepads for a while if he wants to do something for a foreign country as against the interests of the workingmen of America.

Would that suit the distinguished Senator from New Mexico?

Mr. ANDERSON. I do not know that I can answer that question, because I have supported the Reciprocal Trade Agreements Act, and I am going to take a very good look at it before deciding whether we should make a change.

When the Senator from Nevada made reference to an oxygen tent, I believe he used a very accurate term, because I noticed the other day, after the announcement was made that there would be undertaken in this country a small stockpiling program for lead and zinc, the price of zinc advanced two times in one day, each time for one-quarter of a cent. It was a small advance, but that one-half cent advance was in the right direction, whereas formerly it had been in the wrong direction.

I am sure the able Senator from Nevada, who is familiar with the mining business, knows that it is purely an oxygen tent. I believe he would agree that that is all it can be temoprarily, and that we hope to have it on a better basis by tariff protection. However we are glad to have this small oxygen tent used in the meantime.

Mr. MALONE. I should like to ask the distinguished Senator another question. Would he agree that the workers of America and the investors in small businesses in America—and that is what mining in this country generally is; it is carried on by businessmen who have made their investments here and are not prepared to make investments abroad—that those investors and workingmen should be entitled to something—it matters not whether it be called a duty or a tariff—in accordance with a principle laid down by Congress which would make up the difference between the wages and taxes paid in America and those paid abroad? Would they be entitled to that consideration?

Mr. ANDERSON. I again find it difficult to answer specifically, but I would say that I have been very much interested in the proposal of a sliding-scale tariff, which would exactly measure the condition which the Senator from Nevada is discussing, and I would still favor it and support it; and I have not changed. I was glad, however, to have the oxygen tent used temporarily, because I should hate to see the miners leave that community, and I am glad the Senator from Nevada has correctly identified it as an oxygen tent.

I do not mean by that term that I am critical of the one who applied it, because I have expressed my appreciation to the President of the United States for starting even the limited program which has been inaugurated. If we are to protect these people adequately there must be something in the nature of a flexible tariff, or a sliding-scale tariff, or whatever one may wish to call it, similar to what is provided by the Simpson bill and by the bill which the Senator from Nevada has introduced, which measures the difference in the living conditions here and abroad, and tries to preserve our mining industry at home.

Mr. MALONE. I should like to ask the Senator from New Mexico further if he does not believe that such a principle must be established by Congress and must not be subject to the whim of a bureau official, who might get up in the morning with a bad case of indigestion and break everybody. Should it not be a principle that could be changed only by law?

Mr. ANDERSON. I would say that I have supported it on the basis of congressional enactment. I believe it should be by enactment by Congress. I shall continue to support it on that basis.

Mr. MALONE. I will say to the distinguished Senator from New Mexico that I know he is extremely interested in agriculture. He was chairman of the very powerful Committee on Agriculture and Forestry up until last year——

Mr. ANDERSON. No. The chairman of the committee, prior to last year, was the distinguished Senator from Lousiana [Mr. ELLENDER].

Mr. MALONE. The Senator is a very prominent member of the Committee on Agriculture and Forestry. He is still interested in keeping production alive and on the basis of livable standards. I ask the Senator if he does not believe that there should be a principle adopted by the Congress of the United States—and such a principle has already been adopted, and will be in effect if we allow the 1934 Trade Agreements Act to expire on June 12, as it will, unless Congress deliberately extends it—which would give back to the Tariff Commission, which is an agency of the Congress, the regulation of tariffs and duties? Unless we have such a principle, whereby growers of wheat, barley, oats, and other agricultural products can compete on a basis of the cost of production in this country as compared to the cost in other countries—in other words, can compete on a basis that is fair and reasonable, the farm program may become very expensive because of imports from foreign nations.

Mr. ANDERSON. While I reserve my judgment on the Trade Agreements Act until it comes up, the able Senator from North Dakota [Mr. YOUNG] has many times pointed out to the Senate Committee on Agriculture and Forestry the difficulty which is arising over the importation of agricultural commodities, particularly oats, in the past year or so. But it is not confined to oats, by a great deal. The prices of agricultural commodities which are not supported in this country probably dropped a great deal more because of importations than did other segments of the agricultural economy which were properly safeguarded. That is why there has been written into the law, in section 22, a provision designed to protect American agriculture. The difficulty is that we have never been able to get the State Department to agree that it is desirable to make use of that provision which is in the law for that purpose.

Mr. MALONE. The Senator from New Mexico has watched the problem develop, and he probably knows as much about it as does any other Member of the Senate.

Is it not a fact that the Trade Agreements Act transferred the constitutional responsibility of the Congress to regulate foreign trade to the executive department, which meant, for all practical purposes, the State Department? By doing that we tied the regulation of our domestic economy to our foreign policy, which was already, by the Constitution of the United States, lodged in the executive department. Did we not tie the two together by that act?

Mr. ANDERSON. I think the simple answer is "Yes."

Mr. MALONE. The Senator has heard the testimony, I am sure, because former Secretary of State Acheson and Willard Thorpe testified many times before the committee, that it was impossible to separate the domestic economy from the foreign policy. The distinguished Senator from New Mexico has heard that testimony and knows about it, does he not?

Mr. ANDERSON. I think the Senator has me where I am unable to go along with him.

Mr. MALONE. I say to the Senator that that is a fact. The present Secretary of State is carrying on from where the former Secretary of State left off. The Constitution of the United States separated the regulation of domestic economy from foreign affairs. By placing them both in the executive department we are put into a position to trade any part or all of any industry to another nation for some political favor we may or may not get, but we are in position to do so.

Mr. ANDERSON. I think we are in position to do so, under the Trade Agreements Act.

Mr. MALONE. And that has been done.

Mr. ANDERSON. I think there has been example after example where commodities in this country have suffered because of the necessity of making adjustments.

I do not say whether that is good or bad, because we have to take into consideration the fact that prosperity worldwide is an important factor.

I say to my friend from Nevada that he should not cross-examine me, because I am not an expert. I am listening to him and letting him testify, and he is doing a fine job.

Mr. MALONE. I should like to ask my distinguished colleague one more question. Under the policy of the United States of America for 175 years—at least for 160 years—if any individual could find an area, even a backwoods or desert area, where the establishment of an industry might be feasible, with available raw materials and water and power, if he could get enough money to invest in it, he was in business?

Mr. ANDERSON. That is true, to the great glory of this country.

Mr. MALONE. We transferred to the executive department the right to trade that business away, or any part of it——

Mr. ANDERSON. We made it possible for such industries to be placed in grave jeopardy; I will concede that.

Mr. MALONE. I thank the distinguished Senator very much for his cooperation. What we have done through the Trade Agreements Act is to put into the hands of the Secretary of State, who does not have to run for any office, that power. My distinguished colleague from New Mexico represents every precinct in the State of New Mexico. I represent every precinct in the State of Nevada. We also represent the United States. The Constitution of the United States placed in the Congress of the United States the responsibility of regulating foreign trade through duties, imposts, and excises. We changed the Constitution, without referring it to the people, by passing a law in 1934 which transferred the responsibility to the executive department and by so doing we curtailed the investment of private capital, for private industry in any part of the United States must take into account what may happen in competition with 70 other nations with varying standards of wages and living conditions. Is not that a fact?

Mr. ANDERSON. It is a rather long question. I am not testifying as to what happened under the Reciprocal Trade Act. We did transfer, whether it was wise or not——

Mr. MALONE. We changed the Constitution of the United States, did we not?

Mr. ANDERSON. I do not know whether we changed the Constitution of the United States. There was a change in the program. I listened to the debate on the Bricker amendment and the George substitute, and I no longer know what changes may be possible.

Mr. MALONE. Where did the distinguished Senator from New Mexico get the phrase "reciprocal trade"? Did he get it from the act?

Mr. ANDERSON. No; I suppose I did not get it from the act. I think I got it from the general label of the acts and the hearings on reciprocal trade treaties.

Mr. MALONE. I may say, for the information of the distinguished Senator from New Mexico, that the phrase "reciprocal trade" does not occur in the act. The act was named "reciprocal trade"

in order to sell free trade to the American people. That is what it was intended to sell.

Anyway, we now have the spectacle of a Republican President asking Congress for a 3-year extension of the same act. I shall come to that phase very soon.

I continue to quote from the Labor Department reports. The next item relates to Tacoma, Wash.:

A diminishing supply of saw and peeler logs, coupled with poor markets, particularly for plywood, have sharply curtailed employment in this industry for the past year.

Mr. President, on my own, I may say that I have been informed by representatives of the lumber industry and its auxiliary industries that unless some protection is afforded to make up the difference in taxes and wages in the northwestern part of the United States and in Canada, the lumber industry is very likely to suffer a very grave further dimunition in employment.

The next report by the Department of Labor is from Portland, Oreg., as follows:

Joblessness 50 percent above year-ago levels. Recent losses led by lumber and food products, food processing, trade, construction, and utilities.

I may say that that condition in the lumber industry and its auxiliary industries will continue to get worse in those areas, unless the working men and the investors in the domestic industries of America make the choice of either lowering their investments or writing off their investment, and lowering wages to meet foreign competition, or else to go out of business. That will mean a lowering of the living standard.

WHY AREAS ARE IN DISTRESS

Mr. President, when one analyzes these Department of Labor notations, each of which has been quoted from official and publicized reports, it is apparent that areas are distressed in which American payroll industries are subject to sharp and subsidized foreign competition.

Thirteen areas are in distress because their textile industries are in distress, and distress of textile and apparel industries is a contributing factor to unemployment in six other areas.

The textile industry is in distress because in the past 4 years $4,589,000,000 worth of foreign textiles and textile manufactures made by foreign workers in foreign factories have been imported into the United States market to compete with American textiles made by American workers.

In this connection, Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Love Sees Tariff Protection Vital to United States Cotton Economy," published in the March 16, 1954, issue of the Journal of Commerce.

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

LOVE SEES TARIFF PROTECTION VITAL TO UNITED STATES COTTON ECONOMY

ANDERSON, S. C., March 16.—The tariff is a virtually negligible factor in the complex problem of restoring world trade, but in one United States industry alone—cotton—it protects the living standards of an estimated 15 million people, F. S. Love, of Charlotte, N. C., secretary-treasurer of the American Cotton Manufacturers Institute, said here today.

Cotton textiles are made all over the world, he told the Rotary Club in an address, and the United States industry could not withstand foreign competition in its home market if tariffs, already perilously low, are reduced further. The reason for this, he said, is the enormous disparity between United States textile wages and those of other countries that no degree of higher United States efficiency can offset.

To whatever reasonable degree an efficiency gap does exist, he added, it is narrowing rather than widening, due to rebuilt industries in Europe and Japan.

Compared with an average hourly wage rate of $1.30 in the United States, he said, the textile worker in India earns about 9 cents an hour and in Japan about 13 cents, while even in Great Britain the rates is less than a third of the United States rate.

The speaker pointed out that the textile industry covers a wide area and constitutes a vital part of the United States economy.

He said that if the United States textile industry or any significant portion of it should be sacrificed to foreign industry, there would be no alternative employment for displaced workers in textile areas, and the destructive effects would be felt throughout the United States economic system.

Such a sacrifice of jobs and standard of living would be all the more tragic, the speaker said, in view of the fact that making the United States a substitute market for foreign-made textiles cannot help the plight of the world's present areas of scarcity and high prices which are trapped in their programs of trade restrictions and nationalism.

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

The PRESIDING OFFICER (Mr. PURTELL in the chair). Does the Senator from Nevada yield to the Senator from Wyoming?

Mr. MALONE. I yield.

Mr. BARRETT. I think the record will disclose that numerous textile mills have been closed in the United States during the past year. I wish to ask the Senator from Nevada if the skilled mechanics who have lost their jobs in those mills are not confronted with these alternatives: Either to accept a cut in their wages and to live on a substandard level, so far as the American way of life is concerned, or to continue to export their jobs to mechanics overseas? Is that about the situation?

Mr. MALONE. I may say to my distinguished colleague from Wyoming, who also is a member of the subcommittee making an investigation of the availability to this Nation of critical materials needed in time of war, that he is exactly correct. There is only one way Americans can stay in business, if there is to be a continuation of the shifting of jobs to foreign soil and a deliberate dividing of the markets of the United States with lower-wage-scale countries, and that is to write off their investments and to lower wages in order to meet competition, or else to go out of business.

Mr. BARRETT. That poses quite a problem for the people of the United States, particularly for the American laboring man, because certainly he would not want to go back to a standard of living which would place him below the average needed to support his family in the American way of life. Certainly he wants to be employed, so he could not favor the continuance of a policy which would mean the exporting of more jobs overseas.

It seems to me that, regardless of everything else, the time is coming when the American workingman will rise up and insist upon a change of policy, so as to protect him, first, in his job and in his right to make a living; and second, to enable him to make a living according to the American style, and not to be forced to compete with labor which is employed on a basis that is about one-third or one-half of what it is in the United States.

Mr. MALONE. I am very much interested in the concern of the Senator from Wyoming in this matter. The line is very clearly marked in this Nation between international freetraders and those who believe that the economy of the United States of America should be protected while we are doing what we can to help our neighbors.

Many corporations and individuals have grown big enough in this Nation, mostly under tariff protection, so that they can now go behind the low-wage curtain with their investments and there build their mills, production plants, or models. They simply take their shifters or superintendents, as they are called in the mining industry, and go abroad. The foremen and superintendents train the low-wage workers, using the same machinery and know-how as are used in the United States, and there they manufacture equipment or mine minerals, and then export them to the United States at a cost below that at which they can be produced under our wage standard of living.

Such people include Henry Fords, the Colemans, the Charley Tafts—I could mention hundreds of others—who have interests outside the United States, and who favor the one-world-economy idea. Many of the international bankers will be found on their sides. There is an international banker investor in England, who was chairman of the board of Chase National Bank, one of the finest organizations in the United States. But he is in England, preaching free trade everyday. We know of his connections in this country. The world is his oyster if free trade is permitted to continue.

The President in his message proposed a 5-percent reduction of the tariff each year. As the Senator from Wyoming understands, the Tariff Commission, as an agent of Congress, can furnish protection, by means of a duty or a tariff. But the Tariff Commission, as an agent of Congress, cannot furnish protection if we extend the 1934 Trade Agreements Act beyond June 12. So if there is a differential of 1 percent between production in this country, based on our wage standard of living, and the production by sweatshop labor abroad, and the differential favors the foreign producer, then the United States has no alternative except to reduce its own investments and wages, so that that 1-percent differential in cost of production can be overcome.

So, whether the reduction in tariffs be 5 percent or 100 percent, we shall be lowering our standard of living to that extent.

Those who favor the protection which would make up the difference between the wage standard of living here—that is, the wages and the taxes, the two principal factors—and the wage standard of the chief foreign competitive nations, as represented by the flexible import fee or duty or tariff, whatever it is desired to call it, are the people in the United States who are dependent on their investments in this country or on jobs in this country, and who are unable to go abroad to work or to make their investments abroad. Those people comprise 80 percent of the population of the United States. If Congress should extend the free trade act for another 3 years, I think they would become aroused, and would march on Washington, and not even wait for us to go home.

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

Mr. MALONE. I yield.

Mr. BARRETT. As I understand the distinguished Senator from Nevada, he contends that under the existing policy, pursuant to the Trade Agreements Act of 1934, the inevitable result is to bring the wage scale of the American worker down, so that it is in competition with the lower wage scales paid abroad; whereas the Senator is proposing that in order to equalize conditions, the American working man should be protected, and producers and manufacturers abroad should be encouraged to bring the scale of living in their countries up, so that it will be comparable with the scale of living in the United States. Is not that correct?

Mr. MALONE. The distinguished Senator from Wyoming has hit the nail squarely on the head. We should take the profit out of sweatshop labor. In other words, when Mr. Ford can export to this country a $900 Ford built in Scotland, with labor paid $2.50 a day, and he makes an $1,800 Ford in this country, or whatever the cost of a comparable Ford may be, or if a ton of zinc is shipped from Africa, which is a competing nation, where labor is paid $1 or $1.40 a day, while labor in this country is being paid $15 a day, then the difference in the cost of labor should be made up by a duty. If such products are imported into this country on the basis of fair and reasonable competition, and the profit is taken out of sweatshop labor, it will not be possible to ship products into this country with the distinct purpose of making money by underselling the American market.

Mr. BARRETT. I have heard many persons make the statement that in the past 20 years the so-called Reciprocal Trade Agreements Act of 1934 worked in an admirable fashion, and that Congress would be derelict in its duty if it did not continue to pursue the policy embodied in that act.

I should like to ask the Senator if, in his judgment and experience, the so-called Reciprocal Trade Agreements Act has ever had a chance to work effectively in this country.

I should also like to call the attention of the Senator to the fact that during the thirties there was a depression in this country, and we started the thirties with about 11 million unemployed, and ended up the decade with about 9 million unemployed.

In the forties a war in Europe and Asia started which turned out to be the worst in the history of mankind. We wound up the forties with the Korean war, which we are just barely coming out of at the present time. So when, if ever, in the past 20 years has there been a real, honest-to-goodness trial of the workings of the Reciprocal Trade Agreements Act of 1934?

Mr. MALONE. The Senator from Wyoming is exactly correct. In 1940 and 1941, when we were precipitated into World War II, there were in this country 9 million unemployed and 17 million partially unemployed. It was not long before about 12 million young men were put into the Army, Navy, and Air Corps, and the unemployment situation was cured temporarily. When those men started coming back and the country began to return to normal conditions, we were faced again with unemployment. In 1950 there were 5 million unemployed and 9 million partially unemployed. So Mr. Truman started the Korean war. The Secretary of Commerce at that time, Mr. Sawyer, inadvertently, in a speech about 2 or 3 months later, said, "We sure cured that unemployment situation."

After 1934 we had the WPA and the PWA, and we had World War II and world war III. I call the Korean war world war III because when more than 100,000 American boys are maimed or killed, if that is not a war, it will do until one comes along. We also have had continual emergencies. The Reciprocal Trade Agreements Act of 1934 has never had a chance to work. Whenever there has been opportunity to put it into effect, it has started the unemployment cycle.

Mr. BARRETT. I wish to take this opportunity to congratulate the junior Senator from Nevada for the fine work he has done as chairman of the Subcommittee on Minerals, Materials, and Fuels Economics. I think the people of the United States will appreciate all the more the efforts of the Senator in preparing a clear, concise, and complete presentation of the situation confronting the miners and the mining industry of America and the defense of America, and that it will redound not only to his credit but to the credit of the members of the Committee on Interior and Insular Affairs and the Senate as a whole.

Mr. MALONE. As a member of the subcommittee of five members preparing the report, I wish to say that the subcommittee intends to have ready, in a very short time, certainly within 2 or 3 weeks, findings, conclusions, and recommendations; and then the supporting data will be available to all.

I am very glad to have had the participation of the distinguished Senator from Wyoming in the debate, and I say further at this point, that the Reciprocal Trade Agreements Act of 1934 has tended to make this country dependent upon foreign governments for many minerals and materials without which we could not fight a war. The evidence before the subcommittee has shown conclusively that such minerals and materials are not available to this Government in wartime. Therefore, such a policy has tended to defeat our program of national defense.

Senate Resolution 143, agreed to during the last session, having to do with a study of strategic and critical minerals and materials, is directed merely to determining the availability to the United States in wartime of 87 materials. About 40 percent of such materials are minerals. There are also included about 30 agricultural products, and other materials, which make up the 87 critical minerals and materials. As I have said, the name of the subcommittee is the Special Subcommittee on Minerals, Materials, and Fuels Economics, and its study encompasses all the materials in the particular category I have spoken of which are needed for national defense and for other purposes. We do not produce enough of such materials, but one of the reasons for that is the very trade agreements made with other countries, which have resulted in lowering the duties below a certain economic point, and another reason is the giving of our money to foreign nations for the purpose of going into the business of competition.

The Trade Agreements Act of 1934 has brought about two results. The first is dependence upon foreign nations, which lie across major oceans, with which countries we cannot compete in peacetime. It would be a mild form of blackmail to involve this country in further agreements which would make us dependent on such countries for strategic materials without which we could not fight a war.

Another result has been that the Nation has moved a large part of its civilian economy into a war economy. This country is now out of the crockery business, because of the 15 cents an hour wages paid in Japan, and the low wages paid in Germany. We are also out of the business of manufacturing works for watches, because of the low wages paid in Switzerland. Workers in that industry would not be available, in time of war, to work on necessary war materials.

Of course, everyone knows that we are out of the mining business in the United States, except where the Government is a partner or has an interest. In that respect, every taxpayer in the United States is in the mining business. Perhaps he did not receive his share of stock, but everyone is involved in $40 billion worth of short-term amortization, not only in mining but in other industries. We have guaranteed unit prices.

This morning I talked on the telephone to a prominent official of a copper company, with headquarters in New York. I asked him if he was interested in the business. He said he did not believe they were immediately interested, because they had a guaranteed price per pound for copper, so it did not make much difference what else they did.

I said that some of us felt we had a responsibility to protect the taxpayer.

But he seemed to think his organization would not be interested, once they could get the guaranteed unit price.

Of course, Mr. President, when the price falls below that price, as it eventually will, in view of free imports from Africa and other places—and the African imports are increasing now—the United States taxpayers will have to pick up the check, although they will not own any stock in the mining companies.

Mr. President, last year we sent $20 billion to foreign countries. In the reasonably near future that subject will be discussed further on this floor, for that is too much money for us to send abroad.

But we appropriate from $20 billion to $30 billion for a war economy, and we manufacture the necessary goods in that connection, and perhaps from 70 percent to 95 percent of them are obsolete by the time they leave the factories. We are sending many of them to Europe, where they are being placed in storehouses. Once such goods are stored in Europe they will be of little or no use in a war, because it will be impossible to make many of them available to the troops. As a result, it would be impossible even to have another Dunkerque. The strategists have testified that in such a situation the troops would be captured within a week and would be sent either to salt mines or to distant parts of Siberia.

So, Mr. President, I say we should take the necessary steps to insure that there will be reasonable and fair competition between domestic producers and foreign producers, so there will be available to the United States the minerals and materials which she must have if she is to fight a war, and which the United States also must have if the American economy is to move from a war economy to a peace economy.

As a matter of fact, at this time we are afraid to move to a peace economy from a war economy because we are fearful that to do so would result in a depression.

Mr. BARRETT. Mr. President, will the Senator from Nevada yield to me?

The PRESIDING OFFICER (Mr. PURTELL in the chair). Does the Senator from Nevada yield to the Senator from Wyoming?

Mr. MALONE. I yield.

Mr. BARRETT. First, I should like to ask whether in the course of his investigation of the situation with reference to critical materials and minerals in the United States, the Senator from Nevada reached the conclusion that the defense of the United States should be provided for and safeguarded by an arrangement in the Western Hemisphere. In other words, would we be self-sufficient, insofar as this hemisphere is concerned, if we were to take steps adequately to produce the minerals which are available in this hemisphere?

Next, I should like to ask whether the Senator from Nevada can tell us about when the hearings and the report will be available for public consumption, because I anticipate that many persons throughout the United States will be extremely anxious to obtain the valuable information which will be contained in the hearings and the report.

Mr. MALONE. The report, or at least the preliminary report, should be ready by the middle of April. Of course, I wish to discuss it, as a member of the committee, with the Senator from Wyoming.

So far as the self-sufficiency of the Western Hemisphere is concerned, first we had the testimony of men of the caliber of Gen. Albert Wedemeyer, Gen. Bonner Fellers, General Johnson, who is under the Secretary of Defense, and Major de Seversky, who is considered one of the outstanding aviation authorities. Their testimony was to the effect that a dependable supply of critical materials can be found in the Western Hemisphere, and that it is possible to protect the Western Hemisphere. They believe there would be certain losses at first in the Caribbean area, but that it would be relatively easy to control, as compared with controlling one of the major oceans. Nevertheless they believe that unquestionably we would be able to defend the Western Hemisphere, and therefore the dependable supply of these materials would be from the Western Hemisphere.

So we have heard from outstanding experts and engineers in the United States, including experts in the Bureau of Mines. The junior Senator from Wyoming must help judge the summation of that testimony.

However, at this time I may say to him that, as chairman of the committee, it is my belief that we can be self-sufficient in respect to all the minerals and materials necessary to fight a war and to live in peace in the Western Hemisphere, with the possible exception of industrial diamonds. It is believed that enough industrial diamonds can be obtained, because their present use can be cut in half, through extended use of the present improved methods. It may be necessary to establish a 1-year to 4-year program of pilot plants and laboratory work in order to complete that project, but it can be done.

Such a development would, first of all, prevent us from being subject any further to blackmail; and thus we would not have to sign further agreements with India, for instance, in order to persuade her to continue to allow us to obtain 900,000 tons of manganese a year, which is approximately half the supply we use annually.

It will be remembered that India stopped the shipment of monazite sands to the United States in peacetime.

In the present situation, India and many other nations upon which we have become dependent for various materials, are in a position to say to us—although, of course, using very nice diplomatic language—"Either sign this agreement or we will stop the shipments."

The development I have just mentioned will remove us from such a situation in which we are subject to blackmail.

Furthermore, as a result, no nation would then believe it could whip us by cutting off the supply of such materials.

So in peacetime we would be ready to become self-sufficient within a period of a few months, and we would be able to trade with other nations on the basis of fair and reasonable competition, and we would be able to stop attempting to protect the colonial systems of the colonial-minded nations of the world, as we are now doing.

Mr. BARRETT. I thank the Senator from Nevada.

Mr. MALONE. The distinguished Senator from Wyoming [Mr. BARRETT] asked a question as to the survival of our living standards if imports from the low-cost, sweatshop labor nations were allowed to come in at 5, 10, 15, or 50 percent under our costs, including labor and taxes. The dispatch which I have already submitted for inclusion in the RECORD is headed "Love Sees Tariff Protection Vital to United States Cotton Economy." In that dispatch, which is dated March 16, we find the following language:

> But in one United States industry alone—cotton—it—

Meaning the tariff—

> protects the living standard of an estimated 15 million people.

Dropping to another paragraph in that dispatch:

> The textile worker in India earns about 9 cents an hour and in Japan about 13 cents, while even in Great Britain the rate is less than a third of the United States rate.

That remark alone should show anyone in the textile industry, the mining industry, the crockery industry, the cattle industry, the sheep or wool industry, the watch industry, or any one of 500 other industries, exactly what is happening, and what will continue to happen if this principle is continued.

The junior Senator from Nevada asks unanimous consent to have printed in the RECORD at this point in his remarks an article titled "Reciprocity Plan Backfired for United States Textiles: J. C. Smith," datelined Biloxi, Miss., and published in the March 22, 1954, issue of the Journal of Commerce.

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

ALABAMA MILLMEN MEET—RECIPROCITY PLAN BACKFIRED FOR UNITED STATES TEXTILES: J. C. SMITH

BILOXI, March 21.—As far as the American textile industry is concerned, reciprocity has backfired, J. Craig Smith, first vice president of the American Cotton Manufacturers Institute, said here Friday.

Mr. Smith told the annual convention of the Alabama Cotton Manufacturers Association that the Reciprocal Trade Agreements Act as set up by Cordell Hull had as it purpose the exchange of those things which we had an abundance of and which other countries needed, for those things which the foreign countries had an abundance of and which we needed.

Charging that the plan has backfired, Mr. Smith said that "under the Trade Agreements Act the United States granted many concessions on textile imports, reducing custom duties by about one-third on the average and as much as 75 percent in some cases. In return, the United States reaped not a single tariff concession on cotton goods from other countries and instead became the target for a startling multiplicity of restrictions that are really tariffs in disguise."

INDUSTRY SEEN BLED

Mr. Smith, who is also president of Avondale Mills, Sylacauga, Ala., said that a foreign-trade policy which would permit an influx of cheap foreign cloth into the United States would open the veins of those persons who look to the textile industry for a livelihood.

Not only would such a policy be opposed to the national interest, but it would also be opposed to the interest of the Nation's cotton farmers, he said.

Asserting that even though the record will prove that the United States textile industry is the most efficient of any textile industry in the world, the speaker said that even with its high degree of efficiency it cannot possibly bridge the wage gap between us and our foreign competitors. Some of these competitors, he said, "are now operating with modern machines bought with tax money collected from our industry."

"To bridge such a gap," he added, "we would have to be 3 times as efficient as the Japanese and 12 times as efficient as the growing textile industry in India."

SECOND ONLY TO STEEL

Not only is the textile industry a key factor in the support of agriculture and an important customer of many other industries, the speaker said, but it was characterized during World War II as second in importance only to steel.

"Obviously," Mr. Smith asserted, "we cannot have a textile industry during times of national emergency unless we maintain it in peacetime. Surely in the national interest we could not rely on getting the hundreds of essential military textile supplies from Europe and Asia."

He said the importation of cheap foreign cloth made with cheap labor would "have a demoralizing effect on our already depressed price structure, and the uncertainty of how much more might be imported would make it impossible for our industry to sell for forward delivery."

Declaring that actually foreign cloth could be sold in the United States for one reason only—because it is made by cheap labor—he added: "Surely it would not be in the national interest to pass a law setting up a minimum wage rate and then permit cheap cloth, made with cheap labor, to make it impossible to provide jobs at the legal minimum-wage rate."

Mr. MALONE. The last paragraph of the article which I have inserted in the RECORD from the Journal of Commerce of March 22 reads:

Declaring that actually foreign cloth could be sold in the United States for one reason only—because it is made by cheap labor—he added: "Surely it would not be in the national interest to pass a law setting up a minimum wage rate and then permit cheap cloth, made with cheap labor, to make it impossible to provide jobs at the legal minimum wage rates."

I would say that we have unemployment insurance and social security; so we put the unemployed on the payroll of the United States Government at the expense of the taxpayers. Naturally it does not make sense, but commonsense in the city of Washington is about the scarcest commodity the junior Senator from Nevada has been able to find since he has come here.

Later in his remarks the junior Senator from Nevada expects to further discuss the effects of textile imports on American workers and the American economy, citing eminent authorities, and with particular attention given to the increasing competition to our cotton textiles industry and to the woolen and worsted industry.

FUEL OIL IMPORTS FLOOD OUT UNITED STATES MINERS

Twenty-six distressed areas are in distress primarily because the coal industry is in distress, and decline in the American coal mining industry also is contributing to distress in four other areas.

The coal mining industry is in distress because during the past 4 years 503,889,000 barrels of residual fuel oil have been imported from Venezuela, the Middle East, Indonesia, the Malay States, and other distant parts of the world to flood the East and destroy large segments of the market for American fuels.

Last year, helped by special trade concessions, 136,208,000 barrels of the foreign product were dumped along our eastern seaboard with the blessing of pro-foreign diplomats, thus robbing American miners in 10 States of livelihood.

These residual fuel oil imports, the junior Senator from Nevada is informed, are the equivalent of 32 million tons of coal—a full year's work for more than 22,000 miners.

In 1950 such imports totaled 120,036,000 barrels: in 1951 they aggregated 119,166,000 barrels, and in 1952 they jumped to 128,479 barrels.

The coal-mining industry has been in distress a long, long time, while nations under military dictatorship, such as Venezuela, enjoy unprecedented prosperity.

Meanwhile the Wall Street Journal reports that production of bituminous coal during the week ended March 6 was the lowest since March 26, 1938, 16 years ago.

Later the junior Senator from Nevada will discuss in greater detail the threat of residual oil imports to the national economy and security. He also will discuss the effect of crude oil imports on western regions that do not come within the province of the Labor Department's labor market area summaries for the reason that these are regions primarily of vast natural resources, development of which is being retarded by foreign imports.

Lumber imports and imports of wood products last year totaled over a third of a billion dollars—$351,034,465 to be specific—and 8 American areas, 2 of them large western cities, are now suffering distress. These imports exclude paper. Had imports of paper been included the import value total would be $1,302,198,050.

Employment in the lumber industry group—

Says another March Labor Department report—

was reduced to the lowest point for the month in many years.

IMPORTS HURT CLAY, GLASS, CHEMICAL INDUSTRIES

Imports of glass and clay products from foreign countries inflict distress to a significant degree in seven areas, and there are reports of great hardship in many others.

The glass industry advises that a third of our skilled glass craftsmen in the Nation have been made jobless by glass imports.

Production of American chinaware has dropped more than one-fourth since 1949 while imports increased more than half their previous quantities.

Imports of glass and clay products from foreign countries totaled $76,578,000 in 1953, some of it produced in Communist countries behind the Iron Curtain.

Chemical imports last year amounted to $293,053,776 and contributed to distress in at least several of our group IV areas. The junior Senator from Nevada will discuss the import threat to America's chemical industry later in his remarks.

Electrical product imports aggregated $45,647,204. Unemployed leather workers in several distressed areas may find it of interest that imports of leather and leather goods last year aggregated $42 million.

Imports of metals and metal manufactures exclusive of machinery in 1953 exceeded $2 billion, contributing to distress in half a dozen distressed areas of record, and to wide areas in other parts of the United States not included in reports of the Bureau of Employment Security.

METAL IMPORTS GROW EACH YEAR AS UNITED STATES MINES AND MINERS STRICKEN

In 1950 metal imports totaled $1,182,183,123. A year later, through State Department encouragement, they aggregated $1,433,047,006. In 1952 with more State Department assistance the total was $1,922,020,430, and this year for the first time metal imports topped two billion—$2,097,860,588.

The American lead and zinc industry is stricken, employment drastically reduced, and the copper industry is badly mauled.

Imports of vehicles in 1953 totaled $106 million of which $43,130,000 was for foreign-built automobiles. Automobile imports in the past 4 years aggregate over $136 million.

The junior Senator from Nevada expects to discuss trends in the automobile industry later in his remarks, with special reference to proforeign trade leaders in the industry who are building up large auto-manufacturing enterprises in foreign countries.

PROFOREIGN CLIQUE IGNORES UNITED STATES WORKERS

Mr. President, this country has the skilled manpower, raw materials, and resources to supply all of its textile needs, all of its fuels needs, all or virtually all of its chemicals, every item that is necessary for the manufacture of electrical equipment, all of its leather, all its basic lumber needs, all materials for the manufacture of glass and clay products, its automobiles, and most of its metals.

The few metals in short supply in the United States proper could be obtained in other parts of the Western Hemisphere.

I wish to say at this point, Mr. President, that all we have ever contended in the matter of the protection of the American workingmen and investors has been that the protection should be on the basis of fair and reasonable compe-

tition, giving the foreign producer and the foreign workingmen and the foreign investors equal access to our markets, but no advantage.

We could supply lead requirements from American mines using American workers. Instead we imported $116,040,-062 worth in 1953.

We could supply our zinc needs from American mines employing American miners. Instead our zinc imports in 1953 exceeded $100 million.

We could materially increase our own copper production from American mines employing American workmen, but our State Department proforeign do-gooders prefer to import foreign copper mined by foreign workers working for a peon's wage.

At this point, Mr. President, let me say that South African copper is beginning to come into the United States, which can destroy a large part not only of the United States production, but also that of the Western Hemisphere.

American lead, zinc, and copper mines, coal mines and mines of other metals close down throwing tens of thousands of good Americans out of work, but American distress and recession is ignored by our proforeign traders in and out of the State Department.

Their concern is that there be plenty of work for foreign labor and plenty of profits for foreign operators and their governments while the national economy slumps at home. In the opinion of the junior Senator from Nevada, a succession of Secretaries of State over the last 20 years—two decades—have followed this foreign job and profits philosophy.

LABOR DEPARTMENT CITES CUTBACKS IN PRODUCTION WORKERS

The Labor Department in a March 10, 1954, release reported that 1,056,000 fewer production workers were employed in the Nation's manufacturing industries than 1 year previous. It stated:

> The largest declines—exceeding 100,000—occurred in primary metals, machinery, transportation equipment, and textiles. About half of the year's employment loss was concentrated in these four industries.
>
> In textiles, the development of recent months, combined with a long-term employment downtrend in certain sectors of the industry, brought the workforce to pre-World War II levels.
>
> Other industry groups reporting sizable over-the-year employment declines were lumber, prefabricated metal products, electrical machinery, and apparel.

Declines also were noted in chemicals, petroleum production, and in coal and metal mining.

RECESSION STEMS FROM ROOSEVELT-TRUMAN ERA

Mr. President, it might be relevant to check that report against the list of distressed areas previously read into the RECORD by the junior Senator from Nevada.

The grim facts are that we are importing recession and have been importing recession for some years.

We create recession here at home while building unprecedented prosperity abroad.

Mr. President, the recession that exists in numerous industries and areas today is not new. It is a Roosevelt to Truman to Acheson recession.

Except in the bloody war years, this recession has existed in many fine American industrial communities and cities, and in many of our resource areas, ever since the Trade Agreements Act of 1934 became effective. But many areas and States are only beginning now to find out that they are not on the industrial map of the United States, or have been marked for liquidation on the industrial map of the United States by proforeign deals arranged by the free-trade clique in the State Department.

These areas exist in New England States, Southern States, Western States, Midwest States, and even in the mid-Atlantic States and Appalachian region.

As far back as 1951 we find the Labor Department listing Lawrence and Lowell, Mass.; Providence, R. I.; and Winston-Salem, N. C.; and Altoona, Scranton, and Wilkes-Barre, Pa., as areas of substantial labor surplus, or, in plain language, distressed areas.

Before the new administration took over in January 1953, these areas had been added:

Gloversville, N. Y.; New Bedford, Mass., which subsequently dropped to an area of moderate labor surplus, but later went back to the rating associated with distressed areas; Clearwater-Dubois, Pottsville, Sunbury-Shamokin-Mount Carmel, and Uniontown-Connellsville, Pa.; Cumberland, Md.; Fairmont, Parkersburg, Point Pleasant, and Ronceverte-White Sulphur Springs, W. Va.; Asheville and Durham, N. C.; Jasper, Ala.; Terre Haute and Vincennes, Ind.; Herrin-Murphysboro-West Frankfort, Ill.; and Tacoma, Wash.

Since then many vital American areas have been added, automobile-manufacturing centers, cities in which refrigerators, farm machinery, and other typical American products are made; several tourist centers.

Mr. President, it seems to the junior Senator from Nevada that we have a pattern here marked out in cold facts and official records.

RECESSION PATTERN LINKED TO IMPORTS

First we have a marked decline in industries hit by the impact of subsidized imports—textiles, fuel, glass, pottery, chemicals, and so on—with the blight of unemployment striking 1-industry and 2-industry areas first, then creeping on to areas with industries more diversified but still subject to import competition, and now, as employment in import-stricken industries shrinks, a loss of purchasing power that becomes reflected in such items as automobiles and refrigerators.

Of course, many other industries have been hurt that are not listed in the Labor Department's summary of labor market areas, although some of them may be buried within larger or more general categories.

Thus the lace industry has been stricken, a third of our twine industry is gone, a third of our wallpaper manufacturing industry has been lost as imports increased 500 percent.

British bicycles are flooding the American market, an increase of 1,600 percent from 1949, while British manufacturers favored by low tariffs and wage scales less than a fourth that of American workers in the bicycle industry, curtail employment in the United States.

Half of our motorcycle market has been captured by the British at the expense of United States factories and workingmen, and inroads are being made into the American automobile markets with greater inroads in immediate prospect.

We are importing recession, not for one industry or for several but for scores of industries, both large and small.

The junior Senator from Nevada asks unanimous consent to include in the CONGRESSIONAL RECORD a list of industries in Pennsylvania injured by competition from imports of foreign products, as published in the October–November Report of the Pennsylvania Employer-Wage Earner Job Protection Association.

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

American Watch Manufacturers Association; Hamilton Watch Co., Lancaster; American Watch Workers' Union (independent); American Glassware Association; American Flint Glass Workers' Union, A. F. of L.; American Lace Manufacturers Association; North American Lace Co., Philadelphia; Amalgamated Lace Operatives of America (independent); American Dry Milk Institute; National Milk Producers' Federation; National Creameries Association; National Association of Cotton Manufacturers; National Association of Wool Manufacturers; American Cotton Manufacturers Institute, Inc.; American Paper & Pulp Association; Hammermill Paper Co., Erie; American Federation of Labor, George Meany, president; Anthracite Institute; National Coal Association; Pittsburgh Consolidation Coal Co.; Rochester & Pittsburgh Coal Co., Indiana, Pa.; New York Central System; the Pennsylvania Railroad; United Mine Workers of America; Brotherhood of Firemen and Enginemen; Order of Railway Conductors; Brotherhood of Railway Trainmen; Mushroom Growers Cooperative Association; Brandywine Mushroom Corp.; Cordage Institute; Hat Institute, Inc.; United Hatters, Cap and Millinery Workers, A. F. of L.; Pennsylvania Oil Producers Association (Middle and Bradford district); Insulation Board Institute; Armstrong Cork Co., Lancaster; United States Potters' Association; Vitrified China Association; Shenango Pottery Co., New Castle; International Brotherhood of Operative Potters, A. F. of L.; National Labor Management Council on Foreign Trade Policy; Pin, Clip, and Fasteners' Association; United Wall Paper Craftsmen and Workers, A. F. of L.; Manufacturing Chemists Association; Synthetic Organic Chemical Manufacturers Association of the United States; National Association of Photographic Manufacturers; International Photo Engravers Union, A. F. of L.; Luggage and Leather Goods Manufacturers of America (75 plants in Pennsylvania); Tile Council of America; Book Manufacturers Institute; International Brotherhood of Bookbinders, A. F. of L.; United Textile Workers Union, A. F. of L.; Soft Fibre Manufacturers Institute, Inc. (plants in Philadelphia, Hanover, Reading, and Allentown); Trojan Powder Co., Allentown; New Jersey Zinc Co., Friedensville, Pa.; United States Wood Screw Service Bureau; Wine Association of Pennsylvania.

Mr. MALONE. Mr. President, there is a remedy for the economic situation, this depression, and it is an obvious one.

The remedy is to let the Trade Agreements Act of 1934 expire June 12, 1954, and thus restore the constitutional, American system of levying duties or tariffs so that American industry, agriculture, labor, and investors can compete on a basis of equality, fair and reasonable competition, with foreign goods and products imported into the United States.

The Trade Agreements Act placed industries which have foreign competition at the mercy of a New Deal administration and New Deal President.

The President, in turn, transferred the fate of such industries to the State Department, traditionally unfamiliar with the domestic economy, and tinged throughout the New Deal with Communist and other proforeign elements.

NATION'S ECONOMIC DEFENSES SHATTERED

The foreign-minded State Department reduced protection to American industries and industrial communities which required it, 75 percent on the overall, and to zero for some industries, thus opening the gates to shock waves of competitive foreign imports.

In other words, the State Department, given life or death powers over American industries, markets, and jobs, tore down three-fourths of the Nation's economic defenses against invading imports.

Today industries which to survive must compete against foreign goods and products are virtually defenseless.

Their fate is determined on foreign auction blocks, at international auctions of industries and trade, such as those held at Geneva, Switzerland; Annecy, France; and Torquay, England; in each of which since World War II, the State Department bartered away important and historic segments of our national economy.

American industries at these international trade auctions held in distant lands are subject to international logrolling, blackmail, and bribery.

American industries not only are being sacrificed to free trade but to barter trade, blackmail trade, concession trade, and subsidy trade, all at the cost of American industries, American investors, American labor, and American wages, taxes, and household budgets.

Mr. President, the issue is clear.

Do we want foreign subsidies and depression, or do we want American protection and economic stability?

The junior Senator from Nevada is on the side of the American workingman, businessman, farmer, and investor, and is on the side of American stability.

Certain proforeign free traders are on the opposite side, demanding further foreign subsidies. I have strong reason to suspect they do not want any realistic brakes at all put on the recession trends for which they are in part responsible.

Free trade exists on foreign subsidies and distressed American economy.

Recessions weaken labor, weaken farmers, strengthen foreign competition to our products, encourage loans and mortgages, ruin small business and independent enterprise, and augment powerful combines. Could it be, Mr. President, that is what our proforeign trade titans want?

FREE TRADERS FIGHT CONSTITUTION

What they do not want is to have Congress regain its constitutional obligation and responsibility to impose and collect duties in the interest of its constituencies, which is the American way.

Such recovery by Congress of its constitutional authority would expose the motives and self-interest of our professional free traders, and would nullify the free-trade propaganda for more billions of dollars in subsidies to foreign nations to encourage more imports, thus displacing more Americans from their jobs and closing more mines, mills, and factories.

The idea that we are thoroughly trained in giving away billions of dollars each year, and that in order to stop giving money away we must divide markets, which are the sources of income, is one of the most outrageous conclusions that ever could be perpetrated on innocent people.

Recovery by Congress of its constitutional responsibility to lay and collect duties would save money for American taxpayers, save American industries, and save American jobs; but these savings, apparently, do not concern our free traders.

Their policy is and has been to think foreign, spend foreign, build foreign, and buy foreign.

The think-foreign cult has been diligent for two decades in promoting foreign ideologies, alien isms, and free trade.

The spend-foreign, build-foreign cult has been promoting foreign gifts, grants, subsidies, and foreign industries in competition with American industries.

The buy-foreign boys promote foreign products over American products. They promoted, for example, extensive European cheese tours, wine tours, factory tours, and fancy-food tours to indoctrinate Americans in appreciating foreign products which America produces equally as well or better.

All of these proforeign cliques, of course, advocate free trade so that foreign goods can swamp American industries and markets.

The think-foreign, spend-foreign, build-foreign, and buy-foreign cult have been quite successful in selling their proforeign program and philosophy.

They sold their program to the New Deal.

They sold it to the Acheson-Truman deal, in one of the slickest blue-sky sales in history.

Today the pro-foreign clique is trying to sell their program to Congress, and in the face of a growing recession well fertilized by free trade.

The junior Senator from Nevada cannot believe that Congress will buy this free trade pro-foreign program when it has studied and analyzed the facts—the facts of America's economic life.

FREE TRADE RECESSION BLUEPRINT

Certainly the American people have never bought it, and in the last election they rejected it—or thought they had rejected it.

Free trade programs are blueprints for recession and recession expediters.

Free foreign trade and subsidized foreign trade brought recession to many industries and areas in the United States long before the present administration took office, and it is in the record, as the junior Senator from Nevada already has cited.

Free trade and subsidy trade have enabled foreign nations to flood American markets with low-wage, low-tax, low-tariff foreign goods and products which have displaced thousands upon thousands of American working men and women—and that also is in the record, as the junior Senator from Nevada has demonstrated.

Free trade and subsidy trade are furthering recession now, while scores of American industries are staggering under the impact of foreign goods dumped or spilled on the American market, and while factories, mines, plants, and mills are sacrificed on the devil's altar of free trade.

Mr. President, the philosophy of free trade was rejected by our Founding Fathers.

The Constitution provides for duties on foreign imports, empowers Congress to lay and collect these duties, and determines that Congress should regulate the commerce between the United States and other nations.

FOUNDING FATHERS KNEW BEST

The Constitution recognized and recognizes today that these powers properly are legislative powers.

Our Founding Fathers in their great wisdom knew that proper duties on imports could and would be laid only by the national legislature, the Members of which represent every precinct, county, district, and State, and the industries and people within them.

Legislators are elected by their constituents, are responsible to them, and are answerable to them.

Today, as for the past 20 years, the legislative power to lay and collect duties on imports is exercised by the State Department, which is elected by no one, is answerable to no one at the polls, and is responsible, if it is responsible at all, only to the Executive.

Mr. President, the junior Senator from Nevada, who is answerable to the electorate of his State, its counties, precincts, and their every voter, rejects the free trade, think foreign, spend foreign, build foreign, and buy foreign philosophy which is damaging our American economy and the economy of his State.

The junior Senator from Nevada believes that the American economy is more important to America, and for that matter, more important to the free world, than the economy of foreign nations. He further believes that only if America's economy is at maximum strength can it furnish, by example, effective encouragement to the economy of foreign nations.

American wage earners receiving American wages are more important to our country than are foreign wage earners receiving sweatshop or peon wages, despite American subsidies to their governments and industries.

American industries are more important to America than are foreign industries.

American investment in America is more important than are investments, gifts, or subsidies of American dollars in foreign lands.

The junior Senator from Nevada believes that the first obligation of this Republican administration and Republican Congress is to the American economy, and to its strengthening with stability for all economic segments.

Such stability is our best assurance of peace and our surest guaranty of security in the event of war.

To meet this obligation, the administration and Congress have only to reject the false philosophies of free trade and foreignism, twin curses inherited from the New Deal and the Acheson-Truman deal, and which lead inevitably to depression or foreign wars.

During foreign wars, high taxes, increased debt, conscription, foreign subsidies, and controls combine to mask a warped economy while American boys die on foreign battlefields.

Twice in the last 14 years, 3 times within the lifetime of most Americans, wars and preparations for wars staved off depressions growing out of Democratic foreign and free-trade policies with lower tariffs.

Free trade, depression, and wars marked the previous administrations.

Peace and stability must glorify the present one. Mr. President, that will be accomplished if this administration returns to the constitutional and historic principle of fair and reasonable foreign trade relations based on the preservation of free enterprise, freely competitive.

FREE-TRADE PROPAGANDA DEBUNKED

Of course, freetraders will attempt to dispute and decry these facts of record. They will rush their hired economists and publicists to the fore, armed with international socialistic theories and demands for more foreign spending and more foreign buying, more aid and trade concessions, and more subsidies to further drain the distressed industries and distressed areas they are wrecking.

They will advance arguments, such as have been used for years, that the reason New England textile centers are distressed is that the industry has moved south, and that the reason why southern textile centers are distressed is that market demands have changed, or something—anything, but the true reason, which is imports.

Some textile operations have moved south, unable to compete in their own areas against the mounting flood of foreign sweatshop and coolie labor products. They sought to find someplace in the United States where they could manufacture at a cost that would permit them to compete against these imports and stay in business.

But, Mr. President, there is no escape from this import menace while free trade and near-free-trade policies continue. The only escape—the only hope—of our textile industries is a just tariff based on fair and reasonable competition.

In this connection, Mr. President, and as an indication of some of the competition that will confront the American textile industry next year, the junior Senator from Nevada asks unanimous consent to have printed in the RECORD, at this point in his remarks, an article published in the March 9, 1954, issue of the New York Journal of Commerce, titled, "Japan Wool Mills Gird To Regain United States Foothold."

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

JAPAN WOOL MILLS GIRD TO REGAIN UNITED STATES FOOTHOLD—DEPENDENCE UPON FOREIGN GROWERS IN STERLING BLOC, DWINDLING RESERVES, AND LIMITED OUTPUT ARE LIKELY TO BAR EARLY RETURN TO PREWAR VOLUME

(By Charles F. Davis)

The Japanese wool textile industry which, prior to World War II, found the United States a lucrative outlet, is striving to regain a position in the market here.

Should it manage to correct serious dislocations which are hindering both domestic and export activities, it bids fair to achieve its aim, trade observers are convinced.

Biggest problem confronting the Japanese industry at present is acquiring wool in the world markets.

To a greater extent than the United States cloth industry, Japanese mills depend on foreign growers for raw materials. Much of this wool comes from nations in the sterling bloc, and Japan's sterling reserve is dwindling.

FEAR LACK OF FUNDS WILL CUT WOOL BUYING

Japanese millmen have stated that it will be necessary this year to purchase approximately 1 million pounds of virgin wool in order to maintain operations at 75 percent of capacity. They have fears, however, that the Government will allocate only the necessary funds which will make it possible to secure less than 700,000 pounds.

It is predicted that if wool purchases are thus restricted, Japanese mills will be forced to cut operations to about 50 percent of capacity. Many producing units will as a result be forced to close down.

On its own initiative and Government encouragement, Japanese wool-processing facilities have been increased many times since the end of World War II. Its machinery is presently geared for volume production. In the first half of 1953, 149,000 worsted spindles were installed, this comparing with an annual average increase of 117,000 in the previous 5 years.

Its increased spindle capacity and the resulting improved competitive position in the United States market had its first impact on wool textile men here a few months ago when Japanese selling agents offered 2-60s worsted yarn, a fine type used in the production of apparel fabrics, for $4.10 per pound—about 85 cents cheaper than the United States spun yarn.

Japanese millmen and their selling agents here are well aware of their United States customers' needs. Last fall they held here a showing of products presently available and the consensus at the time was that quality and stylewise the offerings compared favorably with the American product.

Knowing that having available spot supplies is essential to profitable operations in the United States market, importers are building up stocks of Japanese yarn and fabric on these shores.

That the United States industry is concerned at the possibility of intensified Japanese competition is borne out by the National Association of Wool Manufacturers' recent statement before the Randall Commission in which the resurgent Japanese wool textile industry was singled out as a growing threat to domestic cloth producers.

JAPANESE WEAVERS ABLE TO COPY FABRICS

The association acknowledged that in prewar days the Japanese showed they could copy, produce, and deliver fabrics desired in the American market at prices considerably below the domestic product, adding that the lower wages of the Japanese worker made this possible.

On the face of it, the United States market appears to be of such proportions that the Japanese imports could readily be absorbed. In 1940, for example, which was the peak year for Japanese wool textile imports to this country, shipments of woolen and worsted fabric came to about 500,000 square yards, compared to 440 million square yards turned out by American mills.

The domestic producer, however, worried over the 2-year slump in wool textiles and steadily increasing cloth shipments from Britain and the continent, sees in the now negligible Japanese imports another potential source of stiff competition.

Japanese authorities are approaching the problem of bolstering their nation's wool economy in various ways.

Foremost in their considerations is expanding exports of all types of goods to sterling nations, thereby gaining pounds by which raw wool may be procured.

STEPS UP PURCHASES OF SOUTH AMERICAN WOOL

Efforts to secure wool from nonsterling nations have also been stepped up. Japan last year was an important operator in the South American markets.

Japanese millmen are also operating more extensively with synthetic fibers used singly and in combination with wool. Many Japanese wool-textile authorities are convinced that an even greater utilization of synthetics is the answer to their problem.

The enormous capital expenditures made by Japanese textile producers in improving production facilities since 1945 is the best measure of its intentions to correct its present plight, trade observers are agreed. It is further believed that solving these problems makes more certain increased efforts to gain a more important place in the United States cloth market.

COTTON SUFFERS

Mr. MALONE. Mr. President, because it is most pertinent and also includes data on wage scales paid textile workers in some foreign countries, the junior Senator from Nevada asks unanimous consent to have printed in the RECORD, at this point in his remarks, an article titled "TWUA Urges Boost in Cloth Duty," published in the January 29, 1954, issue of the Journal of Commerce.

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

TWUA URGES BOOST IN CLOTH DUTY

Tariffs on imported woolen and worsted fabric should be increased from the present 25-percent rate to 45 in order to forestall further mill liquidations, the Textile Workers Union of America, CIO, urged yesterday.

Such action could be taken under present tariff agreements, the union said, if the United States Tariff Commission would revise its interpretation of the woolen and worsted section in two ways:

RECOMMENDATIONS LISTED

1. By calculating domestic production and imports for each class of fabrics separately. This, TWUA maintains, would prevent the impact of imported goods on certain specific items. For example, in fabrics weighing not over 6 ounces a yard, imports amounted to 12.3 percent of domestic production, far above the 5-percent trigger point at which duties may be raised.

2. By eliminating goods produced for the Government in calculating domestic production. Imports are not competitive in this field, the union pointed out; thus their whole weight is felt by civilian production.

The TWUA proposal was set forth in a letter from John Chupka, general secretary-treasurer and woolen and worsted director, to Edgar B. Brossard, chairman of the Tariff Commission.

Production of apparel fabrics in the third quarter of 1953, Mr. Chupka said, was 23 percent below 1950, 35 percent below 1947 and 6 percent below 1939. Employment has fallen 55,000, or 38 percent, since 1950, and is 61,000 lower than before World War II.

There are 35 percent fewer looms than in 1939, he continued. Since World War II, 150 mills have liquidated, 60 of them in the last 2 years. Distress has been acute in one-industry towns, he noted.

"The continued contraction of this vital industry would be disastrous in the event of a national emergency requiring full military mobilization," Mr. Chupka concluded.

Mr. MALONE. Mr. President, in a statement issued Friday, March 26, 1954, headed "Tariff Question Is Termed 'Life or Death' Issue for Many United States Industries," the American Cotton Manufacturers' Institute declared that Japan, Great Britain, India, and the nations of Western Europe "stand in line to take over the American market," if tariffs are further reduced or eliminated as our pro-foreign free-trade clique advocates.

During the past 7 years, the statement adds, German and Japanese mills have been almost completely rebuilt, largely by American funds. Wages in these mills range from nine and four-tenths cents per hour in India to a high of 43 cents an hour in Western Europe.

The statement is accompanied by a report by economist Claudius Murchison.

Mr. Murchison points out that under the trade agreements program the United States granted many tariff concessions on textile imports, including cotton goods, "but not a single tariff concession on cotton goods was granted to the United States by other countries." He adds:

Accordingly, about one-third of American cotton goods protection was bargained away exclusively for the benefit of the exports of other industries.

Instead, Mr. Murchison points out:

United States cotton goods are virtually excluded from the domestic markets of the important textile manufacturing countries. Outside of North America at the end of 1953 there appeared to be no country whose tariffs or trade restrictions against American goods were not more severe than 5 years previously.

Mr. President, foreign competitors, with free and easy access to the American market, are barring American goods from their markets. In other words, taking Uncle Sam for a ride and playing the American textile industry for a sucker.

MILLION AND QUARTER WORKERS' JOBS PERILED

The industry, Mr. President, provides direct employment for 1¼ million Americans and pays an annual wage bill of around $3 billion. Injury to it hits not only the textile industry but many other American industries. I might add that that is the story in varying degree of almost all major industries in the United States.

For example, the textile industry itself spends some $105 million annually for fuel and power, $186 million for transportation, $31 million for packing materials, $16 million for paint, $20 million for paper products, $25 million for starch, $14 million for electrical supplies, $7 million for hardware, and $800 million for chemicals.

Why turn this business over to Great Britain, India, and Japan, as our pro-foreign-trade clique seems bent on doing?

Mr. President, our foreign competitors are ambitious. Wages, hours, and working conditions to them are no factor.

They can and will undercut our northern mills until tariffs are adjusted on the basis of fair and reasonable competition, which would take the profits out of sweatshop labor.

Mr. President, I might say at this point that in this country more is paid in the form of industrial insurance, unemployment insurance, and social security for our workers in many areas than is paid in wages in many countries in competition with the United States of America under these trade agreements. Of course, everyone, I suppose, understands by now that when a trade agreement is made by the Secretary of State with any nation, even though it is not the principal competing nation, every other nation in the world participates in any advantage given the particular nation in the trade agreement. At the same time this country does not benefit, even on paper, from any nation other than the one with which the trade agreement is made; and we do not benefit from that nation, the record shows, because of the manipulation of currency pools for trade advantages, the use of quota systems, trade permits, currency permits, and many other devices which are not taken into account by our Department of State in making the trade agreement.

When northern mills move south in a desperate effort to meet unfair and unreasonable cut-rate foreign competition, they find themselves again undercut by even cheaper imports, and so we have southern textile centers becoming group IV in areas, too.

We are importing depression.

If we refuse to return to the American system of tariffs based on the facts of America's economic life, we are turning our backs on vital industries in every region of the Nation.

Only last December, Mr. President, the National Association of Wool Manufacturers submitted a statement to the so-called Randall Commission on Foreign Economic Policy, headed by one of the most prejudiced and obdurate free-traders in the Nation.

WOOL TEXTILE APPEALS IGNORED

Mr. Randall's bias was, of course, well known at the time of his appointment, for he has been most outspoken in expressing views derogatory to American industry protection. Many fine organizations nevertheless submitted statements and briefs to the Commission, the National Wool Manufacturers among them.

Evidence was submitted that woolen and worsted mills in 20 States, to a total of 132 mills, had been liquidated or put out of business since January 1, 1949, and had remained out of business in the years since, when the Nation was being flooded by textile imports amounting to more than $1 billion annually.

These liquidated mills operated 788,738 spindles and 8,597 looms, and employed 48,041 textile workers.

Mr. President, mills were closed in the following States: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Virginia, West Virginia, Tennessee, Georgia, Illinois, Indiana, Minnesota, Wisconsin, California, and Oregon.

In summarizing its position, the National Wool Manufacturers said, in part:

We contend the trade-agreements program has failed and should be abandoned because:

Without obtaining benefits for this country, it has sharply reduced our tariffs to a point where some essential industries are being damaged by low-wage imports.

In spite of our tariff cuts, world barriers to trade are more numerous than ever.

It is wrongly based on political instead of economic considerations.

Mr. President, as I have said many times before, following the passage of the 1934 Trade Agreements Act, transferring to the Executive the constitutional responsibility of Congress to regulate foreign trade and to impose duties, imposts, and excises, the Executive immediately, through the State Department, injected a political factor into the trade agreements, which are not really trade agreements, but are agreements to lower tariffs, and are misnamed trade agreements. Then, for the first time, the Executive injected a political factor. On the other hand, no political factor applies to the Tariff Commission. According to the policy laid down by Congress, in dealing with the Tariff Commission, that Commission, when considering imports and tariff fees, takes into consideration the fair cost of producing goods in the United States, then takes into consideration the cost of producing the same goods or like goods in the chief competitive nation, and then recommends the difference as the tariff, with no discretion.

On the other hand, the State Department, an executive department, immediately upon the passage of the 1934 Trade Agreements Act, inserted a political factor which is causing the downfall of the economic system of the United States of America. In fact, the economy of the United States has been upheld in the past 20 years only by 2 wars, by the billions of dollars we have given in cash to other countries to enable them to buy American goods, and through such trick organizations as the PWA, the WPA, and many other means of spending money through subsidies. Mr. President, we began with a $15 billion debt, and we increased it $260 billion in an attempt to maintain the United States standard of living through 2 decades of manipulation of our trade economic structure.

Mr. President, I quote further from the National Wool Manufacturers' summary of position:

We propose that—

Congress should reassume control of our tariffs and revitalize the Tariff Commission.

Tariffs should be set selectively.

Tariffs should be flexible, not to the point of capriciousness but to follow the ever-changing trends in our requirements.

A strong defense organization is essential to national welfare. A vigorous wool textile industry is today essential to our defense organization.

The industry has repeatedly proven its ability to supply both military and civilian needs, and, in addition, during World War II and thereafter provided cloth for civilian relief the world over.

It could not have achieved this record without past tariff protection.

The industry does not want a subsidy or cheap foreign labor, nor does it desire to transfer its operations abroad.

It does seek, through tariffs, equalization of competition with foreign mills whose labor costs are far less than ours.

With such equalization the industry will continue to serve a useful function in time of peace and provide an essential product in time of war.

The problem is not that of deciding between a high or low tariff; rather, it is in developing a criteria for tariffs on a selective basis with need in the national interest as the overriding consideration.

Mr. President, no one in his right mind advocates a high tariff or a low tariff, but many people advocate that the tariff on a flexible basis—as already provided for in our law—be based on fair and reasonable competition, so as to allow foreign nations equal access to our markets, but no advantage.

Mr. President, Chairman Randall, in his majority report, gave the national wool manufacturers, as he did many other important American industries, the back of his hand.

REED, SIMPSON DISSENT PERTINENT

The minority members of the Commission, Representative DANIEL A. REED, of New York, and Representative RICHARD M. SIMPSON, of Pennsylvania, emphasized this in their dissent. They said:

The various protests submitted to the Commission by industry as to the effects of so-called trade liberalization upon the economy and the defense base of this country have largely been ignored.

To give specific examples and without purporting to pass upon the merits of their positions, such basic industries as the chemical, textile, electrical, coal, and petroleum, and others, have submitted exhaustive studies made by organizations and individuals of integrity and repute.

They assert that the economy of this country and its ability to protect itself and the free world in the event of emergency may, and in the light of history probably will, be dangerously affected if these basic industries are not maintained in a healthy condition against foreign competition employing labor at wage rates one-tenth to one-third of rates paid in this country.

In face of the well-documented presentation of these industries, and without careful study and review of their positions, it is not enough that this Commission offer sympathy in the place of jobs.

Mr. President, the basic industries of our Nation, if we include critical and strategic metals, were ignored by the opinionated Chairman of the Commission, whose mind was closed to the problems of American industries against which foreign industries compete, and was closed before the Commission even began its operations.

HEARINGS CUT SHORT

Mr. President, the 2 days allowed for hearing American witnesses in America, when contrasted with the 4 days of private hearings in Europe, are substantial evidence that the chairman's mind was closed to any evidence that might weigh to the equities of American industry.

UNITED STATES INDUSTRIES SPURNED BY RANDALL

The facts are, as Chairman REED and Representative SIMPSON so properly state, that basic industries, such as chemicals, textiles, electrical, coal, and petroleum, were ignored by Clarence Randall; and the junior Senator from Nevada contends that they were arbitrarily and intentionally ignored.

Free traders in toto or by degrees cannot tolerate facts, because the facts invariably conflict with imported foreign theories, be they the theories of a Keynes or Butler, the British Chancellor of the Exchequer, who has been traveling about the empire singing the praises of the Randall report.

Mr. President, the "Keynes" to whom I have just referred is the late Lord Keynes, who came to the United States about 15 years ago and "sold" our then President on the theory that the more we were in debt, the wealthier we would be. So they adopted that theory. Now both of them are dead, and we have the debt.

The Mr. Butler to whom the junior Senator from Nevada referred is Chancellor of the Exchequer of Great Britain. He is the one who invented the phrase "trade, not aid." We pinned it on him about a week after the elections in 1952.

Approval by Congress of the Randall recommendations would plunge this Nation further toward a disastrous recession.

The junior Senator from Nevada predicts this will not be done, despite the fact that yesterday the President—mistakenly in the opinion of the junior Senator from Nevada—endorsed certain Randall proposals, including those which recommended extension of the 1934 Trade Agreements Act, a 5-percent reduction of tariffs each year for 3 consecutive years, and further relaxation of the Buy-American Act.

For the present Congress to follow the Randall recommendations, particularly during a period of American readjustment, would be to put foreign interests above the interests of America and Americans, as has been done in every previous trade negotiation.

Such action would continue the power of one individual or a few individuals in the executive branch of our government to remake the industrial map of America, eliminating any State from that map competing with a "favored nation," destroying any enterprise that stands in the way of foreign competition, and create new categories of displaced workers.

At this point I should like to say that debate on the floor of the Senate should not be interpreted—as has been the case in the past by some, especially writers and others—as being an attack on the President of the United States. The President of the United States has his ideas. He makes his recommendations to the Congress of the United States. So debate on the floor of the Senate is neither approval nor condemnation of the President. It has nothing to do with that subject.

Debate on proposed legislation presented to the Congress of the United States is for the purpose of reaching a proper determination on such legislation. The question is whether the Congress is to be an independent branch of the Government, as the Constitution says it is, or whether it is to continue to be a satellite of the executive, as it has been for 2 decades.

It is obvious that the President did not give full study to the Randall report or note the numerous dissents registered by Commission members.

Furthermore, it seems improbable that the President could have weighed the staff studies and papers on which the Randall recommendations are reputedly based.

If he had he would have noted that the program envisions perpetual foreign subsidies, toned down eventually to about $1 billion a year, continued purchases of metals and military equipment abroad, which last year totaled about $3.3 billion while American mines and defense plants were closing and idling American workers, and subordination of this Nation's economy to that of foreign countries.

There are 16 references to the interests of foreign countries in the first two and a half pages of the Randall staff papers and not one in the interest of a sound and balanced American economy.

The gist of these passages is that foreign countries fear a United States recession and that they fear, though to a lesser degree, sharp speculative upswings in United States economic activity of the sort that followed upon the outbreak of the Korean war.

To attempt to shape our foreign trade program to such variable foreign fears as both American prosperity and an American recession appears to me not only impossible but idiotic.

Nor can the junior Senator from Nevada conceive that the President studied the position of the Majority Randall report on industries injured or destroyed by import competition.

Mr. Randall in his report cold-shouldered this problem with the callous comment that—

In a free economy, some displacement of workers and some injury to institutions is unavoidable.

The recommendation of Mr. Randall to extend free trade for another 3 years would nail this Nation to the cross so far as a free economy is concerned. One man, the Secretary of State, could remake the industrial map of the United States. Such remaking has been in progress for two decades. If it is to continue for the next 3 years, no investor will invest his money in an industrial enterprise. Normally, in a free economy, he would consider the feasibility factors and invest his money in an industrial enterprise in accordance with his judgment as to whether or not the industry was feasible under the then existing conditions. Under present conditions one man, the Secretary of State, could pull the economic rug from under his industry by the simple expedient of making a trade with a foreign nation

lowering the tariff or the protection of a particular industry. Instead of mouthing phrases about a free economy he should say that what he recommends is the destruction of a free economy.

The report continues:

No matter how great our sympathy may be for the problems of the displaced worker, or those of a business with a shrinking volume, this is but one phase of a much broader problem.

In other words, Mr. President, he acknowledges that to follow his recommendations would destroy many workingmen and many industries, but he says there is a broader problem.

Let me remind Mr. Randall that an American economy subordinated to foreign interests is not free. Nor do we have a free economy when minor officials at foreign-trade conferences in foreign lands can trade away the very life of an American industry, in clear contravention of the United States Constitution.

The first responsibility of our Government is to Americans, including displaced American workers who the Randall report ignores completely, and to American business, not to foreign interests however broad their problem may be.

Acceptance of the Randall recommendations by the Congress would constitute a complete repudiation of the Republican foreign-trade policy throughout the first 100 years of the party's existence, and also would be a repudiation of the Republican foreign-trade policy as enunciated during the height of the last presidential campaign.

The junior Senator from Nevada addressed the Senate on this subject on March 16, 1954.

Not only would approval of the Randall recommendations reverse the Republican position of the last campaign and all previous campaigns in Republican Party history, but it would represent complete espousal of New Deal policies developed at the height of New Deal international fawning on foreign nations, some of which are now behind the Iron Curtain.

We should not forget that Communist Russia was one of the original 18 nations invited to share in the International Trade Agreements Conference at Geneva, Switzerland, in 1947, an invitation that Russia, fortunately, did not accept.

The Randall Commission warmly applauds the general agreement on tariffs and trade—known as GATT—developed at this conference in which American industries were put on the international auction block and their prosperity bartered away.

It is unfortunate that President Eisenhower has been "misled" by a pro-foreign-trade clique some of whose leaders had active roles during the Truman administration, and several of them during the New Deal years.

It would be helpful, if the President, instead, would seek the viewpoint of some of the unemployed lead and zinc miners in the West, mid-West, or East, or of the glassworkers, chinaware craftsmen, textile workers, coal miners or employees and management in scores of other industries hurt by imports of foreign goods produced by low-wage industries in low-taxed and subsidized foreign industries.

Let us not import further recession, let us not try to out-New-Deal the repudiated New Deal in this Republican administration.

Let us, instead, return to the historic constitutional American system of duties or tariffs based on fair and reasonable competition that will permit the exchange of free world goods on a basis that will preserve American jobs, crafts, skills, and investments and maintain a balanced economy in this Nation.

Give the foreign nations equal access to our markets but no advantage.

Duties and imports and tariffs based on fair and reasonable competition are already provided for in our tariff law, which has been sidetracked by the 1934 Trade Agreements Act.

Mr. President, at another time the junior Senator from Nevada expects to discuss the Randall report at length.

As Chairman REED of the House Ways and Means Committee states and as Congressman RICHARD SIMPSON, of Pennsylvania, states, it is not enough that the Randall Commission offer sympathy in the place of jobs.

Sympathy does not pay rent or grocery bills.

Sympathy does not take care of medical or school needs.

Sympathy does not pay taxes to support communities, areas, States or the National Government.

Sympathy does not buy automobiles or refrigerators either.

I wish to say at this point that every working man and woman in the United States is in the market for some kind of automobile, or refrigerator, or radio set, or television set, and 101 different accessories—we call them necessities now—for the family. It would take about 50 or 100 of the foreign workers, who are displacing American workers, to be in the market for 1 second-hand automobile.

It is not enough, as these able statesmen of the House of Representatives assert, to offer sympathy to distressed and jobless workers, or to offer sympathy to distressed cities and areas distressed because sweatshop-, peon-, or coolie-produced imports have shattered their economy.

What these working men and women, and these cities and distressed areas need is concrete action for Americans.

Concrete action is what the free-trade crowd asked, and got, for Europe, for Asia, and for the underdeveloped areas of the world.

Concrete action was asked for these areas outside the United States and concrete action was voted for these areas by the Congress in the sum of more than $41 billion taken from the pockets of our taxpayers.

Concrete action is being asked for foreign nations by the free-trade clique now. Action in terms of more billions of dollars in foreign handouts.

Concrete action is recommended in the Randall majority report for foreign nations while offering merely sympathy to America's unemployed and distressed areas, cities, and industries.

The junior Senator from Nevada suggests that it is a time for a change from concrete action for foreigners to concrete action for America's distressed areas and industries.

Concrete action by this Congress in the interests of America would be to have the Trade Agreements Act of 1934 expire and to nullify all pro-foreign concessions pro-foreign diplomats have made in foreign countries from Yalta and Potsdam to Annecy, France; Torquay, England; and Geneva, Switzerland, where America's industrial and economic defenses were traded away.

UNITED STATES INDUSTRIES CANNOT SURVIVE ON SYMPATHY

Mr. President, for many years, as the data from the Labor Department and its Bureau of Employment security shows, the Government has extended sympathy to the unemployed coal miners and the distressed cities and areas dependent on the coal mining industry, but little, if anything else.

The coal mining industry, bituminous or anthracite, cannot exist on sympathy, and neither can the miners.

The junior Senator from Nevada has previously cited data pertaining to certain cities where anthracite coal mining is or has been a dominant industry, and which today are in deep distress.

Mr. E. C. Weichel, vice president of the Hudson Coal Co., comments on the latter fact in the February issue of the Mining Congress Journal. Stating that anthracite production has dropped 25 percent since 1952, he asserts:

Increase in imports of foreign residual oil to the eastern seaboard has had its effect on anthracite sales.

It has already done untold damage and if the situation is not remedied will do almost irreparable damage to the entire domestic coal industry and to the economy of the Nation.

Should a war emergency arise, with its heavy demands for oil, the coal industry could not, at short notice, be revitalized to supply the fuel needs for both industry and home use. A complete and comprehensive review of the whole subject by the Federal Government, the coal producing States, the coal industry and its workers is urgently needed.

The bituminous coal industry is in equal or greater distress.

The junior Senator from Nevada has cited data from Pennsylvania, Maryland, West Virginia, Tennessee, Virginia, Alabama, Kentucky, Indiana and Illinois giving specific facts on this distress.

PENNSYLVANIA RESOLUTION

The State of Pennsylvania has attested both to this distress and its cause. The Legislature of the State of Pennsylvania at its session last year adopted a resolution attesting to this distress and the cause. I ask unanimous consent that this resolution be published in the RECORD at this point in my remarks.

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

SENATE RESOLUTION URGING CONGRESSIONAL ACTION AGAINST INJURIOUS FOREIGN IMPORTS

HARRISBURG, PA., *April 15, 1953.*

"Whereas the increased importation of numerous products that come into competition with the output of factories, farms, and

mines of Pennsylvania, replacing the products of Pennsylvania's industries, is a constant menace to the State's continuing economic stability;

"Whereas the lower wages paid abroad make it impossible for many of our smaller and medium-sized producers to compete with imports without resorting to ruinous price cutting, which in turn would result either in financial losses or heavy pressure for wage reductions and outright unemployment;

"Whereas our national obligations have reached such extreme proportions that the national income must be maintained at its present unprecedented high level, or close thereto, lest we become insolvent;

"Whereas pressure that comes from imports of residual fuel oil, having risen from an average of 50 million barrels in the 1946–48 period to more than 125 million in 1952, or the equivalent of 31 million tons of coal; from imports of pottery, watches and parts, glassware, lace, carpets and other textiles, hats and millinery, chemicals, scientific apparatus, cutlery, dairy products, wallpaper, luggage and leather goods, and many other articles, will render the upholding of the economy at its high levels most uncertain and difficult, unless all import trade is placed on a fair competitive basis and the potential injury therefrom thus contained; and

"Whereas a maximum of such trade results from a prosperous domestic economy freed from the threat of a breakdown resulting from unfair import competition: Therefore be it

"*Resolved* (*if the house of representatives concurs*), That the General Assembly of the Commonwealth of Pennsylvania hereby memorialize the Congress of the United States that adequate safeguards be provided in tariff and trade legislation against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition and that the existing trade agreements legislation be amended accordingly; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Secretary of State, the Secretary of Commerce, the Secretary of Labor, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the Speaker of the House of Representatives, and each Senator and Representative from Pennsylvania in the Congress of the United States."

I certify that the foregoing is a true and correct copy of a resolution introduced by Senators A. H. Letzler and Murray Peelor and adopted by the senate the 24th day of June, 1953, and concurred in by the house of representatives the 23d day of July 1953.

G. HAROLD WATKINS,
Secretary, Senate of Pennsylvania.

Approved the 28th day of July, A. D. 1953.

JOHN S. FINE, *Governor.*

Mr. MALONE. Mr. President, this is a very fine resolution, and a resolution that Congress if so minded could do something about. This Congress can take a stand on the side of the legislature and the people of the State of Pennsylvania, and it can do so by rejecting the stand taken by the State Department on the side of Venezucla and the Middle East which, particularly the former, are swamping our shores with residual or waste oil.

TAFT WORKS FOR VENEZUELA

The Venezuelan side, of course, also was the side taken by Mr. Charles Taft, erstwhile registered agent for Venezuelan interests and one of our more prominent freetraders who is not aloof to accepting a foreign fee.

It was not my intention, Mr. President, to revert to the Randall Commission, but in considering the plight of the bituminous coal industry and the numerous distressed areas in the United States, which I have designated, created by that plight, it is pertinent for the junior Senator from Nevada to include testimony before the minerals, materials, and fuels economic subcommittee of the Interior and Insular Affairs Committee, bearing directly on this matter.

Last December Mr. John T. Jones, international executive board member and president, District No. 16, United Mine Workers of America, testified before the subcommittee and revealed that the United Mine Workers had, first, protested the services of Clarence Randall as Chairman of the Commission on Economic Policy, and, second, that the UMW were denied the privilege of appearing before the Commission.

It was also revealed at this hearing that on March 25, 1953, almost a year ago, Mr. Thomas Kennedy, vice president, UMA, and then active president of the union, addressed a letter to Secretary of State John Foster Dulles.

Mr. President, I ask unanimous consent to print this letter in the RECORD at this point in my remarks.

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

MARCH 25, 1953.

The Honorable JOHN FOSTER DULLES,
Secretary of State,
Washington, D. C.

DEAR SIR: As an interested citizen of this Nation and an officer of the United Mine Workers of America, I realize what tremendously complicated problems confront the man who serves as United States Secretary of State, and I know that unless he has acquired the knowledge during some phase of his past career the man who holds this office can only keep informed on industrial and economic problems of national importance, such as the coal industry, through his advisers.

In this connection I am wondering if you are being properly informed concerning the unrestrained importance of residual oil, which threatens to disrupt the fuel situation throughout the country in general and the coal industry in particular. This is regrettable, because the coal industry is basic to our Nation's economic welfare, and the disruptions which develop therein will inevitably penetrate into other businesses.

This unrestricted flood of residual oil from foreign sources is causing hundreds of mines to close and has thrown thousands of mine workers out of employment. Moreover, unfavorable economic conditions in the coal-mining areas are compelling mine workers and their families to move to other localities, and these skilled miners will not be available should an emergency occur which would require increased production of coal.

I cannot emphasize too strongly the dangers inherent to our national welfare in the situation, and I respectfully request that you give some thought to corrective measures in line with President Eisenhower's statement that extension of the Trade Agreements Act "must not ignore legitimate safeguarding of domestic industries, agriculture, and labor standards."

Yours very truly,

THOMAS KENNEDY,
Acting President.

PRIORITY GIVEN VENEZUELAN FUELS

Mr. MALONE. Mr. President, the reply to this letter is perhaps the most singular that has come to the attention of the junior Senator from Nevada in recent months. Mr. Dulles did not answer it in person but entrusted that task to Harold F. Linder, then Assistant Secretary of State for Economic Affairs on leave of absence from the General American Investment Co., 44 Wall Street, New York City, of which he was president.

The reply is as follows:

APRIL 10, 1953.

MY DEAR MR. KENNEDY: The Secretary has asked me to reply to your letter of March 25, 1953, concerning the effects of current imports of residual fuel oil upon employment in the coal-mining industry. The Department is anxious to review all available facts bearing on this situation, and appreciates having an expression of your views.

We have been studying the question for some time in connection with certain bills now before the Congress which propose reducing residual fuel oil imports to 5 percent of the domestic demand in the preceding year.

Our analysis does not seem to lead to the conclusion that residual fuel oil imports are a major cause of market difficulties for the coal-mining industry. These difficulties seem to have resulted primarily from the dieselization of the railroads and from the decline in retail deliveries of coal. In both of these uses, domestically produced fuels—diesel oil, heating oil, and natural gas—are taking the place of coal.

A restriction of residual fuel oil imports would not, in the light of the facts available to us, appear likely to increase significantly the demand for coal. There is some question of the permanency of such increase as might occur.

The effects of any restriction of residual fuel oil imports would be very important in our foreign relations. Such action would created difficulties for Venezuela and the repercussions could hardly fail to affect adversely the national interests of the United States.

These are the conclusions to which our review of the facts has led us. We should, of course, welcome an opportunity to discuss this problem with you or members of your staff.

Sincerely yours,

HAROLD F. LINDER,
Assistant Secretary.

Mr. President, with all respect to Mr. Linder, who had an eminent career as a Wall Street banker before joining the State Department in 1951, it is difficult to imagine him as an authority on fuels, either American coal or Venezuelan oil. His home was in New York City, where he was born, reared, and educated, although it appears that he has attended conferences in London.

The junior Senator from Nevada concedes that Mr. Linder has every right to his views, however obtained, or motivated, but does not concur in his conclusions.

The point which the junior Senator from Nevada does wish to make is that it is typical of certain State Department thinking, ever more concerned with the difficulties of Venezuela and other foreign nations and seldom with the plight of areas in the United States.

INDUSTRIES SACRIFICED TO FOREIGN INTERESTS

There is no record that this former Assistant Secretary of State for Economic Affairs ever mined a ton of coal or operated a coal company or, for that matter, resided in a community where coal mining was a basic industry.

Yet he professed in this letter to assay the difficulties of an entire industry, one of the major industries of the United States, and to reach conclusions which conformed to the mission of the State Department, self-assigned as it may be, to worry about the difficulties that might be created for Venezuela rather than the difficulties of the distressed coal areas and cities of Pennsylvania or West Virginia.

Such are the penalties that a supine Congress in 1934 inflicted upon American industries and workers when it passed the Trade Agreements Act, and the penalties inflicted upon America by successive Congresses in extending this depression-causing legislation.

Senators and Representatives in Congress in large number supported the Simpson bill, and many introduced identical and companion measures, but their efforts were idle.

Their efforts were idle because a New Deal Congress back in 1934 had forfeited the responsibility of Congress, a constitutional responsibility, to lay and collect duties and regulate foreign commerce, and turned it over to the executive who, in turn, passed it on to the foreign-minded State Department which invariably trots out its cliché of the national interest without ever defining what the national interest is.

If the national interest is to preserve American resources, ability and industry and to maintain a balanced economy and prosperity, as the junior Senator from Nevada believes, the State Department has opposed it. Invariably, in the opinion of the junior Senator from Nevada, it has conceived the national interest as whatever may best serve foreign nations at the expense of United States industries, investors, communities and working people.

Mr. Jones, in commenting on this exchange of correspondence, said:

Those who favor continuance of the reciprocal trade agreements without change point out the difficulties which may confront the people in Europe and elsewhere if there is any tightening of trade relations, and no doubt consideration should be given to such factors.

However, by the same token some consideration, in fact a great deal of consideration, should be given to Americans and to the American economy.

It is idle to make the statement that we should provide for the people and economies of foreign countries and not to provide for employment for our own people in the coal-producing States, or industries adversely affected.

FOREIGN INDUSTRIES SUBSIDIZED WHILE UNITED STATES INDUSTRIES STAGNATE

Mr. President, it is idle to subsidize and build up foreign competitive industries, while our own industries suffer and working men and women are thrown out of work.

Imports of foreign residual oil, most of it from Venezuela, not only have brought distress to American coal-producing and industrial areas, but have caused injury to other industries and to the revenues of local, State, and National Government.

The junior Senator from Nevada now quotes from a recent statement by Tom Pickett, executive vice president of the National Coal Association:

It is estimated that production displaced (by residual oil imports) lost coal companies $155 million in revenues. The coal miners lost $79 million in wages. The railroads, which would have carried most of that coal to consumers, lost $88 million in freight revenues. Railroad workers lost $44 million in wages. There was also a tremendous loss of $40 million in taxes which would have been, but were not, collected by the Federal, State, and local governments.

Tankers came into American ports every day loaded with foreign residual oil, some of them carrying as much as 250,000 barrels each trip. That quantity does the work of more than 60,000 tons of coal and means a day's idleness for 8,000 American coal miners.

UNITED STATES INDUSTRIES USED AS PAWNS BY STATE DEPARTMENT

Mr. President, we are importing depression in every tanker that arrives from Venezuela and the Middle East, and our pro-foreign State Department is directly responsible. As John T. Jones, member of the International Executive Board of the United Mine Workers, points out—

The practice of dumping this waste oil for whatever price that will undersell coal is a direct outgrowth of current American State Department trade policies under Trade Agreements Act of 1934, when Congress first gave up its constitutional powers of directing trade and tariff matters. The United Mine Workers of America opposed those policies then. We oppose them now.

We bitterly object to our Department of State using American industry as a pawn in the great game of international diplomacy and intrigue. In the case of residual oil, we object to this Nation trying to maintain the brotherly love and affection of a South American dictatorship at the cost of misery and suffering to thousands of American coal miners and their families.

It is very unselfish of those smug leaders of industry and labor, who find their industries safe behind a quota system or with branch American plants abroad, to advocate free trade.

I am completely shocked and astounded when I hear them advocate Government doles, retraining and removals for workers and industries ruined by slave labor competition. What manner of American is he who will advocate a foreign policy that will cause American workers to lose their jobs, investors their money, and turn thriving communities into ghost towns?

Even now those very industries leading this fight to open American markets to foreign slave labor competition are feeling the first savage thrusts of depression, recession, readjustment—call it what you will.

Whatever you call it, men, women and children will be cold, hungry and desperate. The United Mine Workers of America intend to fight this anti-American policy to the bitter end.

Mr. President, lest some should think that workingmen object to competition, let me say at this point that no one objects to a fair, reasonable, competitive basis, established through an import fee or a duty, as the Constitution calls it, or a tariff, as it is generally known, to make up the differential between the wages and taxes paid in the chief competitive nation and those paid in this country. Then, on an equal basis of competition, such as that on which Americans compete with one another, there can be no objection to any industry which displaces another industry, in whole or in part.

But there is objection to throwing slave labor nations deliberately into direct competition with American labor, without any competitive factor, and to having Congress, which represents every precinct in the United States of America, transfer its authority to the State Department, which represents nobody, and apparently has no sense of balance with respect to industry and but little regard for the workingmen and investors of the Nation. It is dangerous to give one man the power and authority to make trade agreements, which automatically, within a few hours after they are signed—it might take a few weeks or months, or a year or two, to bring it about—establish new conditions. The situation is completely turned around, and by whose actions? By the actions of one department of the executive branch of the Government, by one Secretary out of ten appointed by the President of the United States; and that Secretary makes trade agreements without any consideration except as to what he believes to be for the national good. He injects a political factor by seeking to obtain political advantages in other nations or other areas of the world. The history of the past few short years shows that he rarely gains those political advantages; or if he does, they are of no effect.

Every nation we have been boarding for the past few years, since World War II, is in worse condition at the moment than it ever has been.

We have promised, through agreements, to protect the colonial system throughout the world. We are trying to do it. But, Mr. President, with radios, television, and the means of communication and transportation which are prevalent in these days, the small nations which have been colonies have arrived at the same conclusion, finally, after having obtained information about what is going on in the world, that the American Colonies arrived at in 1776, namely, that it is not right to be the slaves of any other nation.

So, Mr. President, I say the colonial system is dead. There never will be any more profit in a colonial nation for the empire-minded nation which has controlled it, because the trouble it will cost to hold the colony under subjection will more than outweigh any profit that possibly can be secured from the colony; the colony simply will not stand for it.

The United States having been the first Nation to arrive at such a conclusion, in 1776, it little behooves us, and it is little to our credit, to try to keep other nations under the thumbs of empire-minded nations. What we are doing in Indochina and in other colonial areas is to give those people their choice of whether they will continue to be satel-

lites or slaves of certain empire-minded nations, or will join communism. As time goes on, the Senate will learn that such colonial nations will take anything except further colonial slavery.

Mr. President, every Member of this Congress should fight the State Department trade-away policy to the bitter end, not only for the coal miners of the East and their communities, but for the textile workers of New England and the South, the oil workers of the West, the metal miners of the Nation, and the workers of every industry who are being bumped off their job today by State Department deals with foreign nations.

CRUDE OIL IMPORTS

Mr. President, the junior Senator from Nevada has outlined in some detail the distress wrought by residual oil imports upon the coal-mining areas of the East and Midwest, a region ranging from Pennsylvania to Alabama and from Maryland westward to Indiana, Kentucky, and Illinois.

He has outlined how these residual oil imports have forced this region into a depression.

Today importations of another petroleum product, crude petroleum, threatens further industry and resource development in the great Rocky Mountain area, the Southwest, and the Far West. It threatens eastern oil production, too, and that of the Midwest areas. It is a growing national menace, encouraged, strange as it may seem, by elements within our own State Department.

Last year 236.6 million barrels of foreign crude oil was brought into the United States to compete against our own strategic and vital oil industry. In 1950 the imports totaled 177,714,000 barrels; in 1951, 179,073,000 barrels, and in 1952, 209,591,000 barrels, increasing, as will be noted, annually. In value, 1953 imports exceeded more than half a billion dollars lost to American producers of American petroleum, American workers, American businessmen, and American royalty owners.

Western States have had to cut back their own production, cut down their payrolls and paychecks, cut down their tax revenues in the face of heavy imports of crude oil from Indonesia, Arabia, Kuwait, Iraq, Venezuela, and other foreign countries, none of which could supply us with an ounce of petroleum in the event of a fourth world war.

Fantastic as it may seem, Arabian crude oil has even been shipped to Texas which, although our richest oil State, is having to restrict its own production.

Mr. President, a warning of distress to come, if our proforeign State Department clique continues to favor foreign petroleum producers over our American industry, was sounded recently by Warwick M. Downing, chairman of the Oil and Gas Conservation Commission of the State of Colorado. Mr. Downing, who also is chairman of the public lands committee of the Interstate Oil Compact Commission, and chairman of the Federal and public lands committee of the Independent Petroleum Association of America, said:

> The argument that our domestic petroleum resources should be withheld from use and foreign oil substituted is an old, but answerable one.
>
> The first effect of such a program would be curtailment of exploration and development.
>
> The next would be the disbanding of the technicians and the trained and skilled force which makes up the vast army of trained personnel essential to the petroleum industry.
>
> If the present flow of imported oil is not decreased, the effect on the development of our own natural resources will be devastating.
>
> It is always the pioneer, the prospector, the one who is in search of new oil, that suffers from oversupply. First, because he is at the end of the line; second, because he has not any established market, and third, because he had no other way to get the money.
>
> That is why many of those hardy pioneers who have found the tremendous new oil discoveries in the Rocky Mountain States are today unable to sell their oil and why they are unable to carry forward new development work.
>
> After all, the greatest issue before the American people today is the question as to whether we can survive as a free Nation. We know we have enemies waiting the chance to destroy and enslave us. Our only safety lies in building up our own strength, in making our Nation strong, and providing us with defense materials available at all times and within reach; that is, within our continental borders.
>
> If the American oil industry suffers through excessive imports and loses its strength and vitality we will not in case of an emergency have at hand the petroleum necessary for our defense.
>
> We know that in the case of emergency, not one barrel of Middle Eastern oil could be shipped to us and even Venezuelan oil would be shut off. Why take the slightest chance when so much is at stake?

Mr. President, that is an appropriate and pertinent question. Why take the slightest chance when so much is at stake? It is a question for the Congress to answer. We cannot expect the State Department to answer a question like that.

UNITED STATES BACKWARD AREAS CREATED

The State Department is dedicated to building up and developing the backward areas of the world and the resources of these backward areas so that their resources will compete with the resources of the United States in our own market.

If some evil genius had embarked on a Machiavellian scheme to create backward areas in the United States, to turn great areas of the United States back to prairie grass and buffalo, he could not have invented a better method than has our State Department.

Even our fur trappers would not be safe if such a throwback, go-back policy were achieved. They would have to compete against foreign furs with our free traders favoring the foreign shipper, as usual.

The great effort of our State Department for the past 20 years has been to build up and enrich the foreign countries of the world at the American taxpayers' expense, and in a way that inevitably must create vast new backward areas right here in the United States.

Our oil imports are doing that right now.

Mr. Downing put several more questions in his testimony which it is the responsibility of the Congress to answer. He asked:

> What can it profit us to buy oil abroad rather than develop our own resources?
>
> Is it worthwhile to injure one of our greatest industries and literally millions of our people in order that Middle East potentates may have more money?
>
> What has been the gain to us of the billions already spent by our Government in the Middle East?

Those are important questions.

And Commissioner Downing adds:

> Let us fight like Americans for America. Let our prime concern be to build our own resources in order to make us strong. Let us begin by slowing the excessive flow of Middle East oil, and let us do it by legislation.

Let us do that, not by stopping the flow, but by letting it in on the basis of fair and reasonable competition. When that is done, no one in America will fear competition. There would be no fear of competition if there were some arrangement like a flexible duty or import fee which would be adjusted by the Tariff Commission, an agent of Congress, on a fair basis, which would make up the differential and permit such imports on a fair level in comparison with our costs. No one will be afraid of that kind of competition. What people in this country are afraid of, with regard to competition—their living, their wages, and their investments—is that they will be subject to competition from areas where very low wages and very low taxes are paid.

Mr. President, Commissioner Downing has a point.

It is our responsibility as Members of the Congress not to create backward areas in the United States while spending millions wrung from the pockets of American taxpayers in building the backward areas of the world, including those with vulnerable oil deposits.

ENEMY COULD CUT SUPPLY LINES

It is only a few short years, the junior Senator from Nevada recalls, that Indonesian oil was cut off, even from our ships in the South Pacific, by an enemy. An enemy in wartime also cut off Malayan oil, and some of that has also been imported to the United States. Why build up oil industries in areas which would be blocked off within an hour of an enemy attack upon us?

There is a further point, Mr. President, which I think should concern us here in the Congress.

It seems to the junior Senator from Nevada that we are elected to represent Americans and America, and that our first concern should be in meeting that responsibility.

The junior Senator from Nevada does not question that the sheikdom of Kuwait may be an interesting part of the globe, distant as it is, but he was not elected to represent the sheikdom of Kuwait, or the kingdom of Saudi Arabia, or Indonesia, or Venezuela, or Iraq. They have their own representatives, it

appears, in Washington, and undoubtedly they will advance the cause of their own areas with marked ability and no lack of sympathy from our State Department.

I say again, Mr. President, we want to help such areas and allow them to compete with our markets on an equal basis, but we do not wish to give them any advantage.

If the Members of the Congress represent their own States and districts diligently, in the opinion of the junior Senator from Nevada, they will see that our own wealth and natural resources are not sacrificed to foreign interests or the interests of distant rulers.

Commissioner Downing is not the only prominent westerner to warn that we are importing trouble when we import almost a quarter of a billion barrels of crude oil a year.

Mr. J. P. Coleman, president of the National Stripper Well Association, and former president of the North Texas Oil and Gas Association, has declared:

The United States producer has lost his foreign market, and now he has been forced to give up about 15 percent of the domestic market due to excessive imports of foreign oil.

These imports threaten to nullify all the efforts of the producers and the State governments to conserve and expand the Nation's petroleum supplies.

Mr. Coleman also pointed out as follows:

Such a board as our regulatory body, which is the Railroad Commission of Texas, is now finding itself handicapped by forces beyond our border. They can say how much oil I produce out of a well in Texas, but they can't say how much oil somebody can produce in South America, or produce in Iraq or Iran or some other place. So they are powerless to handle this session.

Mr. President, despite these dangers to our own petroleum industry and to the States and regions dependent in large measure on our petroleum resources and the petroleum industry for their prosperity, a clique in and out of our State Department is seeking to encourage still larger imports.

Mr. M. D. Bryant, president of the Texas Independent Producers and Royalty Owners Association, has, in the opinion of the junior Senator from Nevada, discussed this subject very ably. Mr. Bryant said:

REMOVE FREE-TRADE HALO

In our search for fundamentals in the foreign-trade issue, we may find it necessary to remove the self-erected halo from some of our intolerant freetraders.

Though regarding themselves above the battle of special interests, they generally are found to have a selfish interest in unlimited imports. An examination of the studies they have dominated—such as the Rockefeller reports, the Bell report, the Gray report, the Paley report, and the Douglas report—reveals uniform emphasis upon increasing imports, else United States exports will decline.

Go over the list of national figures doing a masterful job of publicizing the virtues of low tariffs and you'll find they fit pretty well into three categories. They are the people who (1) overproduce domestic requirements and require heavy foreign purchases for their own prosperity; (2) have heavy foreign investments turning out more goods than can be sold abroad; or (3) are engaged directly in the import-export trade.

Finding the American taxpayer a little tired of appropriating funds to pay for their exports, they have organized to increase our imports of some commodities as a means of providing foreign nations the dollars to buy their surpluses.

These influential zealots have made capital out of the argument that imports conserve our limited natural resources, invariably citing petroleum. Some have tried earnestly to sell the notion that we were running out of oil in America. As evidence that all may not have American interests at heart, we have but to note that Harry Dexter White assured us in 1944 that within 10 years our petroleum resources here would be almost entirely dissipated.

Mr. President, this is another example of the Harry Dexter White strategy that shaped our foreign-trade policy under previous administrations, and seems to have had a carryover into the present one.

Mr. President, at the moment we have only about twice the petroleum reserves we need. Harry Dexter White predicted we would be out of oil in 10 years. Those 10 years have long since passed; but he sold that idea to Henry Morgenthau, who, in turn, sold it to Mr. Truman, who, in turn, sold it to the American people. The documentary proof of that is in the committee hearings in 1943.

Mr. Bryant further has pointed out that oil imports do very little to bolster foreign purchasing power. He said:

With the exception of Venezuela, which had been importing our goods to build her own oil output, the source nations are among our worst foreign customers, often buying only what the American companies there require to produce the oil.

This Nation would have to be flooded with foreign oil before any significant increase in foreign buying power for our goods would be realized.

Mr. President, last November Mr. Otto Herres, Chairman of the National Lead and Zinc Committee, submitted a statement in behalf of the lead-zinc mining industry of the United States to the Randall Commission.

The extensive and comprehensive statement of the industry includes these excerpts:

FINANCING COMPETITION

The American taxpayer has been called upon to finance competition which is putting industries essential to our national security out of business. His money has gone toward the purchase of lead and zinc at high world prices by other nations, later to be released and depress our markets. The 13th report of the ECA to Congress—

And, Mr. President, the ECA was one of the worldwide do-good organizations financed by the Congress of the United States, through the American taxpayers, with billions of dollars—

shows that we authorized $58,300,000 for the purchase of lead and $81,700,000 for the purchase of zinc for the account of other countries for the period of April 3, 1948, through June 30, 1951.

Mines are standing idle in the United States and workers are unemployed because of currency devaluation and the socialistic methods used by foreign governments in the purchase and sale of metals.

In some quarters it does not seem to be remembered that in the public interest the proper function of international trade is to supplement rather than supplant domestic production. Particularly is this true in the case of metals and minerals essential to our economy and required for the safeguarding of our national security.

Government policies and practices during the recent years have not always been consistent with this objective. Apparently the lessons of the war and postwar rearmament years are soon forgotten. Government agencies in some instances seem to believe that it is preferable to supply our needs from foreign mines and liquidate important segments of the domestic industry. Will such a policy insure national security? Consider the case of lead and zinc.

Mr. President, I may say here that early in 1953 a part of the same foreign purchases, financed with the money of the taxpayers of the United States, was used to "break" the market on lead and zinc in the United States, through shipments by the British Empire into the United States.

I read further from Mr. Herres' paper:

THE CASE OF LEAD AND ZINC

A flood of imports has demoralized the domestic mining industry. In the lead-zinc mining districts of Arizona, Colorado, Nevada, New Mexico, Idaho, Washington, Utah, Wisconsin, Iowa, Illinois, the tri-State region of Kansas, Oklahoma, and Missouri, in Tennessee and New Jersey the mines have been forced to discontinue or curtail production and lay off workers because imports of lead and zinc are being sold on the markets of the United States at less than the cost of domestic production.

All that is made possible, Mr. President, by the low-wage, sweatshop labor competition.

I read further from Mr. Herres' paper:

The problem troubling miners from one end of the land to the other is how to do business on the low-wage metal prices of a war-impoverished world in a high-wage country. Zinc miners in New York and New Jersey are worried no less than the lead miners of Idaho and Missouri. And the problem for Congress and the Nation to decide is whether or not, in the interest of national security, the mining of such essential metals as lead and zinc is an industry worth saving from destruction by imports from low-wage countries. Or are the producers of metals and minerals to become a sacrifice to the cause of "trade, not aid"—

The slogan of Mr. Butler, the British Chancellor of the Exchequer, coined by him in 1952, for the very purpose of further dividing the markets of the United States with the other nations of the world, and preferably, from his standpoint, with the British Empire—

and our miners forced to compete with the living standards and wages which prevail wherever the cheapest supply of raw materials can be found?

The deplorable condition of the lead-zinc industry is the result of excessive imports flooding the markets of this country in the absence of adequate tariff protection against low-wage competition and devalued currencies.

RESTORE ORDER IN TRADE PROGRAM

The junior Senator from Nevada also wishes to quote from a statement by Russell B. Brown, general counsel of the Independent Petroleum Association of America, who first described how, under

the Trade Agreements Act of 1934, the tariff of 21 cents per barrel on foreign oil was cut to 10½ cents, then to 5¼ cents, a total reduction of 75 percent not considering dollar devaluation and deflation. He said:

The delegation by Congress of trade authority to the State Department was a mismating of governmental responsibilities. There is no community of thinking between trade and diplomacy. You had as well match mathematics with music. Their language is not reconcilable.

No good can come from bartering goods for diplomatic affection. Launched with a declared purpose of obtaining peace and ostracizing war, the life of the trade agreements program has paralleled the most tragic era of our history.

We, as a country, have survived only at the loss of thousands of our youth, with an expanded debt beyond the possible concept of our Founding Fathers. We sustain our allies with financial dole. Now that we have pursed away our debt limit, we must next give away the source from which our abilities have come.

There must be an annulment of this match. It is the responsibility of Congress to restore law and establish order in our trade program.

Mr. President, among the important American industries ignored by Mr. Clarence Randall and his majority on the Commission on Foreign Economic Policy was our important chemical industry.

Earlier in his remarks the junior Senator from Nevada noted American cities and areas in distress because imports of foreign chemicals last year had grown to more than a quarter billion dollars, two hundred and ninety-three thousand million dollars to be exact.

One of the important briefs filed with the Randall Commission was that of the Manufacturing Chemists' Association.

Because Chairman Randall gave little or no consideration to this very important brief of a very important industry, the junior Senator from Nevada asks unanimous consent to include excerpts from the statement of the Manufacturing Chemists' Association in the RECORD at this point in his remarks.

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

STATEMENT OF MANUFACTURING CHEMISTS' ASSOCIATION, INC., TO THE COMMISSION ON FOREIGN ECONOMIC POLICY

In many countries, and particularly our own, steps must be taken to assure that certain industries and segments of industries including, but not limited to, the chemical industry, be protected by reasonable tariff or otherwise in order to have available know-how and facilities for production of essential items of defense.

The improvidence of relying on foreign sources for vital chemicals is even greater today than it was in 1919, when President Wilson advised Congress that—

"The experiences of the war have made it plain that in some cases too great reliance on foreign supply is dangerous, and that in determining certain parts of our tariff policy domestic considerations must be borne in mind which are political as well as economic. Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacturer of dyestuffs, on the one hand, and of explosives and poisonous gases, on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the program of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants."

O. Glenn Saxon, professor of economics, Yale University, made the following statement before a forum of the National Industrial Conference Board, on March 13, 1953:

"The latest slogan—more trade and less aid—clearly implies that a radical and general reduction in United States tariffs, if not their total elimination and the acceptance of free trade by the United States at this time and on a unilateral basis, would be beneficial to the American people. It would reduce their tax burdens and foster a more prosperous United States economy. Tariff reduction or elimination is necessary, it is contended, as a solution to the monetary, fiscal, and trade-relations problems of the other nations of the Western World.

"Advocates of a radical revision of United States tariffs or of unilateral adoption by the United States of free trade fail to recognize that tariffs are only a minor factor under present chaotic conditions of world trade and finance and current international monetary instability. Total, unilateral, and immediate elimination of all United States tariffs would accomplish little in our efforts to stabilize international trade relations in the Western World or restore its economic balance on a multilateral basis. So long as international trade, financial, and monetary relations are dominated by socialistic theories of managed currencies, compensatory spending, unbalanced budgets, monetization of public debts, competitive currency devaluations, arbitrary, and discriminatory export and import quotas, discriminatory export and import duties, governmental fixation of minimum (monopolistic) prices on exports of major international staples, and state trading, as well as state financing by nations of the Western World, it is utterly unrealistic to discuss tariff reductions by, or unilateral free trade for, the United States as a material factor in correction of current instabilities and imbalances in the Western World."

In addition to the various kinds of governmental restrictions employed abroad, reference should also be made to the use of cartels in foreign countries, and to the high degree of concentration of the chemical industry among a few companies. For example, in the United Kingdom, two companies control 85 percent of the production of organic chemicals; in France, two companies produce 95 percent of its output of these materials; in Italy 2 firms account for 80 percent of capacity; in Western Germany, 4 companies produce substantially all the chemicals. By contrast, sales of the 3 largest American chemical companies amount to only about 15 percent of aggregate domestic chemical industry sales.

The cartel system, of which all major European chemical producers were members prior to World War II, is not compatible with the American competitive system. The cartel methods of distribution are a matter of public record and include: the establishment of exclusive marketing areas by international agreement, control of prices at the highest level the market will bear, sales below cost to eliminate competition, distribution of the burden among all members, and recouping losses by restoring maximum prices after competition has been wiped out.

Evidence is mounting that the close-working relations of the prewar European combines are being reinstituted.

Continued existence of important segments of American industry depends upon reasonable protection against the practices mentioned above. Without such protection, including provision for appropriate remedial action in specific cases, the necessary incentive will not exist for investment of vast sums of money for plants, equipment and research.

A system of nondiscriminatory tariffs (wholly aside from the level of rates that should be set under such system) is the simplest, fairest, and most direct means of regulating imports from foreign countries.

It is both historically and currently a practical and appropriate method of protecting activities essential to national defense and security, and should be supplemented by effective legislation and administrative procedures to prevent dumping and counteract other manipulative devices by other countries.

The American tariff system is nondiscriminatory.

It levies the same duty on the importation of dutiable products, regardless of source.

It is entirely consistent with freedom of enterprise.

It permits each person to import into the United States as much of any commodity as he wishes.

It obviates the nuisance of, and uncertainty in, having to apply for import quotas and licenses, and the opportunity they provide for official favoritism.

United States tariffs are a form of excise tax (on those foreign goods on the dutiable list) which tend to equalize (on an overall basis) differences in foreign and domestic costs of production, including disparities in wage rates, and to protect the American standard of living.

Elimination of substantial reduction of United States tariffs would have a cumulative effect in that it would result in a loss of customs revenue (amounting to $575 million in 1952), a loss of tax revenues from domestic sources in proportion to the amount of United States production displaced by increased imports, a reduction in employment of United States workers in proportion to the amount of United States production displaced by increased imports, and a loss in tax revenue from the employees rendered unemployed. It would also result in additional burdens on taxpayers to cover costs of unemployment insurance, retraining, relocation, and relief of those displaced.

CONCLUSION

Every important industrial country in the world employs protective devices of one kind or another, most of which are far more restrictive than those used by the United States. As long as such devices are used, one cannot safely conclude that one of the countries (which have practiced a policy of protection) would have been as successful or more successful without it.

Under present circumstances, it would be sheer folly for the United States to run the risk of adopting policies or practices which undermine essential domestic industry, destroy incentive to build newer and costlier plants, discourage technical research and development work, atrophy the techniques and skills of production, or dry up the reservoir of technical and managerial know-how required in this atomic age.

This is not to say that there should be no changes in existing American policy in this field. It is to say, however, that when changes do occur, they should be in accordance with the principles set forth in this statement.

United States international trade policies should be based upon furnishing sufficient

encouragement for the domestic production of those quantities of those products which the Nation can best produce, from the standpoint of its own welfare and national security. Our policies should not necessarily confine our production to those products which we can produce more cheaply than other countries.

In view of the complexity of the chemical industry and the interdependence of its processes, it is of the utmost importance that tariff rates applicable to chemicals should continue to be established by individual products or closely related groups of products, rather than on any across-the-board basis.

Respectfully submitted.

CHARLES S. MUNSON,
Chairman of the Board.
WILLIAM C. FOSTER,
President.

Mr. MALONE. Mr. President, Mr. Calvin A. Campbell, vice president and general counsel of the Dow Chemical Co., delivered an address last fall before the American Tariff League, warning that a nation is importing recession when it persists in inviting competition from people who are willing to work for one-fourth as much or even less and that such a course would inevitably downgrade the standard of living of our own people.

Mr. E. M. Queeny, president of the Monsanto Chemical Co., recently remarked that unless something is done, and done very promptly, in the way of restoring the protection of the chemical industry on the basis of fair and reasonable competition, the chemical industry of America will be located mostly on the Rhine in Germany. Francis Curtis, vice chairman of the same company, said the more accurate word would be "relocated."

During World War I, and before that period, when some of us were in France, the chemical industry was located in Europe, mostly in Germany. When our imports were cut off we were hard put to carry the load, but our chemical industry made out, in a way. Of course, it was not as important then as it is now. Following the war, our industry went to work, protected by a tariff on the basis of fair and reasonable competition, making up the differential, roughly, between wages and taxes here and abroad—principally in Germany. A great chemical industry was built, as was evidenced in the Second World War and the third war, the Korean war. However, since the Second World War we have been steadily engaged in trying to destroy it. The Korean war brought it back to a certain extent, but now it is on the way down again.

The second official to whom I have referred stated that relocation on the Rhine would be a more accurate description, because of its original location. So far as our own consumption is concerned, the industry was brought here to a large extent through the tariff, import fee, or duty, as it is called in the Constitution of the United States. However, the Congress has transferred its constitutional responsibility to the Executive to fix such duties, imposts, and excises, which we call tariffs.

By reason of such transfer of the authority to regulate foreign trade the chemical industry is again being located on the Rhine. Make no mistake about it, Mr. President, it is headed in that direction at this moment, and we are about ready to consider a continuation of that policy.

MINERALS INDUSTRY THREATENED

Equally important to the economy of America and to our national security are the critical minerals and materials industries of the Nation.

No American industry has suffered greater hardships or setbacks at the hands of our proforeign traders.

From the standpoint of national security no American industry is more important than our metals and mining industry, and yet that is the one that our State Department for many years, and other administrative agencies obviously consider expendable.

The junior Senator from Nevada long wondered why the mining and metals industry, of all our important industries, should be selected as almost the initial target for destruction by foreign imports.

His wonder on this matter, however, somewhat abated when a memorandum written by the late Harry Dexter White, who has been described as a spy high in Government circles by as eminent authority as Attorney General Brownell, was brought to light by the Subcommittee on Minerals, Materials, and Fuels Economics of the Committee on Interior and Insular Affairs.

As far back as World War II, it was disclosed, Mr. White advocated that we save our own minerals and mineral resources, not produce these metals, but instead buy them from foreign countries, including Russia—mostly Russia. Mr. White was an Assistant Secretary of the Treasury. He wrote to then Treasury Secretary Morgenthau to this effect, and Mr. Morgenthau relayed the memorandum on to the White House.

The memorandum which Mr. White sent to Mr. Morgenthau, the Secretary of the Treasury at that time, is in the record of the Subcommittee on Minerals, Materials, and Fuels Economics of the Committee on Interior and Insular Affairs.

Various officials in the State Department, also, were advocating at this time and later that we leave our own minerals in the ground, where they would be of no use to us either in time of peace or war, and in very large measure we have been following that misgotten policy ever since.

One of the strongest proponents of purchasing critical metals abroad is Mr. Charles P. Taft, who served in the State Department in the previous administration and before that was an associate of our former Ambassador to Russia, Joseph E. Davies, on President Roosevelt's War Relief Control Board. Mr. Taft also was chairman of the Committee on Voluntary Foreign Aid at the request of President Truman.

Mr. Taft attended the national mining convention in Denver January 28 to 30, although I am informed he did not remain for its conclusion.

The Mining and Contracting Review published in Salt Lake City, Utah, for the past 56 years, in its March issue begins a two-part résumé of this convention with special attention to Mr. Charles P. Taft.

In an extensive section titled "Selected Condensation and Excerpts" Colorado Mining Association, national mining convention, various delegates and committee officials are quoted.

The junior Senator from Nevada asks unanimous consent to have printed in the RECORD at this point in his remarks excerpts from the report as published by the Mining and Contractor Review in its March 1954 issue.

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

Mr. Otto Herres, chairman, national lead and zinc committee:

"Is it in the public interest to permit an industry which is the largest of its kind in the world, and which is essential to national defense and security, to be priced out of existence by a flood of foreign lead and zinc offered at less than the cost of domestic production? The President has stated that a strong domestic mining industry is vital to national security and the continued prosperity of the country * * *.

"Groups working toward further tariff reductions have been formed to influence public opinion. These have the backing of Henry Ford II and financial interests in Detroit and New York who find advantage in heavy volume of export trade. Their spokesmen would put the miners, farmers, wool growers and livestock people to work in factories and supplant production from the soil with imports of foreign materials.

"John S. Coleman, president of Burroughs Corp. and of the Detroit Chamber of Commerce, who with Charles P. Taft heads the Committee for National Trade Policy, Inc. in a campaign to lower tariffs and permit free trade, proposes Government aid to help adversely affected firms adjust to free trade. He stated recently, 'I submit that it is better to devise such a temporary program of readjustment than accept the interminable subsidy of a tariff.'

"The views of Charles P. Taft who was a member of the State Department during the New Deal administration, are far different from those of his brother, the late Mr. Republican, Bob Taft. And the views of Henry Ford II seem to differ from those of the great industrialist who left him the vast fortune which supports his free-trade activities.

"The question to be decided is whether or not, in the interest of national security, the mining of such essential metals as lead and zinc in this country is an industry worth saving from destruction by imports. Or are we to be forced to compete with the living standards and wages which prevail wherever the cheapest supply of raw materials can be found?"

Mr. Bert R. Brewster, Salt Lake City, Utah:

"Charles P. Taft is a registered foreign agent according to the Department of Justice. I have no objection to people holding ideas or philosophies but Taft appeared here under false pretenses."

Mr. Andrew Fletcher, president of the American Institute of Mining and Metallurgical Engineers and St. Joseph Lead Co., was quoted:

"To the extent that more and more domestic mines are closed down, the American consumer must place greater dependence on foreign sources, which experience has shown both in peace and in war are not reliable. In my opinion, the trade policy that our

country should follow is to have more—not less domestic raw materials. It therefore greatly disturbed me when I listened to the address of Charles P. Taft, president, Committee for a National Trade Policy, at the Resources for the Future, December 3, 1953, and read the release of his address here in Denver on January 28, 1954. He said yesterday:

"The fear of what is going to happen from imports of lead and zinc, about which I and other representatives of the mining industry have been talking, might be likened to the situation which he found about the imports of lemons. I am willing to assume that there may be better ways of growing lemons, increase use for lemon products, and that lemon stumps are the best things to grow oranges on—but lemons are not pig lead or slab zinc. The fact that Mr. Taft and many other outstanding citizens of our country share the same type of views, is to my mind a reflection of how badly the mining industry has handled itself. We certainly make a mistake if we cannot convince him that our difficulties cannot be solved as easily as he seems to have solved the problems of the fruit industry.

"Mr. Taft asked the question:

"'Can we supply our essential basic raw materials from within the United States or not? It seems to me the answer is perfectly simple, we cannot.'

"I am forced to admit that if the present administration permits our State Department to carry on the policies of the Roosevelt and Truman administrations, Mr. Taft is correct. In fact, he becomes righter and righter every passing week, but if our country realizes the fallacy of such a policy and develops a method for offsetting the higher cost of domestic production, then, in my opinion, it would be possible to produce more—not less of our lead and zinc requirements, and to approach the level we had prior to World War II."

Mr. MALONE. Mr. President, the Colorado Mining Association at this meeting adopted a number of important resolutions, among them one commenting that "while it is important to ferret out the Hary Dexter Whites it is equally important to undo their work and remedy the damage they have done."

The junior Senator from Nevada has been undertaking to do this very thing for many years and hopes to continue this task until it is accomplished.

The junior Senator from Nevada asks unanimous consent to insert in the RECORD at this point in his remarks, a foreword to the resolutions adopted in Denver at this convention, and the first resolution.

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

FOREWORD

Our domestic metal-mining industry has long been the Nation's guinea pig upon which have been tested impractical and unworkable economic and political theories. Metal mining has been the first victim of every unsound or subversive. In the last century, our silver mines were closed by the demonetization of silver as the result of a drive spearheaded by foreign nations which produced much gold but little silver. In the thirties, we demonetized gold, following the example of many European countries. In the forties we crippled the gold miner by the notorious regulation known as L-208, and we followed this action by entering into the infamous International Monetary Fund and the equally reprehensible Bretton Woods Agreement, under the guidance of that great financial genius, the late Harry Dexter White. These two pacts gave a dishonest and fictitious value to paper currency, and condemned the world to continued inflation and political unrest.

For the past 15 years, we have been financing, equipping, and developing foreign industries to compete with our domestic establishments, and now a new scheme called free trade is being foisted upon the American people to provide a market in this country for our foreign competitors. The American metal miner knows that free trade is a fraud and a delusion. Because our metal tariffs, particularly those on lead and zinc, have been virtually nonexistent, our lead and zinc miners have had the benefit of this so-called free trade for years. As a result, one by one these mines have closed because of their inability to meet the ruinous competition of cheap foreign labor, aided and abetted by devalued currencies. There can be no free trade without a reasonable equality of costs of production, and without a sound and stable currency. Any attempt at free trade without some equalizing restrictions is simply another scheme to share America's wealth and bring about the closing down of more American industries, or the reduction of our standard of living to that of our competitors.

Mr. MALONE. Mr. President, Mr. Charles P. Taft also is the subject of an editorial in the February 1954 issue of the Mining and Contracting Review.

I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

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

RENEGADE NO. 1

It would be difficult to recall a more false and misleading campaign against anything than that of the freetraders, internationalists, one-worlders, fellow travelers, and—yes, Communists—against the efforts to protect our domestic raw materials against destruction by foreign dumping and unlimited free trade and elimination of all protective duties.

The uninformed have been regaled with the complete falsehood that the United States is a high-tariff Nation in the face of the fact that 35 countries have higher tariffs, with only 7 lower—Japan, Denmark, Belgium, Argentina, Sweden, Norway, and the Netherlands.

This lie has been compounded by newswriters, editors, press services, and radio commentators who refer constantly to our high tariffs.

Those who contend that tariffs interfere with our foreign trade and prevent foreign nations from trading with us have consistently avoided mention of the fact cartels, quotas, deflation of currencies and currency exchange rates are far more harmful than our tariffs. They are careful to avoid the fact that for years our Government has included in our export figures all materials given away to foreign governments and that if strictly commercial imports and export figures on actually paid-for items in trade among the nations are considered the United States had an import surplus of about $1 billion last year.

Insofar as mining is concerned, the condition of the lead and zinc industry should serve as a warning as to what will happen to the rest of our raw material industries if the administration follows the false conclusion of the Paleys, the Bunkers, the Randalls, the Fords, their packed committee hearings, and their somewhat unpatriotic attitude of to hell with mining and the West so long as their hoggish foreign trade desires are served.

The statistics in this issue constitute a double warning.

The sliding-scale duty to prevent dumping of foreign lead and zinc—and its complete elimination at a point permitting our mines to operate—would have served to soften the catastrophe which has struck our domestic mines. The duty was defeated in the late session of Congress at the direct instruction of the President, who appears to be uninformed upon simple economics and a captive of the renegades who would betray our raw material industries.

These renegades must be given credit for not appearing under false pretenses—unlike Renegade No. 1—who appeared at the convention of the Colorado Mining Association.

The late Robert A. Taft was one of our greatest Americans—forthright, honest, courageous, and sailing under true colors under all circumstances. His brother, Charles P. Taft, is a horse of another color. He is our renegade No. 1.

His hit-and-run address—he "must run off to Europe"—was an outstanding example of sophistry and even lies that he refused to debate.

And, as we were privileged to inform the convention, he is a registered foreign agent, according to the Department of Justice.

Mr. MALONE. Mr. President, the first paragraph of the editorial reads:

It would be difficult to recall a more false and misleading campaign against anything than that of the freetraders, internationalists, one-worlders, fellow travelers, and—yes, Communists—against the efforts to protect our domestic raw materials against destruction by foreign dumping and unlimited free trade and elimination of all protective duties.

It is a very significant paragraph, and nothing was ever truer.

Mr. President, the junior Senator from Nevada would also like to insert in the RECORD at this point as a part of his remarks a table of production of 2 strategic minerals for 1951, 1952, and 1953, showing the effect of Mr. Taft's foreign-trade policies on these 2 metals, indispensable in time of war or in peace.

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

Lead

	1951	1952	1953
Alaska	$7,266	$320	$421
Arizona	6,018,324	5,319,440	2,473,800
California	4,832,582	3,606,078	2,327,500
Colorado	10,496,256	9,681,252	5,812,100
Idaho	26,542,698	23,737,518	18,768,960
Montana	7,370,492	6,851,838	5,221,580
Nevada	2,473,208	2,186,380	1,197,000
New Mexico	2,022,716	2,260,762	744,800
Oregon	5,324	306	266
South Dakota	692	644	2,660
Texas	15,732	17,920	0
Utah	17,456,046	16,167,620	10,746,000
Washington	2,768,692	3,781,568	2,918,020

Zinc

	1951	1952	1953
Alaska	$218	0	0
Arizona	19,291,636	$15,651,476	$5,951,000
California	3,495,128	3,127,000	1,155,400
Colorado	20,278,896	17,663,396	8,218,600
Idaho	28,436,044	24,673,244	13,740,104
Montana	31,140,564	27,285,420	17,494,500
Nevada	6,349,252	5,098,524	1,275,300
New Mexico	16,532,516	16,923,700	5,008,400
Oregon	1,092	332	0
Texas	8,592	990	0
Utah	12,491,388	10,938,404	6,038,000
Washington	6,620,796	6,673,864	7,170,020

Mr. MALONE. Mr. President, typical is the reduction in the production of lead in Arizona, from approximately $6,018,-324 in 1951, to a valuation of $2,473,800 in 1953. It is typical of the figures on the chart. I am using Arizona as an illustration. In 1951 the production of zinc in Arizona was valued at $19,291,636. In 1953 it was valued at $5,951,000.

No economy, whether it be the national economy or Arizona's State economy, or that of the communities affected by the closing of the mines, can stand very much of that kind of treatment. Whether it be mining or textiles or crockery or watches, or any of the other 500 industries affected, the result is the same; it is only a matter of degree.

Mr. President, the junior Senator from Nevada commends these figures to his colleagues and hopes that they will retain them for reference when the free-trade lobby urges extension of the depression-breeding trade agreements act.

He also commends them to the armed services heads—since the policies followed for two decades—and now advocated as permanent policies by Mr. Taft, Mr. Ford, Mr. Coleman and many other corporations and individuals who have made or are about to make large production plant investments abroad—since no shipments of such materials can be made across either major ocean in the next all-out war.

In support of the information that the foreign sources across major oceans will be unavailable to us in the fourth world war—I am referring to the First World War, the Second World War, and I am calling the Korean war the third world war—in the fourth world war, we have the testimony of Gen. Albert Wedemeyer, General Bonfilles, former Defense Secretary Johnson, and Major de Seversky.

Mr. President, the Mining and Contracting Review has good reason to be critical of Mr. Taft, erstwhile agent for Venezuelan interests.

Mr. Charles P. Taft, in his capacity as a foreign agent, assisted Venezuelans fighting legislation designed to limit imports of Venezuelan residual fuel oils which are being dumped in the United States in such multimillion-barrel quantities that they have brought disaster to the eastern coal-mining industry.

In other words, Mr. President, Mr. Taft has been working for the interests of Venezuelan oil workers and thus, in effect, against the interests of American coal miners, thousands of whom are out of work. I ask unanimous consent that an article entitled "Venezuela, Waste-Oil Source, Crushes Free Labor as Profits Enrich the Few," published in the December 15, 1953, issue of United Mine Workers Journal, be printed in the RECORD at this point in my remarks.

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

VENEZUELA, WASTE-OIL SOURCE, CRUSHES FREE LABOR AS PROFITS ENRICH THE FEW

(EDITOR'S NOTE.—Venezuela, the South American nation which is the source of the residual fuel oil being dumped on the east coast of the United States with consequent severe damage to the coal market, has a typical dictatorship form of government. In the article below from the Inter-American Regional Organization of the International Confederation of Free Trade Unions, with which the UMWA is affiliated, there is told current facts relating to its suppression of the free labor movement. The close tie-in between the government and the big oil firms which are reaping fabulous profits at the expense of the workers of both the United States and Venezuela is also related. Yet this is the country which our State Department defends and insists must be allowed to continue to dump its surplus oil here at cutthroat prices and to the great disadvantage of our own country.)

The persecution unloosed in Venezuela against the free-labor movement assumes more alarming proportions each day. Dictator Perez Jimenez, through the Ministry of Labor, has forced the petroleum workers to accept conditions in a new collective contract which are far from satisfying their minimum aspirations.

The false leaders of the Mosit, a phantom labor group created by order of the dictatorship, have secretly signed this contract with the oil companies. There has not been any discussion between the companies and the authentic representatives of the workers; nor have any of the provisions of the labor law been fulfilled. Though that law still remains on the books, it is a dead letter.

The petroleum workers have repudiated the new contract as unacceptable. The oil companies, especially Shell and Mena Grande, are bringing strong pressure to bear on trade-union leaders to support the contract, menacing them with a refusal to turn over checked-off dues if they do not do so. The government has presented the trade-union leaders with the alternative: "Sign the contract or go to jail." The few existing democratic trade-union organizations which have been allowed to continue will have to close down their headquarters as a result of this government pressure.

The circumstances which surround the petroleum industry as a consequence of the economic disorder created by the dictatorship in connivance with the oil companies, in a country completely dependent on petroleum, could not be worse.

Thousands of petroleum workers have been thrown out of their jobs during the last 5 years by the dictatorship. The gains made by the Petroleum Workers Federation in predictatorship contracts have become null and void. This is particularly true insofar as prices in the company stores are concerned. The wage increases provided in the new contract are ridiculous in view of the increase in the cost of living. Finally, the repression and absolute lack of liberty make impossible any movement of protest on the part of the thousands of discontented workers.

In the balance, then, the situation is desperate. The great companies are obtaining fabulous profits which permit them to distribute unequalled dividends, and Venezuela receives a smaller and smaller share in these immense riches.

The cynical dictatorship of Colonel Marcos Perez Jimenez continues to patronize Communists and Peronistas in the local labor movement, while suppressing the free trade unions of Venezuela. This has been brought once more to public attention by recent events in that country.

The history of the Perez Jimenez regime's suppression of the democratic trade union movement is a long one. The Confederacion de Trabajadores de Venezuela, which is affiliated with the ORIT, was outlawed by the military dictatorship in January 1949. A few months later, the Federation of Petroleum Workers, the largest and strongest union in the country, was outlawed.

At the same time, the dictatorship declared that all executive posts in the country's local unions were vacant and demanded new elections be held within a few days. The International Labor Office subsequently denounced these elections, which it claimed were not only held under duress, but were held under conditions which did not permit the unions adequate time to organize orderly polls. The ILO report also pointed out quite clearly that the Government's procedures were in contravention of the nation's labor law.

Finding that it was impossible to force the workers of Venezuela to elect puppets of the regime to office in the unions, the Government set about suppressing the democratic workers' organizations. The great majority of the country's trade unions, including most of those in the oil fields, virtually all of the agricultural workers unions, and various others, were thus deprived of legal existence. The same fate befell the national industrial and craft federations and the regional federations affiliated to the already suppressed Confederacion de Trabajadores de Venezuela.

While thus manhandling the democratic trade unions, the Venezuelan dictatorship assiduously allowed the Communist-controlled unions to function. Legal recognition was extended to a rump group under Communist leadership in Caracas, the so-called Federation of Workers of the Federal District, under the leadership of Rodolfo Quintero. Quintero is an avowed Communist, leader of the so-called Black Communist Party of Venezuela, and was official delegate to the World Federation of Trade Unions Congress in Milan in the summer of 1951. Subsequently, he was taken on an all-expense tour of "People's Hungary" by the Communist rulers of that country.

Mr. MALONE. Mr. President, the Mining and Contracting Review which for 56 years has been following the ups and downs of western mining industry, is concerned about the protection of all domestic raw materials against destruction by foreign dumping.

Mr. Charles P. Taft, in an address here in Washington last December, showed small concern for the domestic zinc mining industry, but great concern for the zinc miners and mine operators of foreign lands.

TAFT FAVORS MEXICO

In his address here, Mr. Charles P. Taft opposed a flexible tariff on zinc imports stating unctuously that such a tariff would be at the expense of foreign producers, "especially"—and these are his words—"our friends in Mexico and Canada."

Mr. Taft deplored any action by the Congress that might cause expense to Mexican zinc producers, although not long prior to his address here the Salt Lake City Tribune had reported a decrease in the number of zinc mines in Utah alone from 74 in 1948 to only 12 in October of 1953, with a loss of 942,511 man-hours to lead-zinc miners in the State over a 6-month period.

What is happening to lead-zinc mining in Utah, is, of course, happening in many other States.

Mr. President, there is no disposition on anyone's part to stop any imports from Canada or Mexico or any other foreign nation. We wish to encourage them to raise their living standards and to increase their industry and to increase their wages. An increase in their wages would furnish a market in their own countries.

All that our industrial workers ask, whether they be workers in the mining industry, in the cotton textile industry,

in the wool industry, in the crockery industry, or in any other industry, is a fair and reasonable access to their own markets in America. The ask for the same access that foreign nations have. They do not ask for any advantage. All they ask for is an equal access to their own markets.

Mr. President, when we give access to our markets on a free-trade basis, we are encouraging other investors, not only the investors of the foreign nations—which already have a vested interest in the low-cost sweatshop labor, because their production is based on that level, and they must export their products to the United States and take what the market will bear, with the difference being the profit to them—but we are also encouraging our own investors to go to those foreign nations and acquire a vested interest in the sweatshop labor for the same reason. Whereas, if they pay in the form of a tariff or a duty, the difference between the wages, the taxes, and other factors, and the products come in on an equal basis, they will pay a few times, no doubt, and then will say, "Let our own labor benefit. Let our own wages go up to where a decent living standard can be maintained, and create a market in our own country for our own goods."

We say we want to raise their living standards, but the very principles and policies which we adopt defeat our objective. We are encouraging low-cost labor by letting goods come into the United States with nothing in the way of a flexible import fee or duty.

WISCONSIN-ILLINOIS INDUSTRY HIT

I have here a letter from Mr. W. Roy Kopp, of Platteville, Wis., in the heart of the Wisconsin-northern Illinois zinc and lead mining area, in which he states:

> Our mines are running at a near-zero level now and unless some help is forthcoming in the form of tariff relief in the very near future, I fear that there will not be one mining operation left in Wisconsin, and there will probably be only one, if any, in northwestern Illinois.

The letter is dated February 1 of this year.

Mr. President, I addressed the miners in a mining town in Wisconsin during Lincoln's birthday week, and I found that all they wanted was simply an even break with foreign producers and importers. They wanted no advantage, but simply an even break in their own market. They were bewildered, Mr. President, that the Congress of the United States, composed of their own Senators and Representatives and others from like areas all over the country, would favor foreign areas over our own areas, and foreign wage earners over our own wage earners. They ask for no advantage, but only for an even break.

If Mr. Kopp, or any other interested American citizen in his State or other States of the Union wish tariff relief to save the zinc or lead industries of their State and area, they need not count on any help from Mr. Charles Taft, interested as he is in "our friends" in foreign nations.

Mr. Taft said also in his speech here which I have quoted from, and from which I again quote:

> During the war in 1944 when I was in the State Department, we were worried about what would happen to Chile when United States consumption of copper went back to 600,000 or 700,000 tons. It has never gone below 1 million tons and is now double our estimate.

Mr. Taft's worries about Chile were eased somewhat in 1947 when imported copper was exempted from a 2 cents per pound tariff, an exemption maintained during a period when Chile was receiving 6½ cents per pound above the ceiling price on American copper.

Mr. President, we can remember when there was a ceiling price on our copper of approximately 25 cents a pound, and we were purchasing copper from Chile at 36 cents a pound.

Legislation is now pending in the Congress to extend the exemption another 2 years from its present expiration date on June 30, which undoubtedly will receive the support of Mr. Taft's former coworriers in the State Department.

Mr. Taft is but one member of a triumvirate of free traders who have been very busy in recent months propagandizing for free trade in the midst of a growing recession caused in part by the tremendous increase since World War II in imports of competitive foreign goods and products into the United States with the blessing of free traders.

The other titans of this free-trade triumvirate are Paul Hoffman and Henry Ford II. Mr. Hoffman like Mr. Taft was formerly connected with the Truman regime.

Mr. Hoffman served during the Truman administration as Economic Cooperation Administrator, later was with the Ford Foundation for a while and now is chairman of the board of the Studebaker Corp. He flits about a good deal.

CALCUTTA, INDIA, PLANT EXPANDING

The Wall Street Journal in its issue of February 10, published a dispatch from South Bend, Ind., under a three-column head which read: "Studebaker to Shut Main Auto Plant for Week Monday, Idle 9,500: Cites High Dealer Stocks."

The Wall Street Journal in its March 8 issue has this further report on Studebaker cutbacks:

> Studebaker, South Bend, Ind., has closed down its passenger car production for at least a week throwing 11,000 of its 12,000 workers off the job. The company gave no reason for the shutdown, but indicated it was a continuation of lagging car sales which have cut the working force from last summer's peak 23,000.

On February 24, the Department of Labor designated South Bend, Ind., as an area of substantial labor surplus, commonly referred to as a group IV or distressed area.

Mr. President, we do not ease the pain by calling it an area with a labor surplus instead of a depressed area. Instead of calling it an outright slowing down of the working men of America in a particular area, it is commonly referred to as a distressed area.

A dispatch from Tokyo, Japan, which appeared in the January 20 issue of the New York Journal of Commerce, and which is headed "Studebaker reported ready to produce cars in Osaka", may be of interest. Osaka is a city in Japan.

It will be noticed, Mr. President, that almost all these men who are so very vociferous in their advocacy of free trade have investments or are making investments and placing their plants behind the low-wage curtain.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks, the article referred to in the preceding sentence, and also a brief dispatch from South Bend, Ind., which immediately follows the report from Tokyo.

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

[From the New York Journal of Commerce of January 20, 1954]

STUDEBAKER REPORTED READY TO PRODUCE CARS IN OSAKA

TOKYO.—Studebaker Corp. of South Bend, Ind., is entering the race for the Japanese car market with plans for establishing an automobile manufacturing plant in Osaka.

Nisshin Automobile Co., Studebaker dealers here, and Daihatsu Co., largest manufacturer of the three-wheel motorcycle-truck in Japan, are ready to go ahead with the United States firm in setting up manufacturing facilities as soon as Japanese Government authorities flash the green light.

APPROVAL EXPECTED

Dewey W. Smith, vice president of the Studebaker Corp. export division, said that so far the approval had not yet been gained, but is expected fairly soon.

Mr. Smith visited here following a tour of Europe and Asia, including a call at the 3-year-old Studebaker plant in Calcutta. The United States firm maintains overseas plants in Manila, Hong Kong, Paris, London, Calcutta and other cities.

Mr. Smith said Studebaker plans to station George Grable, one of the company's top engineers, in Japan permanently.

OTHERS INVOLVED

If the Japanese Government approves the deal, Studebaker will be following the footsteps of a number of other foreign automobile manufacturers who have begun or are preparing to begin the manufacture of automobiles here. These companies include Renault of France, Hillman and Morris of England, and Willys of the United States.

Studebaker intends to use the Osaka plant of Daihatsu for its car-assembling and manufacturing project, securing all the required machinery in Japan except "no more than $5,000 worth of special tools."

The production target is said to be unlimited, depending, of course, on the Japanese Government. Mr. Smith told the Journal of Commerce that "if the Government would let us make 100 vehicles a month, we'd be willing to take a crack at it, but that figure would have to constitute a minimum."

Turning to the Calcutta plant, the Studebaker executive remarked that this unit began to turn out vehicles about 2 years ago. Some 45 percent of Indian Studebakers are manufactured in that country at this time and this ratio will be increased to 70 percent within 90 days or by the middle of March, when Studebaker starts manufacturing engines there.

The Calcutta installation is valued at approximately $12 million and employs a total of 1,600 Indian workmen.

ANNOUNCEMENT PREMATURE

SOUTH BEND, IND.—A spokesman at the main plant of Studebaker Corp. here said an announcement coming from Tokyo to the effect that the company plans to start manufacturing automobiles in Japan was premature.

Mr. MALONE. Mr. President, in all fairness to Mr. Hoffman's corporation, I wish particularly to note that the one-sentence followup dispatch from South Bend states that the Tokyo report is premature.

Webster's New International Dictionary defines "premature" as "mature or ripe before the proper or usual time," or as "happening, arriving, existing, or performed before the proper or usual time."

Whatever the case, the Tokyo report was neither confirmed nor denied—just premature.

Mr. President, the junior Senator from Nevada hopes that the Osaka project will continue to be premature so long as auto workers are idle at South Bend.

The junior Senator from Nevada notes also that in the Tokyo report a Studebaker spokesman, not Mr. Hoffman but a vice president of the corporation, made statements which, because of the time element, could hardly be considered premature.

The vice president was quoted as stating that a Studebaker plant in Calcutta, India, has been operating now for 2 years—prematurely no doubt—is manufacturing 45 percent of India's Studebakers, and that the ratio is to be increased to 70 percent by the middle of March, when Studebaker also will begin the manufacture of engines in India.

No doubt this is the culmination, the summation, or the result of the Marshall plan, which Mr. Paul Hoffman administered so ably while scattering the taxpayers' money throughout Europe. It was said many times on the Senate floor that the Marshall plan would create markets abroad. In other words, we would sell our material abroad.

Mr. President, there is no record of our selling very much abroad for which we did not send at least twice as much money abroad with which to purchase the products, as ever came back for a a purchased product. The end result seems to be that all these fine people who are so interested in sending our money overseas are now putting their plants there, so that American production will decrease, rather than increase.

But since the vice president of the Studebaker Corp. made the statements, which, because of the time element, could hardly be considered premature, I suppose it will not be denied that those industries are in operation.

The Studebaker spokesman further stated that the Calcutta installation is valued at approximately $12 million and employs a total of 1,600 Indian workers.

With Studebaker idling—as the headline puts it—up to 9,500 American workers at its South Bend plant during a recent week, it would be interesting to the junior Senator from Nevada to know how many of the 1,600 Indian workmen in Studebaker's Calcutta, India plant have been idled, or how many workmen have been idled in Studebaker's Manila, Hong Kong, Paris, London or other overseas plants.

If Mr. Hoffman, as chairman of the board of the Studebaker Corp., wishes to advise me in this matter I will be glad to offer the information that he sends me on the subject for the record.

Recently I extended Mr. Hoffman's coworker for free trade, Mr. Ford, an invitation to advise me on the wage rates he pays workmen in his British and other foreign plants, if he wished to do so, stating I would be glad to offer his data on the matter for the record. To date I have not heard from him.

The junior Senator from Nevada cordially extends a similar invitation to Mr. Hoffman with regard to the wages paid to his reputed 1,600 Calcutta, India, workers, or to his workmen in other foreign plants, and with similar assurances that if the information is forthcoming it, too, will be offered for the record.

Trade, our free-trade advocates frequently assert, is a two-way street. It would be helpful, in the opinion of the junior Senator from Nevada, if we were informed what is at the other end of the street, particularly if the other end of the street is in Calcutta, Hong Kong, Manila, or even in Osaka.

The junior Senator from Nevada does not know when, if ever, Osaka-built or Calcutta-built Studebakers will be offered in the American market in competition with the South Bend, Ind., product, and he hopes the correct answer is "Never."

FOREIGN CARS ON UNITED STATES MARKET

But the junior Senator from Nevada does know that British-made Fords are being advertised in America as "the only imported six-cylinder convertible in the budget price field," with a footnote that they are "sold in the United States through selected dealers of the Ford Motor Co., Dearborn, Mich."

Last year Mr. Ford, in advocating free trade, expressed the belief that this country could absorb "another five or six billion dollars' worth of goods from abroad each year."

In the interest of American automobile workers, the junior Senator from Nevada hopes that never happens.

In the interest of American textile workers, miners, pottery, and glass workers, oil workers, and workers of every other industry who are being bumped off their jobs by low-wage, low-tax, low-tariff, or no-tariff foreign imports, the junior Senator from Nevada hopes that Mr. Ford's goal of five or six billion dollars' worth or more goods from abroad are not dumped on the United States.

It will happen, of course, if the administration extends and continues the free-trade policies and one-economic-world policies of the New Deal, Fair Deal, or current free traders.

In this connection it might be noted that only a few weeks back Mr. Walter Reuther, president of the Congress of Industrial Organizations and of the United Auto Workers Union, stated that a recession has set in.

Mr. Ford was quoted in the same dispatch which came, incidentally, from Detroit as characterizing reports of large-scale unemployment in Detroit as a snare and a delusion. Placement by the Labor Department of Detroit in its group IV or distressed area classification followed shortly after.

In an address in Wisconsin during Lincoln Week, I said to my audience, "If your neighbor, Mr. Reuther, located in Detroit is successful in bringing about the policy he advocates, namely, a policy of free trade with the other nations of the world, he will see the day, and in the not far distant future, when he can ride through the streets of Detroit in an English-made Ford, and bow to his unemployed workers on the sidewalk."

According to reports from Detroit, that day may not be very far away. But, of course, Mr. Reuther would not connect the free trade policy which he advocates, which would put his own workers in direct competition with the sweatshop labor of the world, as being in any way responsible for the unemployment in Detroit or in any of the other depressed areas mentioned by me today.

AUTO EXPORTS BELOW THOSE OF PRE-NEW DEAL ERA

Mr. President, except for cars built to military specifications, the United States is exporting less than half as many passenger automobiles to foreign countries as were exported in 1928 and 1929, despite our gifts of billions of dollars to these foreign countries. This is on the authority of the Department of Commerce.

In 1953 we exported 158,741 such automobiles and in 1952 we sent abroad 145,280 such automobiles. In 1928 there were 368,329 passenger cars exported and in 1929 the number was 339,447. Even in 1930, a year of worldwide depression, we exported more American-built cars than we did in 1952, that is passenger cars not built for military use.

Of course, Mr. President, we have been including in the subject matter of foreign trade, the military supplies built for Europe and our exports of money. The "we" is an editorial we, meaning the Department of Commerce and the Department of State. It will be found that when there is deducted from the expanded trade, as it is described, the amount of money which has been exported each year, and the amount of such military equipment, we are right back to the 4½ or 5½ percent of the foreign trade we have had for the past 40 or 50 years. That is what I call economic trade; namely, natural trade between countries, where there is a quid pro quo. No individual or no nation ever buys something from anyone else which it can conveniently produce for itself. That is axiomatic. If a nation cannot conveniently produce an article by itself, but must buy the article, it buys it wherever the grade desired can be bought at the lowest cost.

One does not buy foreign trade; all one does is make a joke of oneself.

We did send last year 33,390 engines abroad to be put in new cars with American trade names, and we have sent 105,755 such engines for new cars with American trade names since 1948.

This engine figure is the only one available that might indicate how many cars are being built abroad by Ford and Studebaker and other American automobile manufacturers who have set up

plants abroad employing foreign workers and idling—as the news dispatches term it—American workers.

Recently the junior Senator from Nevada quoted on the Senate floor a report that the Ford Motor Co. in December 1948 operated 26 active subsidiaries in foreign countries and was expanding its foreign operations.

According to the same report, the Studebaker Corp., of which Mr. Paul Hoffman is chairman of the board, has 11 assembly and manufacturing plants outside the United States and Canada, and their tally did not include the now-revealed plant in Calcutta, India, or the prematurely announced project in Osaka, Japan.

Mr. Paul Hoffman has been a very active man. He has made his cycle. He left the Studebaker Corp. to distribute the taxpayers' money in Europe through the Marshall plan, successfully entered the Ford Foundation, and finally he has landed back in the Studebaker Corp., from which he started.

In the light of the Ford and Studebaker migrations to the cheap-labor areas of the world, Mr. President, the junior Senator from Nevada is well able to understand why there is recession in the automobile manufacturing centers of America. He is also well able to understand why those two men advocate free trade.

Our internationalist automobile manufacturers, who also are our most ardent free traders, have lost half of the foreign market for American-built cars, either in competition with their own foreign cheap-labor factories or other foreign factories.

Never in any postwar years, despite the billions in subsidies the American taxpayer has poured out to foreign nations, have they sold as many American-built nonmilitary passenger cars abroad, as they were selling back in 1928 and 1929. The conjecture arises whether or not American dollars have been used to help subsidize their foreign factories, and I will welcome elucidation on this subject from either Mr. Ford or Mr. Hoffman or from both of them.

But it certainly does eliminate for them the argument that the Marshall Plan, the ECA, Mutual Security, and all of the other trick organizations which have spent billions of dollars of taxpayers' money abroad have built up markets for American products.

What I would welcome even more is for them to stop their clamor for more foreign subsidies when those already given are contributing to distress and joblessness in America.

AMERICAN INDUSTRIES AND WORKERS SHOULD BE FIRST CONCERN

And what I would welcome more than either of the above would be for Mr. Ford, Mr. Hoffman, and Mr. Charles Taft to begin showing more concern for American industries and American workingmen and women in America.

Mr. President, after studying the far-flung Studebaker empire and its extensive foreign operations while Studebaker's plants at South Bend, Ind., operate on an on-again-off-again policy that has reduced South Bend to a group 4 or distressed area, it would not be fair for the junior Senator from Nevada to omit mention of the Nash-Kelvinator corporation which has its headquarters in Detroit but one of its principal, in fact, its original automobile plant in Kenosha, Wis.

CARS BUILT IN ENGLAND TO COMPETE IN UNITED STATES MARKET

Kenosha, Wis., had the unenviable distinction of being the first automobile center in the United States to become a distressed area during the past year, and it is still listed in that category in the latest bimonthly summary of the Bureau of Labor Security of the Department of Labor, issued March 20 of this year.

The Department of Labor also notes that distress in Kenosha is due to heavy layoffs there of automobile workers.

In this connection, Mr. President, the junior Senator from Nevada asks unanimous consent that an article published in the Wall Street Journal, issue of January 5, 1954, titled "Nash to Offer a New Small Car, Built in England, in March," be printed in the RECORD at this point in his remarks.

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

NASH TO OFFER A NEW SMALL CAR, BUILT IN ENGLAND, IN MARCH

DETROIT.—Nash will introduce in March a new small automobile being built in England for distribution in the United States to sell for well under $2,000. George W. Mason, president and chairman of the board of Nash-Kelvinator Corp., said the car will be "capable of up to 40 miles per gallon at normal highway speeds."

Meade F. Moore, vice president in charge of Nash research, said that possibly 1,000 of the tiny automobiles already have been assembled and shipped to the United States for distribution.

He said the car, known as the Nash-Kelvinator International (NKI), will be powered by a 44-horsepower engine, will have an 84-inch wheelbase and stand 4 feet 5 inches high. It will weigh 1,600 pounds. Mr. Moore declined to disclose its maximum speed, but he said it "could break any speed law in the United States."

Production of the NKI began last fall. Mr. Moore said sales would be limited to the United States and Canada at first. The NKI will contain interchangeable American parts. He said the car will be a four-passenger model with jump seats in the rear and will come in several colors.

The NKI is a modified version of Nash's NXI experimental car which the company exhibited in early 1950 at various auto shows throughout this country.

The 1950 version had only an 80-inch wheelbase and an overall length of 145 inches. It weighed about 200 pounds less because of a smaller engine. The NXI was only a two-passenger car. The modifications resulting in the new NKI model came after a survey conducted by Nash among thousands of American motorists.

Mr. MALONE. Mr. President, I shall read the first paragraph of that dispatch, which ought to interest the workingmen of America, especially those in the automobile industry:

DETROIT.—Nash will introduce in March a new small automobile being built in England for distribution in the United States to sell for "well under $2,000." George W. Mason, president and chairman of the board of Nash-Kelvinator Corp., said the car will be "capable of up to 40 miles per gallon at normal highway speeds."

Mr. President, that ought to be a very valuable innovation—an automobile built by $3-a-day labor as against the $12 to $15-a-day labor of the American worker, and no doubt the number of such automobiles exported to the United States will be increased year by year. It will hasten the day when Mr. Reuther, through his policies and preaching in favor of the free-trade policy in America, will get the 3-year extension, and then continue the 3-year extension from then on, as has been done in the past 22 years. It might even put him in a position to choose the foreign-made car in which he can ride down the streets of Detroit and wave to his unemployed workers on the sidewalks. Perhaps he may not have to ride in a Ford; he may be able to ride in a Nash.

Mr. President, the junior Senator from Nevada also asks unanimous consent to have printed in the RECORD at this point in his remarks, a London dispatch, dated March 18, 1954, published in the New York Herald Tribune.

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

AUSTIN TO BUILD NASH CARS FOR UNITED STATES

LONDON, March 18.—Britain's Austin Motor Co. disclosed tonight an American automobile manufacturer has hired it to build American cars in England for sale only on the United States market.

George Harriam, deputy chairman of the Austin firm, said Nash-Kelvinator Corp. has ordered 20,000 small cars worth $25 million. The automobiles will not be sold in England.

Trade sources said it was the first time a British firm has undertaken contracts to build from start to finish an American line of cars.

Harriam said Austin's assembly lines at Birmingham already are rolling out the new Nash Metropolitan, a two-seater family car in convertible and hard-top models.

Mr. MALONE. Mr. President, the first paragraph reads:

Britain's Austin Motor Co. disclosed tonight an American automobile manufacturer has hired it to build American cars in England for sale only on the United States market.

Mr. Reuther might even get an Austin to ride in. I am very much interested in that young man. I understand he wants to run for President in 1960. I hope that by that time his policies will be fully nullified through the experience that we are having now in unemployment.

The junior Senator from Nevada also notes that in its March 22 issue Time magazine took cognizance of Nash-Kelvinator's enterprise with an article which stated in part:

To take advantage of cheaper labor, Nash will make the cars (new model Nash) through two British firms, Fisher and Ludlow for bodies, Austin for engines, import them to the United States in two models, a convertible and a hardtop.

I should think that the workingmen of these areas would be very much interested in the news dispatches which are coming mostly from foreign counties, because there seems to be no reluctance on the part of American

manufacturers when they go beyond the low-wage curtain to advocate only principles which make the business profitable for them.

Mr. President, while I have mentioned names rather liberally today, I do not blame the Nash-Kelvinator Co., I do not blame Henry Ford II, I do not blame Paul Hoffman, Mr. Coleman of International Business Machines, or any other business or industry or industrialist, for going abroad to make profits in the American market by utilizing the sweatshop labor of Europe and Asia. I blame the Congress which makes it profitable or possible. It is the fault of Congress. These men I have referred to are sharp businessmen, and they follow what Congress does; also they surreptitiously direct what Congress does, I am sorry to have to acknowledge.

If the Senate does what it is elected to do, namely, protects the economy and safeguards the United States of America and its people, the Members of the Senate will refuse to extend the 1934 Trade Agreements Act, by which Congress abrogated a part of its constitutional responsibility and turned it over to an executive department, which, for all practical purposes, meant the State Department, and tied the domestic economy to the foreign policy, and allowed the State Department to trade American industries and the jobs of American workers for a fancied foreign advantage or political advantage, which in the long run they do not get, as the record shows.

But so far the Senate has refused to reassume its constitutional responsibility of regulating foreign trade and foreign commerce, as the Constitution, in article I, section 8, provides that Congress must do, and of adjusting the duties, excises, and imposts, which we call tariffs and import fees.

Mr. President, if Congress continues to refuse to reassume that constitutional responsibility, then I do not blame American businessmen who go abroad and use the sweatshop labor and low-cost labor of foreign countries to make a profit. Instead, I blame the Congress of the United States, for, in my opinion, in that connection the Members of Congress are not properly representing their own constituents.

UNITED STATES WORKERS SACRIFICED TO CHEAP FOREIGN LABOR

If we in Congress project the program that the Hoffmans, Tafts, and Fords are advocating, not only industry and labor in these cities will be sacrificed to cheap labor in foreign countries, but the entire national economy will be sacrificed to foreign cheap labor.

Mr. President, in my opinion it is a very shortsighted policy for such men to advocate such policies, because when they lay off 1,000 or 9,000 men at Kenosha, Wis., or Detroit, Mich., for every man they lay off, they are laying off a potential customer, a potential purchaser of an automobile or of a home appliance or convenience. When, instead, they employ, to take the place of an American workman, a foreign worker, who will be paid $2 or $3 or $3.50 a day, they should realize that it takes 50 of those workers, on the average, to account for the sale of one automobile in the market. In fact, I doubt that 50 of them would be sufficient, in that respect. The foreign workers ride bicycles, when they can get them; and those bicycles are made in England. They are not made in the United States and shipped to England; but they are made in England and shipped to the United States, under these trade agreements.

Cheap labor, whether it be in India, Africa, Italy, England, or any other foreign nation, does not buy American products. It does not pay taxes into the American Treasury. It does not contribute to the national defense.

This Nation has attained its present wealth because labor received a fair wage and in itself became our greatest market for American products. Fair wages brought high living standards. The heavy tax burden that confronts the Nation today can be borne only by Americans receiving fair wages or salaries, or by fair returns for American products.

In the opinion of the junior Senator from Nevada, every industry that "runs out" on the United States, in its search for cheaper labor, is doing this Nation a disservice.

Mr. President, in my opinion, in the long run the men who operate such industries do themselves a disservice, because they destroy the very market that made them successful and rich.

It is time for this administration and this Congress to concern themselves with fair wages, high living standards, and the economy of American citizens, rather than with cheap labor in foreign countries and foreign employers who are seeking to capture large segments of the American market with the products of cheap foreign labor.

TABLES SHOW AUTO EXPORTS, IMPORTS

In this connection, Mr. President, the complete record of the growth of foreign competition to the American automobile industry for the years 1922 through 1930 and 1946 through 1953 is shown by a table that I have before me.

Mr. President, I ask unanimous consent that the table of United States imports of automobiles be inserted at this point in the RECORD, as a part of my remarks.

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

United States imports for consumption of passenger automobiles, 1922–30 and 1946–53

Year and yearly average	Passenger automobiles and chassis [1]	
	Number	Thousands of dollars
1922	616	1,146
1923	757	892
1924	590	808
1925	669	1,058
1926	808	1,334
1927	625	1,202
1928	562	1,168
1929	741	1,180
1930	682	777
Total	6,050	9,565
Average, 1922–30	672	1,063
1946	1,949	1,785
1947	2,099	2,253
1948	28,428	30,012
Total	32,476	34,050
Average, 1946–48	10,825	11,350
1949	7,851	8,908
1950	21,608	20,787
1951	24,159	26,769
1952	33,945	45,414
1953	27,984	43,130

[1] Data for 1922 through 1930 include trucks and buses, if any; data from 1946 through 1953 include buses for not over 10 passengers.

United States exports of passenger automobiles, 1922–30 and 1946–53 [1]

Year and yearly average	Passenger automobiles		Passenger car engines for assembly [2]		Parts for assembly [3]
	Number	Thousands of dollars	Number	Thousands of dollars	Thousands of dollars
1922	66,791	51,049	(4)	(4)	(4)
1923	127,035	90,692	(4)	(4)	(4)
1924	151,380	112,534	(4)	(4)	44,975
1925	244,306	184,886	(4)	(4)	42,487
1926	238,540	176,432	(4)	(4)	38,535
1927	278,748	207,966	(4)	(4)	41,295
1928	368,329	263,576	(4)	(4)	62,421
1929	339,447	234,291	(4)	(4)	107,673
1930	153,069	105,979	(4)	(4)	61,260
Total	1,967,645	1,427,405	(4)	(4)	398,646
Average, 1922–30	218,627	158,601	(2)	(2)	[5] 56,950
1946	119,476	125,173	1,402	175	50,776
1947	279,326	353,831	2,091	286	85,379
1948	212,549	288,874	1,814	258	86,569
1949	145,084	212,340	13,201	1,218	95,719
1950	127,118	187,243	25,306	2,348	112,175
1951	223,939	348,345	17,187	2,000	141,636
1952	[6] 145,280	[6] 250,083	16,671	2,222	168,302
1953	[6] 158,741	[6] 282,322	33,390	4,500	187,469

[1] Throughout these periods some manufacturers have reported passenger automobile parts exported for assembly abroad in terms of complete car units. These are included in the figures of passenger cars exported. Other manufacturers have included these unassembled units in their reports on parts for assembly abroad; the dollar total of these unassembled shipments is shown but no numerical count of the complete cars can be given. Quantity and value of passenger car engines reported separately are also shown for postwar years.
[2] For assembly on new vehicles with American trade names.
[3] Data include truck, bus, and passenger car parts for assembly.
[4] Not available.
[5] Average, 1924–30.
[6] Passenger cars built to military specifications are excluded beginning 1952.

HALT FOREIGN-FRIENDS-FIRST POLICY

Mr. MALONE. Mr. President, for a number of years, now, global and one-economic-world theories have dominated our foreign trade policies. This policy could be called a foreign-friends-first

policy, somewhat related to the Marxian theories of international socialism.

Today we in this Republican administration should be dealing, not with theories, but with facts.

Mounting unemployment is a fact, not a theory.

Decreased production in many of our industries is a fact, not a theory.

Distressed industries and industrial areas are facts of official record.

Imports of more than $10.6 billion—to which Mr. Ford would like to add another $5 billion to $6 billion worth—constitute a fact of record.

The junior Senator from Nevada is quite willing for Mr. Ford, Mr. Taft, and any other global-minded theorists to pursue their theories; but the junior Senator from Nevada does submit that the Members of Congress are elected to deal in facts and to act pursuant to the facts before them.

The Congress can deal in facts by permitting the Trade Agreements Act of 1934 to expire on June 12 of this year. It should also permit the exemption of the mere 2-cents-per-pound tariff on copper imports to expire on June 30. This will restore sagging American industries and employment, and will return the Nation to the American system of economic facts of life and the adjusting of duties of tariffs to meet these facts and the needs of American industries and workingmen, far more important to America than the needs of foreign nations, including those that are Mr. Taft's particular friends.

The Constitution established three branches of the Government for this Nation—separate and independent, as balances and checks, each upon the other: the legislative, the executive, and the judicial.

Article I, section 8, of the Constitution fixes upon the legislative branch—the Congress—the responsibility of adjusting the duties, imposts, and excises, which we have come to identify as tariffs or import fees, and of regulating foreign commerce or foreign trade.

In 1934 a strong-minded President prevailed upon a weak Congress to transfer its constitutional responsibility to him, without bothering to amend the Constitution. By this maneuver the regulation of the domestic economy was tied to the foreign policy, since the responsibility of establishing the foreign policy is established by the Constitution in the executive branch.

Since 1934, the Secretary of State has claimed—and has so testified before congressional committees—that it is impossible to separate the domestic economy from the foreign policy—which, of course, is true as long as the Congress succumbs to the wiles of a President and continues to extend the Trade Agreements Act.

The economic approach has been to destroy this Nation. It is a conspiracy against American workingmen and small businesses.

Mr. President, the economic stability of this Nation and the welfare of the people now demand that Congress reassume its constitutional responsibility to regulate foreign trade, and demand that Congress do so by the principal expedient of allowing the 1934 Trade Agreements Act to expire on June 12, 1954.

CONFUSION IN CONNECTION WITH HOUSING LEGISLATION

During the delivery of Mr. MALONE's speech,

Mr. MAYBANK. Mr. President, I wonder if the Senator from Nevada will yield to me with the understanding that he will not lose the floor, and that any brief remarks I may make will follow his remarks.

Mr. MALONE. I yield, with the understanding that I do not lose the floor, and that the Senator's remarks will appear at the conclusion of my remarks.

Mr. MAYBANK. I express my deep appreciation to the distinguished Senator from Nevada.

Mr. President, I invite attention to the confusion existing in the House at this time in connection with housing legislation. There could be no better proof of the need for my amendment to the housing bill than the state in which the House of Representatives finds itself at the moment. I say this most respectfully regarding the House.

This is what happens when the House Appropriations Subcommittee and the full committee decide to legislate a housing program. My amendment would repeal the legislative riders which have hamstrung all housing program plans. Even more important, my amendment would return legislative jurisdiction over housing to its proper place, in the Banking and Currency Committees of both Houses, where it can be given the thoughtful, careful, and studious attention which it deserves, in the interest of the people of the country.

Mr. DOUGLAS. Mr. President, I wonder if the Senator from Nevada would be willing to yield further for a minute or so, in order that I may make a comment upon the statement of the Senator from South Carolina.

Mr. MALONE. I yield for 1 minute to the distinguished Senator from Illinois.

Mr. DOUGLAS. I commend the Senator from South Carolina for his position. There is too much of a tendency for the Committees on Appropriations to constitute themselves as the policy-making groups of the House of Representatives and the Senate. It seems to me that on the question of housing, the Appropriations Committee should not violate the will of the Congress. The situation in my city of Chicago is very serious. We need both to clear the slums and to find places for those who are displaced by slum clearance.

STATEHOOD FOR HAWAII AND ALASKA

Mr. MAYBANK. Mr. President, the United States is proud of the fact that Alaska and Hawaii are two of its Territories. Many of the inhabitants of the two Territories are citizens of the United States, and have often proved their loyalty to this country. These simple truths, however, are not inconsistent with the conclusion that neither one is qualified, by any reasonable standards, to accept the burdens of statehood.

Comparisons with other Territories at the time of their admission, such as have been made here in the debates, can hardly be expected to be persuasive arguments with respect to these two candidates for statehood.

When the Thirteen Original States were admitted into the Union, there could be no question as to the right of any of them to be full partners, or sisters, in the Union of States. Each of them had demonstrated that it could fully support itself under existing conditions of that time. It was evident that their union would add to local and national development. The admission of these or any other States is not comparable in any way to the admission of either Alaska or Hawaii into the Union.

Neither of the Territories is contiguous to the United States. Between our shores and those of Alaska lie areas of land and sea. Such distances, in the event of disrupted communications or other emergencies, would prove embarrassing to a sister State, as well as a serious threat to the defense of the United States. And only slightly beyond her far shore lies the land of the greatest possible enemy of the United States. Should Russia attack and conquer Alaska, the propaganda value of having conquered a State would be tremendous.

The strategically untenable location of a State of Hawaii offers a juicy plum which would be even more tempting to Russia than the thought of destruction of Pearl Harbor was to Japan. The inroads already made by communism into the organizations and life of the Hawaiian Islands are even now threatening their moral and economic stability.

Everything we could do to protect Alaska or Hawaii as a State we will do to protect either as a possession. Still, should we, in the initial stages of another war, be unable to hold either of the Territories, we would not suffer the crushing propaganda blow of a statement by the enemy to the effect that one of our States has been defeated and conquered.

It is not my purpose to take the time today to enumerate the reasons why I oppose the proposed legislation. They are legion. Statistics are not conclusive. Both sides have used the same figures to their respective advantage. Both sides have claimed to know the future political complexion of each Territory and, therefore, made claim for two new seats on each side of the Senate. Yet these considerations are minor, and have no place in a discussion of such magnitude. This is not a proposal of a marriage for a lifetime's duration. It is to be a union welded for an eternity.

The decision on statehood for these two Territories is not to be founded in statistics; neither is it to be founded in emotion or politics. It can be based only on logic and reason.

I cannot, in fairness to the people of my State, to the people of the United States, to the people of Alaska and Hawaii, support the pending statehood measure.

PUBLIC RECREATION AND THE UPPER COLORADO RIVER STORAGE PROJECT

Mr. WATKINS. Mr. President, there has been so much misinformation on public recreation needs in the West, apparently generated by so-called conservationists in the vicious propaganda campaign against Echo Park Dam, that I would like to take this opportunity to make some facts clear for the Members of this body.

In the 4 States comprising the upper Colorado River Basin—Utah, Wyoming, Colorado, New Mexico—there is already available for public recreational use an immense area of 43,143,649 acres. This acreage includes national parks, national monuments, national forests, wildlife reserves, and recreational areas. The acreage figures, obtained from the latest available report of the Director of the Bureau of Land Management, are as follows:

National forest area

	Acres
New Mexico	9,009,613
Colorado	13,709,195
Wyoming	8,566,691
Utah	7,875,525
Total	39,161,024

Other recreational withdrawals

The areas withdrawn for national parks, monuments, wildlife reserves, and recreational areas, in addition to the areas reserved for forests, are as follows:

	Acres
Colorado	578,489
New Mexico	454,953
Utah	389,304
Wyoming	2,560,879

The total area, in addition to the national forests, which are largely used for recreational purposes, as well as for timbering and other purposes, is 3,983,625 acres.

To give an idea of the vast size of this 4-State public recreation acreage, I would like to point out that it is an area larger than the State of Illinois—36,096,000 acres—and slightly smaller than the total acreage—42,629,120 acres—of the 6 New England States; Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island. Those States have a total of 42,629,120 acres.

In this tremendous public recreational domain, people from everywhere in the Nation can come to enjoy a variety of recreational pursuits. Residents of those four upper-basin States use those recreation areas heavily, and we spend thousands of dollars in advertising, trying to lure other residents of the Nation to come and enjoy them with us.

Included in this vast recreational acreage is a total of 4,267,168 acres—nearly as large as Connecticut and Delaware combined—set aside as "primitive areas." These magnificent areas are classified and managed so as to preserve primitive conditions that prevailed when our pioneering forebears arrived on the scene.

I think these figures are indicative that the residents of these four States are well aware of the need for public recreation areas and that they have backed efforts of the Federal Government to set aside and preserve such areas.

In contrast, the combined contribution of the 14 eastern seaboard States to Federal recreational areas is worth noting. Similar dedicated Federal acreage in the 14 seaboard States totals only 4,502,747 acres, or roughly one-tenth the area so reserved in the 4 upper basin States.

We are not complaining at this disparity. We recognize that the national forest and national park movements originated after these States were well populated. Furthermore, the policy of preserving large areas of public domain as Federal property had not materialized when these Eastern States came into the Union.

This latter policy has succeeded so well, incidentally, that the four upper basin States are now virtually "crown colonies" of the Federal Government. Percentages of land area under Federal ownership or control in those States are as follows:

Area federally owned

	Percent
Utah	72
Wyoming	52
New Mexico	45
Colorado	38

In other words, even though these States are faced with supporting State and local governments on tax revenues from only 28 percent to 62 percent of their total acreage, they are making available within their borders a recreational wonderland the size of New England for all the people of the Nation to enjoy.

As I stated, we are not complaining about this contribution. We are thoroughly sold on it. In fact, we rather glory in being in the center of a recreational paradise of that variety and magnitude.

But what we do complain about is the action of some so-called conservationists, who close their eyes to that recreational contribution and seek to block a water-conservation program vital to the continued economic and population growth of this semi-arid, four-State area.

When the true facts are known about the millions of acres already reserved in the four upper basin States for public recreational purposes, few reasonable people will deny the upper basin States enough ground, even in a national monument, to build a reservoir to conserve waters which are so desperately needed. It should be remembered that water is literally the life blood of these States, and without its conservation, thousands of the youth of those States will be denied the opportunity to make their homes in the land of their ancestors.

The real truth is that there is no invasion of national monuments by this reclamation project. The true situation is the other way around. National monuments have invaded what Nature had really developed as a fine reservoir site, and which had been long in contemplation by the people of the upper basin States as a storage reservoir. And the people of that area were led to believe that if they did not object to the extension of a national monument—which at the time consisted of approximately 80 acres, where some dinosaur bones were found—that there would be no objection whatever to the building of a reclamation project in the same area.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an affidavit made by Mr. David H. Madsen, former Superintendent of the Dinosaur National Monument; also a statement by Dr. J. Leroy Kay, curator of vertebrate paleontology, Carnegie Museum, Pittsburgh, Pa.

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

AFFIDAVIT

STATE OF UTAH,
County of Utah, ss:

David H. Madsen, being first duly sworn on oath, deposes and says: That he is over the age of 21 years and a citizen of the United States, and a resident of Utah County, Utah. That at the time the area of the Dinosaur National Monument was expanded to include the canyon unit I was employed by the National Park Service under the title of "Supervisor of Wildlife Resources for the National Parks." Among my other duties I was Acting Superintendent of the Dinosaur National Monument, and in that capacity was ordered by the National Park Service to arrange for hearings at Vernal, Utah, and Craig, Colo., for the purpose of securing the approval of the citizens of that area for the expansion of the Dinosaur National Monument to include the canyon unit. Meetings were accordingly held at Vernal, Utah, June 11, 1936, and Craig, Colo., June 13, 1936. A large representation of the citizens of the area were present at these two meetings.

Among other questions which arose was the question of grazing and the question of power and/or irrigation development which might be deemed essential to the proper development of the area at some future time. I was authorized to state and did state, as a representative of the National Park Service, that grazing on the area would not be discontinued and that in the event it became necessary to construct a project or projects for power and irrigation in order to develop that part of the States of Utah and Colorado, that the establishment of the monument would not interfere with such development.

The first part of this agreement with reference to grazing has been carried out, and the residents of the area involved are entitled to the same consideration with reference to the development of power and irrigation at the Echo Park and Split Mountain Dam sites, and any other development that may not unduly interfere for the purpose of the establishment of the monument and which is necessary for the proper development of the area.

DAVID H. MADSEN.

Subscribed and sworn to before me this 27th day of March A. D. 1950.

KARL H. BENNETT,
Notary Public, Residing at American Fork, Utah.

My commission expires December 25, 1950.

STATEMENT OF J. LEROY KAY, CURATOR OF VERTEBRATE PALEONTOLOGY, CARNEGIE MUSEUM, PITTSBURGH, PA.

I am J. LeRoy Kay, curator of vertebrate paleontology at the Carnegie Museum, Pittsburgh, Pa. I spent 8 years excavating dinosaurs at the Dinosaur National Monument—1915 to 1923—and several summers since that time in the area.

There has been considerable controversy in regard to the benefits and damage to the Dinosaur National Monument by the construction of Echo Park and Split Mountain Dams. I have read with much interest the

pros and cons of this controversy as I have a deep personal interest in the matter, having spent many years in the area as a paleontologist for the Carnegie Museum of Pittsburgh, Pa. During this time, I visited by boat, horseback, and on foot, most all of the present accessible places in the study of the natural history in which the area abounds. There are rock formations representing several hundred million years of the earth's history within the confines of Dinosaur National Monument.

In the early days of the controversy the opponents of the dams maintained that the backed-up waters would cover the dinosaur beds, for which the monument was primarily established. This argument is no longer used as it is well known that the waters will not cover the dinosaur beds. However, the impounded waters would allow visits to the more or less inaccessible places by boat. There are many such places where one could visit and study the canyon walls and rocks with embedded fossils, which are not accessible at present. The cost of building hanging walks or tunnels with viewing windows along the canyon walls would be prohibitive. It is true that trails, or even roads, could be constructed to the canyon rims where people could view the canyons at a distance but few would ever see many miles of the canyon walls close up where they could study the geological structures and fauna and flora both living and extinct.

There have been a few people that have gone through the canyons of Lodore, Yampa, Whirlpool, and Split Mountain by boat and some have lost their lives in the attempt. Which is the better judgment—to preserve these canyons as they are for a few daredevils to have the thrill of shooting the rapids or thousands of people visiting these canyons by boat on still water? One only needs to compare the additional number of visitors that each year visit the areas of the Hoover Dam in Nevada, the Roosevelt Dam in Arizona, the Grand Coulee Dam in Washington, or the Fort Peck Dam in Montana, to mention a few, to see what the results will be at the Dinosaur National Monument if the Echo Park and Split Mountain Dams are built.

Since the National Park Service took over the Dinosaur National Monument, a few thousand people have visited the monument headquarters at the Dinosaur quarry each year and spent a few hours, or less, and a very few have visited other accessible places within the monument. A large percentage of those that visited the headquarters came away disappointed in what they saw for at the present there are few dinosaur bones exposed. This condition is at present being corrected as the Park Service is starting the reliefing of the dinosaur bones in the Morrison stratum. This should increase the attendance at the monument considerably.

When the Carnegie Museum was excavating dinosaurs at the quarry there were nearly always many bones exposed, usually the greater part of one or more skeletons. Thousands of people visited there although we did not encourage visitors as it interfered with the work. We did, however, treat the visitors with courtesy and many spent a day or even as long as a week.

The waters backed up by a dam at Echo Park would cover the lower part of the Lodore formation (see cross-section submitted for the record). This formation is nonfossiliferous, at least, no fossils have been found although many workers have searched diligently for them. The formations above the Lodore are younger geologically and most of them contain invertebrate and plant fossils, some in abundance. I know of no way that these fossiliferous localities could be more easily reached than by boat on the waters impounded by Echo Park Dam.

I feel sure that the building of the Echo Park and Split Mountain Dams and the reliefing of the dinosaur bones at the Dinosaur Quarry will make the Dinosaur National Monument one of the outstanding attractions of our national parks and monuments.

Mr. WATKINS. The people of the States involved are coming to believe that these so-called conservationist opponents to Echo Park Dam, are more than a little selfish in their determination to block a worthwhile project that will result in saving water enough for a large-sized city, when at the same time the reclamation project will make available practically all of the ruggedness of the canyon and the wilderness scenery for literally millions of people who will then be able to visit it.

Incidentally, it may interest recreationists that an appropriation of $21 million for recreational development of Dinosaur National Monument is authorized in the upper Colorado River storage project bill. For years now, I have been fighting vainly for funds to build adequate access roads and modest facilities to permit tourists to enjoy this monument. The past administrations and Congress have refused to appropriate such funds and the monument is largely inaccessible and a disappointment to tourists who drive over the unimproved road leading to the shack which substitutes for an adequate monument headquarters. Without this reclamation development, Dinosaur Monument undoubtedly would continue to be a fringe unit of the National Park system—like several others in the upper basin States—underfinanced and without support or interest here in Washington, and elsewhere in the country for that matter.

The leaders of this outrageous propaganda campaign against Echo Park Dam know the facts. They have been spelled out time and again in congressional hearings.

They know that the dinosaur bones of the monument will not be affected by the construction of Echo Park Dam.

They know that the construction of Echo Park Dam and the proposed Split Mountain Dam will inundate less than 10 percent of the total monument area, and that much of this inundation will cover little more than the flood-washed portions of canyon floors. They should know that approximately 89 percent of the monument will remain free of water and in a wilderness state, and that the safe waterway provided by the Echo Park Reservoir will make the area available to thousands for every person who visits the rough, isolated area today.

They know also that the West has literally hundreds of miles of canyons equally rugged and colorful as those in the Echo Park area.

They know these facts, and they are well aware that the storage capacity of Echo Park Dam is essential to the success of the entire project, because of prior commitments downstream. They have heard experts testify that alternative sites proposed will lose by evaporation enough water for a city of a half million people.

They know these facts, and yet they deliberately seek to spread misinformation calculated to inflame and alarm honest recreationists and conservationists throughout the country.

I respectfully urge the Members of this body, and all honest conservationists everywhere, to get the true facts on the Echo Park Dam controversy. They can rest assured that the people who will pay for and benefit directly from the great upper Colorado River storage project are outstanding conservationists in their own right, and that the four upper basin States are making and will continue to make a most impressive contribution to national recreation.

Mr. STENNIS. Mr. President, I am in sympathy with what the Senator from Utah has said about the problem of recreation; but I observe that although the Senator from Utah refers to the four States he named, including his own State, as mere crown colonies, the representatives of those States in the United States Senate exert a great deal of influence.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE INDOCHINA CRISIS

Mr. DOUGLAS. Mr. President, I rise to speak briefly today because I view the immediate future with grim foreboding.

It is obvious that we are moving once more to another of our climactic showdowns with armed Russian communism.

I believe it is necessary that we consider soberly just where we stand—militarily, diplomatically, economically, and spiritually—as we meet this newest test. I should like to recall here that in those crises where we stood resolute and determined, accepting all risks and presenting a united front against aggression, we have come through safely. I allude to the crisis in Greece, where we were instrumental in whipping armed communism; the crisis in Azerbaijan Province of Iran, where the United Nations in 1946 won its first signal victory; the Berlin airlift; and finally the war—and war it was—in Korea.

Secretary Dulles made it very clear in his address Monday evening before the Overseas Club of America that we have come to another crisis.

That crisis is in Indochina. We must consider what we shall do first to assist and keep the French and loyal Vietnamese in the field opposing armed communism, and second, what we shall do if the French and Vietnam forces should crumble before the onslaught. I do not believe they will crumble; they have put up a great fight, and I pray that they will continue to do so.

But we must be prepared for any eventuality. And in this critical moment we must support the administration.

I believe that Secretary Dulles was right when he said:

Under the conditions of today, the imposition on southeast Asia of the political

system of Communist Russia and its Chinese Communist ally, by whatever means, would be a grave threat to the whole free community. The United States feels that that possibility should not be passively accepted, but should be met by united action. This might involve serious risks. But these risks are far less than those that will face us a few years from now, if we dare not be resolute today.

The free nations want peace. However, peace is not had merely by wanting it. Peace has to be worked for and planned for. Sometimes it is necessary to take risks to win peace just as it is necessary in war to take risks to win victory. The chances for peace are usually bettered by letting a potential aggressor know in advance where his aggression could lead him.

I believe that Secretary Dulles was correct when he made that statement, and the one which I now quote:

The area has great strategic value. Southeast Asia is astride the most direct and best developed sea and air routes between the Pacific and south Asia. It has major naval and air bases. Communist control of southeast Asia would carry a grave threat to the Philippines, Australia, and New Zealand, with whom we have treaties of mutual assistance. The entire western Pacific area, including the so-called offshore island chain, would be strategically endangered.

President Eisenhower appraised the situation last Wednesday when he said that the area is of transcendent importance.

I agree with President Eisenhower's statement on August 16, 1953, which Secretary Dulles recalled, that an armistice in Korea would be a fraud if it merely released the Chinese Communist armies and enabled them to strike elsewhere.

While there is no evidence of mass movement of Chinese troops into the Indochina theater for attacks on the free forces there, there are plenty of evidences that planes, artillery, and other war materiel are being siphoned from China to the Communist attack on Indochina.

Last week the world literally held its breath for fear the Communists would succeed in crushing French and Vietnamese resistance and quickly overrun the country. Temporarily, the military situation has improved. The Communists have taken tremendous and bloody losses. But there is no indication that they have been weakened permanently, or that they will cease their attacks.

In fact, Mr. President, while I have been waiting for an opportunity to deliver this address, there have come in over the ticker a number of dispatches indicating an additional Communist drive upon the hard-pressed town which has been under attack in Indochina, and also indicating that the military situation there is still most difficult. In consequence, at this moment, no one knows what the final result will be.

MANY FREE COUNTRIES DEPEND ON FOOD AND OTHER RESOURCES OF SOUTHEAST ASIA

I recall that on January 15, 1951, in the Senate's historic debate over sending divisions to Europe, I had this to say about Asia:

While it is true that Asia is not a greatly developed industrial area, southeast Asia is the major source of at least two very vital war materials, namely, tin and rubber, as well as a vast reservoir of manpower. Its loss would endanger India, which is one of our major sources of manganese.

I also pointed out 3 years ago:

Indochina is now in grave danger of falling to the Communists. Not only is there a strong internal Communist movement, but a Chinese Communist army is poised at their gates and is ready to strike. If this happens, Burma, Thailand, Malaysia, and Indonesia will be sitting ducks and will fall very quickly. Ceylon will then be in great danger. India, already facing the Russian Communists from the northwest through a thin strip of Afghanistan, will find herself suddenly faced with terrific pressure from the east in a Communist-held southeast Asia. To the west of India are only the weak, semi-neutral, feudal countries of Afghanistan, Iran, and Saudi Arabia.

Now vast masses of people in India live a submarginal existence, and India in 1949 imported over three-quarters of a million tons of rice from southeastern Asia—350,000 tons from Thailand and over 400,000 tons from Burma. I am told that India's minimum grain requirements are 6 million tons more than her current crops.

That was the situation 3 years ago.

She still gets a very important part of her food supply from this area. If the Communists get Indochina, Burma, and Thailand, they hold the "rice bowl" of the Orient. One of their biggest problems at the moment is securing adequate food for their Asiatic fighting forces, so the Communists will be vastly strengthened if they take over southeast Asia.

Meanwhile, India, having great supplies of rice cut off, would be weakened internally. The hunger, disease, and unrest upon which the Communists thrive would flourish. Sitting in the jaws of a nutcracker with Russia as one jaw, a Communist-held southeast Asia as the other jaw, weakened internally by lack of food, facing an enemy greatly strengthened by access to an abundant food supply for its fighting forces, India, whether Prime Minister Nehru recognizes it or not, will surely fall.

With India gone, the countries of the Middle East, lacking our help, or even the threat—as against Communist aggressors—of our help, will also go to the Communists. Then Africa, and so on.

At that time, Mr. President—and I do not recall my statements in an "I told you so" spirit—far from it—I pointed out that we too are dependent upon this area, Malaya, India, Indonesia, Thailand, Ceylon, and Indochina, for our raw rubber, for tin, for manganese and many other strategic raw materials.

COMMUNIST CAPTURE OF SOUTHEAST ASIA WOULD ENDANGER JAPAN, THE PHILIPPINES, INDIA, AND THE MIDDLE EAST

I pointed out, as did Secretary Dulles the other night, that this area contains 164 millions of peoples; that if it were to fall to communism, its crops of rice would immediately be withheld from Japan and the Philippines in order to subject those nations to hunger, disease, unrest and make them ripe for communism. Food produced in Indochina would immediately be used as a weapon against every free government in Asia.

I should like to point out that the taking of southeast Asia by the Communists would not only shut off food from Japan, but would shut off markets for goods from Japan. It will be very hard for Japan to exist as a free, industrial nation unless its markets on the continent of Asia can be protected. Red China will probably trade with Japan only on condition that Japan will permit Communist propaganda and Communist strength inside that country. At present the Japanese have some freedom to deal with southeast Asia as an alternative to Red China, but if this outlet, too, is closed, then not only will food be shut off, but the market for manufactured goods will be shut off, and it will be almost impossible for Japan to remain as a free democratic ally.

I also pointed out then that once this section of Asia, including India, falls prey to communism, the Middle East with its enormous oil reserves of more than 33 billion barrels—estimated—will be caught in a giant Communist nutcracker from east and west and squeezed into the Communist economy.

Beyond question, these are the considerations which have impelled Secretary Dulles and the President himself to issue their gravest warnings.

THE UNITED STATES MUST SPEED ITS PLANS TO MEET THIS CRISIS

Here in the United States Senate we must and should now consider collectively and individually the position we shall take if this crisis worsens.

I do not know what measures this administration plans.

I do not know what measures will prove to be necessary.

Mr. WATKINS. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. WATKINS. Does not the Senator from Illinois think that the President of the United States should direct the attention of the Congress to the situation and ask us to authorize whatever emergency action may be required with reference to this issue?

Mr. DOUGLAS. I think that is a matter which should be considered. I personally am making this speech in order to show to the country that I stand behind the President. It is undoubtedly true that the Senate as a body should make up its own mind and not merely implicitly accept whatever the President does. So far as I am concerned, I feel that the situation is serious and that the President and the Secretary of State, if they act in a decisive manner, will deserve our help.

Mr. WATKINS. It is the duty of the President, when he has information of that kind, to advise the Congress, so that Congress can grant him, under its constitutional power, authority to go ahead. I hope the President will not follow the example of President Truman and take action without consulting Congress.

Mr. DOUGLAS. President Truman did not have much time. The invasion of Korea came suddenly, without notice, and without any time to prepare in advance.

Mr. WATKINS. He had time to consult with the United Nations.

Mr. DOUGLAS. No. As a matter of fact, the record will show that the President issued his orders to the fleet and to the Air Force before he consulted the United Nations.

Mr. WATKINS. As events turned out, there was time to consult the United Nations before that. What I am pointing out is that the country would be united, and the President of the United States

would be following the advice of the Congress with respect to matters of that kind, if he would lay before the Congress the situation. I am sure Congress would give him authority to take whatever emergency action might be necessary. That would include, also, taking the matter up with the United Nations.

Mr. DOUGLAS. I do not know what attitude the Republican Party in Congress will take with reference to supporting the President; but reading its records against the gravity of the words of the Secretary of State, I have my misgivings.

FULLEST COOPERATION OF FREE NATIONS OF SOUTHEAST ASIA SHOULD BE ENLISTED

It seems to me—and I urge this layman's thought with all sincerity—that the President and the Secretary of State should act now, today, to enlist the support and cooperation of Australia, New Zealand, Indonesia, Japan, the Philippines, the Malay States, and other Far Eastern nations in resisting aggression.

Mr. STENNIS. Mr. President, will the Senator from Illinois yield briefly at that point?

Mr. DOUGLAS. I shall be glad to yield.

Mr. STENNIS. Mr. President, very briefly I wish to observe that I think the Senator from Illinois is making a speech of real significance and of high importance. I am very much interested in his thinking, his position, and his forthright stand on this crucial matter.

Without intending to be at all critical, I followed Secretary Dulles' speech very closely, and I have not been able to decide exactly what he meant by "united action," although I know that the phrase was used in good faith. That is what we are deeply concerned about. Exactly what is meant by "united action," and what is the necessity or the occasion for it?

I share the concern of the Senator from Illinois. I do not know what the policy is. I think the Senator is correct when he says the Senate should be making up its mind, because we have a responsibility that we cannot dodge if we want to. I do not think anyone wishes to dodge it, but the Senate must know the facts.

Mr. WATKINS. Mr. President, will the Senator yield so that I may ask him a question?

Mr. STENNIS. I do not have the floor. I was making my statement as a preface to a question I was about to ask the Senator from Illinois. If I have the privilege of yielding, I shall be glad to yield to the Senator from Utah in a moment.

The Senator from Illinois has mentioned our moving with Australia, New Zealand, the Philippines, Burma, and other nations close by, who are most immediately affected. I have been concerned about the United States sending land or ground soldiers into that area.

I have examined into the question of exactly how many men the nations near Indochina had under arms, whom they could put into action, if they had to do so, and were willing to do so. My hurried check disclosed the following: Australia, with a population of approximately 8 million, has 57,000 men in its armed forces. On the basis of our population of 160 million, with 3,500,000 in the Armed Forces, we have 2.2 percent of our population in the Armed Forces, ready to move. On that basis, Australia should have 176,000 men under arms. I am not saying that she reasonably could have that many under arms, because population is not the only factor in deciding what is a reasonable number of men in a nation's armed forces. But when it comes to ground soldiers or land troops, certainly it is not unreasonable to ask the smaller nations close by, at least in proportion to their numerical strength, to be in a position to participate.

The figures I am using were taken from what I understand to be a reliable publication, the Statesmen's Yearbook for 1952 and 1953.

Mr. DOUGLAS. It is true that Australia has under arms approximately only one-third as many persons per 1,000 of population as does the United States. I believe the discrepancy is even greater in the case of New Zealand. Could the Senator from Mississippi inform me of the number under arms in New Zealand?

Mr. STENNIS. According to the Statesmen's Year Book, the source I have used, New Zealand, having a population of approximately 2 million, as I understand, has 9,000 men in its armed forces. If it had a percentage ratio comparable with that of the United States, New Zealand would have at least 44,000 under arms.

Mr. DOUGLAS. I may say that if the ratio of 9,000 to 2 million were applied to our population, since the population of the United States is about 80 times greater than that of New Zealand, it would mean 720,000 troops, roughly, in this country. Therefore, New Zealand has under arms only about 22 percent the number of men per 1,000 population that the United States has.

I thank the Senator from Mississippi.

Mr. STENNIS. If I may, I wish to add, briefly, that the Philippines, according to my figures, have 57,000 men under arms. I do not have an estimate of the population of the Philippines.

Burma, according to this information, has an army of only 35,000. I do not have the figures for their navy and air force.

I point to the fact that these nations, with all deference and respect to them, have very small forces with which to protect themselves or to join with anyone else who might become allied with them.

Japan has no armed strength, and Japan is a large, vital nation in that whole area.

ADEQUATE TROOPS NEEDED FROM FREE NATIONS IN SOUTHEAST ASIA

Mr. DOUGLAS. The Senator from Mississippi has made an extremely valuable point. It is, indeed, one of the reasons why I was proposing that our Secretary of State should immediately consult with those nations in an effort to have them join with us in providing an adequate number of troops.

Mr. STENNIS. I agree with the Senator from Illinois.

Mr. DOUGLAS. I would add a point to that which the Senator from Mississippi has made. It is commonly believed that the British have approximately 65,000 troops in the Malay States, opposing some 5,000 to 8,000 Communists. I think that is an excessive number. While the British say they need those troops to guard against Communist guerillas, nevertheless, if Indochina falls, then there will be no possibility of saving the Federated Malay States. So it is my belief that some of the 65,000 British troops could, with profit, be sent north.

Mr. STENNIS. Yes; and as to the "united action" to which the Secretary of State referred, we ought to know the facts concerning what the British propose to do and what their attitude is toward joining in a real united action.

I do not wish to transgress further upon the time of the Senator from Illinois.

Mr. WATKINS. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. I yield.

Mr. WATKINS. The Senator from Illinois has mentioned the fact that Congress, or the Senate, ought to be doing its duty with respect to this situation. In the Senator's estimation, what is the duty of the Senate?

Mr. DOUGLAS. Will the Senator from Utah withhold his query until I have finished?

Mr. WATKINS. I should like to have the question answered. I wish also to address the same question to the Senator from Mississippi: What is the duty of the Senate?

Mr. DOUGLAS. I am trying to discharge a part of my duty now by saying that I believe we should join with other countries in resisting Communist aggression in Indochina.

Mr. WATKINS. That is all right so far as we are concerned individually. But what can the Senate, as a Senate, do? I think the Senate has a duty. I think the President of the United States can give the Senate the facts which are involved in the situation, facts which we do not have as yet. The President should ask the Senate and the House to give him the necessary authority to take such steps as may be advisable.

Mr. DOUGLAS. I think the President certainly should give us information.

Mr. WATKINS. I do not think we will get it, unless a resolution is introduced to authorize the President to take whatever steps may be necessary. That is something which I suggested some time ago. I think the President ought, at least, to bring Congress up to date on what is happening in the Far East.

Mr. DOUGLAS. The Senator is correct.

Mr. WATKINS. The President ought to speak to the Congress in executive session.

Mr. DOUGLAS. Let us recognize that Secretary Dulles made a speech in New York the night before last, which, in a sense, was not only a message to the country, but was also a message to Congress.

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

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I regret that I was not present to hear the opening of the address by the Senator from Illinois. However, I read with considerable interest the speech delivered by Secretary Dulles. I did not have a chance to hear it, but I have read the full text of it and also the press reports concerning it.

As a member of the Committee on Foreign Relations, my comment to the Senator from Illinois is this: Some weeks ago the committee, in executive session, had a review of the critical situation in Indochina. At that time the committee heard from the Secretary of State himself. We also heard from the Undersecretary of State, Mr. Walter Bedell Smith. We have heard from the Chairmain of the Joint Chiefs of Staff, Admiral Radford. I recall the interrogation and also the testimony given at that time.

I felt at the time that the committee was not getting all the facts, and I so stated to our colleague, the distinguished junior Senator from Montana [Mr. MANSFIELD], who sits next to me in the committee. I recall asking the question of the Secretary of State, "What can we do if things go bad?"

The reports we had at that time were that things were not going to go bad, even though I could not possibly see why they would not go bad, and so stated in the record, because the evidence which I had could only have led to one conclusion: that there was going to be ever-increasing Communist aggression and success in the Indochinese area.

Not only did the Secretary of State reply, but, as I recall, Admiral Radford himself replied that if all the efforts of the French and the Associated States should fail, "Then we will go to Congress."

Mr. President, that is not a policy; in my opinion, that is an escape.

In the field of foreign policy and defense, the President of the United States—and I am not burdening him with any new responsibilities—is the main spokesman for the Nation. I think the point is well taken that we should have advice and counsel as to what specific steps Congress should take in order to protect our own national security in this area. I agree thoroughly that the loss of Indochina would be a tragedy for the free world. Some of us have said so repeatedly. I have heard our distinguished Vice President make the same statement as a result of his trip to the Far East. He has said that the loss of Indochina would be worse than the loss of Korea, because Korea would have been sealed off. But the loss of Indochina would mean the loss of all Asia and probably of the subcontinent.

Mr. DOUGLAS. And probably also India and Japan.

Mr. HUMPHREY. I would surely include India and Japan. As the Senator pointed out, it may very well mean a pincers movement upon the north side, and nothing could be a greater calamity to the United States of America and the free world than that. But there are some facts which ought to be brought to our attention. For example, I do not know whether the Senator from Illinois has noted that there are more than 500,000 troops already in the Viet-Nam, Laos, and Cambodian areas, French troops, as compared to about 240,000 of the Viet Minh. In other words, so far as manpower in the Indochina area is concerned, the three areas, Laos, Cambodia, and Viet-Nam, the French troops have a superiority of 2 to 1 over the Communist troops. The Communists have no airpower or navy. The French and the Associated States have airpower and a navy.

I recall a report that there is available materiel in abundance and manpower in abundance. I personally feel that one of the great needs is for the stepping up of the training program in that area. I have so stated previously, and I am sure the Senator from Illinois has referred to that.

I offer this suggestion as one who was an observer and a participant in the hearings. I wish the hearings had been made public. I regret that so many of the hearings we have are closed hearings. There was not any information given which would have been against security. What seemed to me to be strange and paradoxical was that everyone seemed to be optimistic, but all the facts were pessimistic. It is true that the monsoon season will set in within a few weeks, and when it does, with the accompanying rains, the French will not be able to protect the fortress of Dien Bien Phu, the northern fortress, up near Hanoi. The protection of that fortress will have to be taken care of by airlift. It will not stop the ground forces or the Viet-Nam or Communist troops. I believe that is a serious situation.

I think we are indebted to the Senator from Illinois for his courageous, intelligent, and statesmanlike presentation of the subject. The sooner the American people wake up to the serious problem in Indochina the better off we will be.

What I am about to say I say with due consideration for the President, and in view of the serious thought-provoking, and critical message of the Secretary of State, I wish the President would consult the Committee on Armed Services, the Committee on Foreign Relations, and the Senate itself. I think sometimes such questions are left only in the hands of a few members of the committees. I know the President will be reassured by the statement of the Senator from Illinois.

Mr. STENNIS. Mr. President, will the Senator yield? I have been asked to take the chair, and I should like to ask a question before I do so.

Mr. DOUGLAS. I yield.

Mr. STENNIS. I merely wish to make clear that I do not raise these points or ask these questions in any critical way, but I think the Senator from Utah [Mr. WATKINS] has raised a good point when he asks "What is the Senate's duty?" The Senator wished to address that question to me as well as to the Senator from Illinois.

Mr. WATKINS. I should like to have an answer.

Mr. STENNIS. The first duty of the Senate is to get the facts, because a sound judgment can be based only upon facts. As a member of the Committee on Armed Services, I feel that we are not getting the facts. No one is being dishonest, but members of that committee are not getting anything like the beginning of the facts on which to base a judgment if we were called upon to act in an emergency. The people of this country expect us to get the facts and use our judgment.

I realize the situation is becoming graver every day. I think it is already in an emergency stage, and that something must be done. I am not saying that I agree that under any circumstances I can now think of our land troops should go into Indochina and be committed in this war area; but I would be governed by the facts as they were fully developed.

THE PEOPLE SHOULD BE WARNED IN TIME

Mr. DOUGLAS. Mr. President, as the Senator from Minnesota has pointed out, the administration probably has been remiss in giving an overoptimistic picture of the Indochina situation. One of the earlier messages of the President implied that we had the initiative all over Asia. I was very dubious about that statement at the time it was made. I think that from time to time inspired stories were given out to the public that everything was going to turn out well in Indochina, so that in a sense we were not intellectually and spiritually prepared for what is apparently transpiring today in Indochina. Nevertheless, I thought the Secretary of State made a very frank statesmanlike statement last Monday night.

Since I prefer to be constructive, and give those of a different political persuasion the benefit of any doubt, I thought I would encourage them in well-doing rather han reproach them for past inefficiencies.

Mr. HUMPHREY. Mr. President, I surely concur that the Secretary of State made a very statesmanlike, frank, and constructive speech. I think he has done a fine job, that he has been honest with the American people, and that he selected an appropriate occasion for the making of his speech.

I do not say this out of pride of office or membership in the Senate, but there are 15 members of the Committee on Foreign Relations, and there are 15 members of the Committee on Armed Services, and most of the major committees of the Congress are involved in some aspects of foreign policy. Whether they are engaged in studying foreign trade, Export-Import Bank loans, or similar activities, they are all tied in with our foreign policy.

I wish to say without rancor or show of partisanship, and similar statements were made about the previous administration, that it has disturbed me that there seems to be a reluctance on the part of the executive branch of the Government, in the present critical situation, to fully inform the responsible committees of the Congress. I cannot help believing that if we had information as to what was occurring, there would be less of what I call irresponsible talk.

No Member of the Congress would ever want to impede the progress of our country in any way or limit its effectiveness in working out a program of security for itself and our friends and neighbors; but

many times Members of Congress say and do things because information as to conditions is not at hand.

How did we find out about the hydrogen-bomb explosion? We found out when Japanese fishermen reached port and gave evidence which indicated that they were the victims of radiation burns. Our President did not tell the Senate or the House of Representatives.

How did we find out about the thermonuclear explosion in Russia last September? Our President did not inform us. We found out when Malenkov announced it to the Soviet Supreme Council. For 8 days there was silence, until finally our Government said, "Yes, it happened."

There is a field where secrecy is vital to our security, but sometimes lack of information makes for insecurity. I fear information is lacking too often.

I have supported the President's foreign policy, as has the Senator from Illinois. I want our President to lead us, to give us the facts, and to give us guidance and enlightenment. I am sure the President will come to the Congress if a situation develops necessitating more direct action. If military action seems to be required, I would think and hope President Eisenhower would come to the Congress. I believe him to be the kind of man who would do that. I am sure the President would find very friendly consideration and support in the Congress, if he came to the committees of the Congress and the facts bore out his recommendations.

I should like to point out that the question of manpower to which the present Presiding Officer [Mr. STENNIS] referred is not critical in Indochina.

There is plenty of manpower there. The question is how to train it. We went through that situation and experience in Korea for more than 1 year, until we discovered that the ROK troops were as good as any that could be found, once they were trained.

I regret to say that our patriotic and loyal allies, the French, have been derelict in their willingness to train the native troops. I believe it also fair to say that the political situation in Indochina has not been conducive to adequate fighting in defense. That situation has hung on too long.

I am sure the Senator from Illinois has said all of this in the course of his remarks. I merely fortify what I have heard of them, and I shall not say any more, because I do not wish to interrupt further his address, which we are privileged to hear and to have presented to the Senate.

Mr. DOUGLAS. Mr. President, it seems to be an occupational disease of every administration to withhold from the legislative branch a good deal of vital information in the field of foreign affairs, which the legislative branch might share with profit. I suppose the rationalization of which the members of the administration avail themselves in such cases is that the situation will or may become better, and they do not wish to alarm the country in the meantime. So, Mr. President, all too often we drift into emergencies, not adequately warned, with public opinion not sufficiently informed; and then the administration rushes forward and demands action and approval, when public opinion does not have the information the administration has.

Mr. President, my short speech is simply a modest effort to indicate the seriousness of the situation, in the hope that although there are very few Members in the Chamber at this time, those who read the RECORD and those who read the dispatches which emanate from this body may realize that the loss of Indochina will mean the loss of southeast Asia, and the loss of southeast Asia probably will mean the loss of India and Japan, and the loss of all those countries will mean the loss of Asia and the Near East and the Middle East, and it will mean that the United States, the other American countries and Western Europe will be driven into a small group of nations resisting a hostile world.

So, in a sense, the present moment is a very crucial point in history.

Mr. WATKINS. Mr. President, will the Senator from Illinois yield to me?

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

Mr. DOUGLAS. I yield.

Mr. WATKINS. Does the Senator from Illinois feel that the Senate and House of Representatives have any other duty in the matter than to talk about it and try to alert the country, by means of speeches?

Mr. DOUGLAS. Certainly; but of course, talk is a necessary quantity in the world, as a means of arriving at action. Talk is not so useless as the Senator from Utah would seem to imply.

Mr. WATKINS. I do not think talk is useless; but I wonder what the next step is, after the President advises us. The Senator from Illinois has not answered that question.

Mr. DOUGLAS. If the Senator from Utah will wait a minute and permit me to proceed with my remarks, then I will yield to him.

DEFENSE PLANS AND RESPONSIBILITIES IN SOUTHEAST ASIA SHOULD BE WORKED OUT

I believe there should be an immediate assignment of military functions and an allotment of forces to be supplied if worst comes to worst. In other words, I believe we ought to get ready; and we ought to get ready, with other free nations, for the worst. We should not wait until the crisis has struck—if it must strike—in its fullest fury.

We ought to know what those nations will do. I refer to the free nations of Asia—and what they will furnish in opposing aggression. They are nearest in the path of the aggressor. It is a moral cinch that if communism triumphs in Indochina, they are next on the list. And we should let them know what we propose to do.

I wish it clearly understood that I am not advocating that the United States "go it alone" or take unilateral action.

Other nations must act to protect themselves. If they expect the United States to supply planes, technicians, naval forces, and materials of war, they must be willing to assist in the common defense with the forces at their command.

I am also convinced that the readier the free nations are to share the common defense against communism, the better they prepare themselves before the emergency occurs, the better are their chances of deterring aggression and preventing a war.

There may be those who will charge that I am advocating that the United States rush into another conflict. If anyone does make this charge, it is absolutely untrue.

I am advocating that we prepare now, for any emergency, before it crashes in upon us. And I am advocating that the nations directly in the path of communism prepare themselves.

UNITED ACTION MAY PRESERVE FREEDOM AND PREVENT WAR

In union between nations there is strength.

I am pleading that this country support the President in this grave emergency if he continues on the path Secretary Dulles mapped out night before last.

In union at home there is also strength.

We must by all means also maintain our own forces in all categories at sufficient defensive strength to enable us to carry our fair share, but no more than our fair share, of the common responsibility.

In the present crisis, I believe we should support the President if he continues on the path mapped out by Secretary Dulles.

That is what I intend to do, just as in 1950, I supported our then President, Harry S. Truman, in the hard decisions he had to make to meet Communist aggression, which he met successfully.

In 1951, I said:

> We must adopt a foreign policy of resisting Russian aggression everywhere we can. We must adopt this policy for our own security as well as for that of the other free and independent nations of the world.

What I said then is even more true today, when the danger is increasing hourly.

I hope and pray with all of my heart and soul that it will never be necessary for us to send the Army again to resist communism in Asia. I hope we can enlist the support and aid of the nations most directly menaced by communism. I hope we can cooperate to save this vital section of the world.

INDOCHINESE SHOULD BE GIVEN THE PROMISE OF INDEPENDENCE

I hope the administration will impress on the French Government the immediate and urgent necessity of guaranteeing independence to Indochina, and setting an early date for acocmplishing that objective. If the French will do this, much of the support the Communist rebels receive from the disillusioned, nationalistic people of Indochina will be dissipated. This is the least the French Government can offer the native population for its support. Indochina is perhaps the clearest instance of communism seizing upon a natural desire for

freedom and self-government and prostituting this desire to the purposes of revolution.

AMBASSADOR LUCE IN ITALY SHOULD BE UPHELD AGAINST COMMUNIST PROPAGANDA ATTACKS

Finally, Mr. President—and although this point may seem to be on a different topic, actually it is organically connected—I earnestly hope that this administration will resist adamantly the Communist pressure against our Ambassador to Italy. I am not of the same political persuasion as Ambassador Clare Boothe Luce, but I believe she has done a good job under extremely difficult conditions. The Communists in Italy are propagandizing for her recall, and are making wild and untrue charges against her. I believe it would be a great mistake to send another Ambassador to Italy, and that she should be urged to remain there. If we were to replace her, the Communists would immediately seize upon that action to inaugurate a more vicious propaganda campaign against us throughout the world. They would claim that her recall was an admisison of their baseless charges. I hope this administration will maintain a position of strength and resolution in this and other situations.

UNITED STATES LEADERS NEED OUR SUPPORT

It is, indeed, sad and melancholy, in a sense, to think of the emergency we face, not tomorrow, but today, here, now.

The President of the United States and the Secretary of State must be afforded strength if they are to meet this crisis successfully.

I propose to support them.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield at this point?

Mr. DOUGLAS. I am glad to yield.

Mr. HUMPHREY. Again I regret that I had to step out of the Chamber for a moment; but as I returned, I heard the Senator from Illinois refer to the United States Ambassador to Italy.

I wish to say I think the Senator from Illinois has again done a great service for our country. There is no doubt that there is a deliberate, premediated plan to embarrass the United States representation in Italy. There is also no doubt that it is a political offensive of the worst and most diabolical kind. Whatever may be one's feelings in reference to political persuasion or partisan politics, when it comes to the matter of the representation of our country, and when there is made what I regard as a most unfair and a deliberately calculated political attack, we must stand firm.

I hope it will be somewhat reassuring to the administration to know that the Senator from Illinois and the junior Senator from Minnesota—and I am sure many other Members of this body—do not want the President and our Secretary of State to yield 1 inch. We do not have to yield to them; and the sooner they find it out the better off we shall be and the better off they will be. I am glad to join the Senator from Illinois in his expressions. By his speech he has rendered a great service to the country and to our foreign policy.

When it comes to foreign policy, we must eliminate any political considerations. We have different points of view, to be sure, but, as has been said so many times with respect to our foreign policy, American politics should stop at the coastline. We should think together and work together as Americans, and as a united country, in the field of our security and our foreign relations.

I am sure the President and the Secretary of State can rely upon the Democratic minority in the Congress to work in that spirit. There has been plenty of evidence of such spirit on the part of the minority leader and the ranking members on the Armed Services and Foreign Relations Committees. I feel that this assurance should add strength to our policy.

Mr. DOUGLAS. I thank the Senator from Minnesota. I think the President can rely on the overwhelming proportion of the Democratic Party. I hope he can also rely upon the Republican Party.

Mr. WATKINS. Mr. President, has the Senator from Illinois concluded?

Mr. DOUGLAS. I had yielded the floor. I shall be glad to answer any questions.

Mr. WATKINS. I wish to make an observation of my own.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. WATKINS. Mr. President, I am pleased to hear my colleagues pay tribute to Mrs. Luce. I happened to be in Italy during the Trieste crisis last fall. I know from my contacts with the Italian Government officials that she is held in very high regard. I know that she works day and night to assist the free countries of the world, and to help Italy remain calm during a crisis. Many things could have happened. The situation was such that war could have resulted from the conflict which arose between Italy and Yugoslavia. However, Mrs. Luce was a very fine balancing influence. She gave great support to the Italian people. I am sure that she did a great deal to urge calmness and to keep Italy from taking any precipitate action. I know that she is very highly regarded. I join my colleagues in paying tribute to her. I believe that in her we have one of the best representatives we have ever had in Italy.

With respect to what is being done by the administration at the present time, I think the President and the Secretary of State are now doing everything within their power to help in the situation in Indo-China. I believe the President realizes the great importance of that area. In trying to preserve the peace he is carrying out policies which will have a far-reaching effect. He probably has discussed the questions which have been mentioned by my colleagues with representatives of all the nations in that area. He probably knows the number of their forces available, and what they can supply. I assume also that he is in contact with the United Nations in this crisis.

What more can he do? I do not believe he has any right to send American Armed Forces to intervene in that war without an authorization from the Congress. I think he has said that he will not send our troops there without consulting Congress. He is following sound constitutional processes, as has been mentioned. I think he should come to the Congress and lay before the Congress the facts prior to getting into a situation in which armed intervention might be necessary. I think the Congress should hear the facts and understand what is going on. When it understands the great emergency which exists, it will be willing, by appropriate resolution, to grant authority to the President to protect the interests of the United States and help preserve the peace of the world, retaining that area, with all its great resources, for the free nations of the world.

I think it is the duty of the Congress to do more than talk about the situation. Talk is good, and I approve of a great deal of what my colleagues have said tonight about the situation. On the other hand, we have a duty to take some action to give the necessary support to the President, through appropriate resolution, which may be adopted after the facts are laid before us by the President of the United States.

The PRESIDING OFFICER. The present occupant of the chair can testify, along with the Senator from Utah and the Senator from Illinois, to the high esteem in which Mrs. Luce is held in Europe. I think she has had a very fine influence there.

DAIRY PRICE SUPPORTS

Mr. HUMPHREY. Mr. President, the hour is very late. I had hoped that I might have an opportunity today to discuss more fully a subject of great concern which I discussed for a few minutes earlier in the day, by the consent and through the courtesy of the Senator from Nevada [Mr. MALONE]. I refer, of course, to the administrative action which will take place within 4 hours and 35 minutes, namely, the reduction of the price supports upon dairy products from 90 to 75 percent.

During the afternoon I engaged in colloquy with the majority leader [Mr. KNOWLAND], not in a facetious way, and not by way of jesting or lightheartedness. I sincerely said—and I feel very strongly—that it seems very peculiar to the junior Senator from Minnesota that the Senate leadership has not seen fit to take action to restrain the Secretary of Agriculture from the precipitate and unwarranted policy which he has outlined, and which he seems dedicated to fulfill, namely, a sharp reduction from 90 to 75 percent of parity upon dairy products.

I think the Senate ought to be fully aware of the fact that there are many bills before the Senate Committee on Agriculture and Forestry on this subject. Not one of those bills coincides with or agrees with the position taken by the Secretary of Agriculture.

I think one of the most amazing and revealing developments in this entire controversy happened yesterday, when the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and other Senators introduced a bill to establish a policy pertain-

ing to price supports for dairy products which would be equal to or in balance with the cost of feed grains. At that time I rose and said that this means, for the present, if the Aiken-Anderson proposal should be enacted, a price support ratio of about 85 or 87 percent during the past month for dairy products and, so far as we can see, for the coming months.

My distinguished senior colleague [Mr. THYE] introduced a bill of which I was proud to be a cosponsor, to maintain the 90-percent dairy price supports, and to allow not more, in any 1 year, than a 5 percent drop. That bill was in tune with and in the spirit of President Eisenhower's agricultural message, in which he outlined the so-called flexible price support program. The President then said there would be no precipitate drop, but that the administration program would work by easy stages. He stated that no single commodity would be subjected to a sudden catastrophic or severe drop in the price support schedule. The only exception, apparently, is the dairy industry and dairy products. I say that that one exception makes it quite clear that if the flexible price support program goes into effect, what is now an exception will be the general rule.

The price support program is useful only when there are surpluses. We need no price support program when there is a shortage, or when supply and demand are in balance.

The only time a price support program is of any effect whatever to the general economy and to the producers is when there is a temporary surplus in the market, because it affords the producer an opportunity for orderly marketing. That is why we have what we call crop loans, namely, to withhold products from the market for a period of time until the market can absorb them in an orderly manner.

I made a few remarks about two weeks ago in which I said Thursday, April 1, should be termed Black Thursday. We had another Black Thursday once, back in 1929. It was a terrible day for America. It was when the stock market came tumbling down, crashing literally at the feet of the giants of American finance and industry. The giants went down with it. Like Sampson in the temple, they destroyed themselves.

We are about to have another Black Thursday. I serve warning, Mr. President—and I claim no prophetic vision, either—that once we have torn the heart out of one of the greatest areas of American agriculture—namely, the modern dairy farming segment of agriculture—an area of American agriculture which is characterized by scientific and skilled farming, which requires a great investment, backbreaking labor, and careful attention to the herds—once we strike a blow against that area of American agriculture and that part of the American economy, we have touched the heart of the whole economic life of the American agricultural system.

That is why I have been protesting in the Senate.

Mr. President, there are many people in Minnesota who are not dairy farmers; in fact, there are only about 50,000 dairy farmers in the State, which has a population of 3 million people. There are more people living in the cities than on the farms. Minnesota is frequently looked upon as an agricultural State, and of course, we are proud of our agriculture, but we are also an industrial State.

I know that tomorrow morning, the Secretary of Agriculture will announce how cheap the price of butter is.

Mr. President, I want to say to the Secretary of Agriculture and to the administration that Dun & Bradstreet today announced that the wholesale index of food prices is at an all-time high.

According to the Bureau of Agricultural Economics the parity ratio for farm commodities is at 90, which is the lowest since the beginning of World War II, in 1942. It is at the lowest point in 12 years. On the other hand, the cost of farm operations is at an all-time high, and is going up. It went up last month, as farm income went down. All that, added to what we have, means trouble for the American countryside. It means economic trouble and great dislocation. All of it is being aggravated by an administrative decision by an agency of the Government.

It is bad enough when the Secretary of the Treasury says he is not alarmed by the fact that there are 4 million unemployed, evidently recognizing that there are still many more who are underemployed. It is bad enough when we wink an eye at the drop in industrial production. Steel production is down. Retail sales are down. I have in my folder a few clippings which I gathered together rather hastily this afternoon. I read from some of them: "Building drops 31 percent in upper Midwest."

That is the headline of a feature article in the March 24 issue of the Minneapolis Tribune. It reads in part:

> Building activity in January and February in 83 upper Mid-west cities, as measured by valuation of building permits issued, dropped more than 31 percent from the same period a year ago, the Minneapolis Federal Reserve Bank reported Tuesday.

I have another clipping, from the Minneapolis Star of March 19, 1954. The headline reads: "Consumers To Cut Down on Buying in '54, Survey Shows."

It reads in part:

> American consumers plan to buy fewer new cars, new houses, refrigerators, television sets, and other durable goods this year than they did in 1953.

I have another clipping: "Industry Trims Expansion, Equipment Plans for '54."

Another clipping: "Industrial Output Drops for Seventh Straight Month."

Mr. President, certainly when we add all this up it should give us some concern, if not alarm.

Therefore, to add to these economic problems by reducing the gross and net incomes of large numbers of producers in the dairy field, who are working people, is not only to add insult to injury, but to add trouble to growing trouble, more economic difficulties to present economic difficulties.

Mr. President, what have we asked for? When I say "We" I mean many Members of the Senate. This is not a partisan matter, for many of my colleagues on the other side of the aisle have offered bills in an effort to avert this action on the part of the Secretary of Agriculture. What have we tried to do? What have we asked for?

The junior Senator from Minnesota introduced a measure only a few days ago, calling upon Congress to take action to delay for 120 days the administrative decision of the Secretary of Agriculture to reduce dairy products from 90 percent of parity to 75 percent. Why? For the purpose of giving Congress an opportunity to review the situation and to take appropriate and needed legislative action.

A great many legislative proposals on this subject are before Congress, but the committees of Congress apparently have not had the time to get those proposals to the floor. I am deeply regretful that the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture and Forestry did not find the time to act on the bills providing for a stopgap, to delay for 4 months, 120 days, the administrative order, so that we could work out a long-range sensible solution and policy for the so-called perishable commodities, the main one being dairy products.

Now we find that the Government warehouses are bulging with agricultural commodities. I regret that more of our colleagues are not present on the floor, though I can understand why. But, as I have said, the warehouse space is filled and certificates are being issued to those who would sell to the Government. Those who would sell butter to the Government are getting the price from the Government today and they will be able to buy the butter back tomorrow at less than what they sell it for today.

No one need think that this will go by unnoticed by the American people. If he does, he is wrong. What is more, any seller of dairy products can come to the Government after tomorrow, and the entire stocks of the Government will be available to the seller at the new reduced prices, despite the fact that the seller himself may have sold the same stocks to the Government only a few days ago at the so-called 90 percent of parity rate.

The Secretary of Agriculture has stated that one of the reasons why he wanted to reduce price supports was to stop the piling up of a great surplus in the hands of the Government. I say tonight, Mr. President, that the Secretary of Agriculture has more pounds of butter and more pounds of cheese and more dried and powdered milk in Government storage than he had when he made the announcement. He has much more by far. His announcement has precipitated the growth of the surplus. The manner in which the whole dairy price-support program has been handled during the past 15 or 16 months has aggravated the program of distribution and warehousing and surplus purchasing.

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

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. If the Secretary of Agriculture is correct in his belief that 90 percent of parity will bring about

larger surpluses than would be brought about by 75 percent of parity, was he not mistaken last year in fixing by administrative order a ratio of 90 percent?

Mr. HUMPHREY. It surely does not make much sense. We had surplus stocks then. The thing which is most amazing to me is that every month during the past year the Secretary has had a great inventory of what he termed the surplus. Yet, when the Secretary of Agriculture made his proposals before the Senate Committee on Agriculture and Forestry, what was his proposal with regard to dairy products? The same proposal which is now in the law, 90 to 75 percent. He did not change it a bit. What is more, he has not come before a committee and asked for any remedial legislation.

Remember, Mr. President, the Secretary of Agriculture said he put the price support at 75 percent because the law compelled him to do so. The law, according to the Secretary's interpretation, provides that the price support shall be maintained in order to assure an adequate supply. Obviously, there is an adequate supply. So, therefore, he reduced the price support to the minimum level permitted by law.

But I ask this question, in all fairness: If the supplies were more than adequate, and if the law was at fault, since the Secretary says that the only reason why he reduced the price support to 75 percent was that there was a surplus and the law compelled him to do so, why did he not come to the Congress, or send one of his associates, and ask for a change in the law?

No, Mr. President. The record is clear, and I am going to keep it clear, believe me. Congress has not heard the last of this matter yet. Oh, no. I shall be back again and again and again. I recognize that is a mixed metaphor, but I recall a great general, Douglas MacArthur, who said, "I shall return," and a President who said, "Again and again and again." They both did what they said they would do. So I shall likewise be back. I am going to pursue the question. I believe it is a great mistake and bad policy. I believe it is an unfair and discriminatory act on the part of the Government.

I say what I am about to say, Mr. President, not in complaint, but only as a matter of appropriate reference. When the acreage allotments for wheat and cotton were termed unwise and unfair—and they were—the Congress of the United States, with the help of the Secretary of Agriculture, changed them. But when it comes to the little dairy farmer, with his 16 cows, with his family working the dairy farm, there is no relief, no change. There is a closed mind on the part of the Government, a closed ear, and a closed heart. That is a very wrongful attitude for the Government to take.

Mr. DOUGLAS. Has the Senator noticed the press reports to the effect that it is the intention of the Department of Agriculture to try to dispose of some of its surplus, after the price has been reduced, by mixing dried milk with soybeans in order that they may be fed to cattle?

Mr. HUMPHREY. Yes. I recently read that in the press.

Mr. DOUGLAS. Does it not strike the Senator from Minnesota that it is an extraordinary performance, to feed milk to cattle when there are in this country children who need the milk?

Mr. HUMPHREY. The Senator is saying something which is so meaningful and so obvious in its impact and in its truthfulness that everyone ought to hear it. It is nothing short of a national tragedy and a disgrace that a Nation, rich with the abundance of God's blessing of food, can find no place to use it except to give it back to livestock, when there are thousands and thousands of children in American schools who are not getting a glass of milk a day, and there are thousands and thousands of persons in this great, rich America who do not have the privilege of having a wholesome spread for their bread in the form of butter. They simply do not have that good and substantial food.

This is my complaint. I know I probably sound like a broken record when I discuss this question, but there is no policy, no program, no imagination, no willingness to do anything except for the administration to have its say and to deliver this blow, to level down, never to help up.

Mr. President, I remind this administration that this decision will come home to plague it.

Let me say to the consumers of America who are tomorrow morning going to be greeted with signs that tell them about the reduced price of butter that if we start this procedure of reducing the price it will soon affect wages and business itself.

I wish to make note of the fact that a number of workers have been "reduced" out of their jobs. The rate of bankruptcy is growing by the month.

I should like to make note of the fact that when an administration starts a policy of chipping off, chiseling off, and cutting down, it is likely to cut down the whole basic structure of the economy. We should be thinking in terms of upbuilding and uplifting. With a growing population and with great responsibilities at home and abroad, we need to have a progressive economic philosophy.

So, Mr. President, let it be quite clear that while the consumer may temporarily get butter at from 8 to 10 cents a pound less than he pays today, that 8 or 10 cents a pound is not a matter of life and death to him. But it is a matter of economic life and death to the producer on the farm once we start to tear down the solid edifice of agricultural stability and prosperity. Do not forget that the city consumer, in the main, is an industrial worker or a white collar worker, and when agricultural America starts to withdraw its purchasing power by necessity because of lower income, it will take its toll in every city, town, and village in the United States of America.

I am very proud of my State. I have put into the CONGRESSIONAL RECORD resolution after resolution from business organizations, chambers of commerce, veterans' groups, and church groups calling upon me, as one of the two Senators from Minnesota, to plead their cause in the Senate. Many a time I have said—and I repeat it—that I did not become a Senator of the United States, elected by the people of my State, to stand idly by and see the economy of the State of Minnesota, which I am here to represent, subjected to suffering economic blows by Government action. I am here to protect and defend my State, and not to permit it to be abused. When I say "my State" I speak not only for Minnesota but for her sister States all over America, from Washington to Florida, from North Dakota and Minnesota to Texas.

Dairying is a basic pursuit in American agriculture. I had been hoping that the majority leader, or some other responsible spokesman for the Republican Party, would come before the Senate and ask that all other business be laid aside so that immediate action could be taken to protect American agriculture from this unfair blow. I found out this afternoon, once and for all, that that is not going to happen because I offered to the majority leader assistance in drawing a resolution which would save the day and which could well have been considered by setting aside temporarily all other business, thus moving toward action by the Senate to call upon the Secretary of Agriculture to withhold his order as of tomorrow morning.

I know it would not be right at this late hour, in the absence of many of our colleagues, to press this situation further. I know now from experience this afternoon that no unanimous consent is possible. I know that we shall have to wait.

The order will go into effect tomorrow. Markets will be disrupted and the entire trade in dairy products will be in an upheaval.

Within a very few days the committees of Congress undoubtedly will begin to hold hearings on the many bills before them concerning agricultural price supports as they pertain to dairy products. Before Congress adjourns or ends its session this summer or early fall, something will be done by Congress to lift the level of price supports. We shall have found ourselves as of March 31 at 90 percent of parity, as of April 1 at 75 percent of parity, and as of July 1 at some as yet undetermined percentage.

In the meantime, the farmer will have been taken through the wringer. He will have been whiplashed from one side to another. The farmer will not know from one day to another what the program will be. The only ones who will profit from this action will be those who are speculators, who sell when prices are high, who buy when prices are low, and who wait to sell when prices are high again. That is what will happen.

The administration calls this its agricultural policy. If it were not for the dignity of the Senate, I would ha-ha and laugh out loud. This is no policy; it is planned confusion. It is a designed and determined attempt to try to condition the American public to the idea of lower price supports for American agriculture.

Let me say to the wheat producers, the cotton producers, and the corn producers of the United States, "You have now witnessed a sign of things to come. The

Department of Agriculture already is playing the cottonseed boys off against the soybean producers."

The junior Senator from Minnesota is wise to that policy, too. I have sent out some material on that subject, including graphs and charts, to my colleagues in the Senate.

The word is now out: "We will reduce dairy price supports. Then we will get the grain prices down. Once we have oats, rye, barley, and sorghum down we can reduce the price of corn, because one can be substituted for another."

After all, if the price of oats, barley, and rye can be reduced to 80 or 85 percent of parity, why should farmers feed 90 percent of parity corn to their livestock? So one commodity will be used against another. It will be the old game of divide and conquer.

I wish tonight to warn every Member of the Senate who represents a producing State of the Union—and every State produces something, because agriculture is a rather universal pursuit throughout the Nation—there is a very devious, curious, and rather unsavory game going on, of playing one commodity off against another.

Never did I feel I was more right than I feel at this hour. Never did I feel that the evidence was more clear that there is a determined, premeditated operation in the Government, particularly in the Department of Agriculture, to have a general lowering of the level of agricultural prices and agricultural income. This administration does not seem to show too much concern about the continuing rise in the cost of living. It does not seem to show too much concern about the fact that the wholesale food indexes are at an all-time high. It does not seem to show too much concern about the fact that interest rates have gone up. Interest rates are a kind of price-support proposition for the financial institutions.

The administration does not seem to show too much concern about the fact that there are 4 million unemployed. It does not seem to show too much concern about equity in taxation for the great rank and file of our people.

So I call upon my colleagues in the Senate to go before the Senate Committee on Agriculture and Forestry, to besiege that committee, and to ask that it promptly report the necessary bills or measures. We can do this next week; we can do it tomorrow. It will not take long.

I remember when the Mexican labor bill was reported by the Committee on Agriculture and Forestry without a hearing. It did not take long to bring it before the Senate. It was vaulted from the House of Representatives to the Senate with hardly a stop. There were not even printed hearings, because no hearings were held. It was quick, positive, definite action. The bill passed the Senate, too.

But in this area of Agriculture? No. Mr. President, I think I have done my duty. From here on, I shall act beyond the call of duty.

I desire to have the acting majority leader convey to his leadership the message that the junior Senator from Minnesota will be on the floor of the Senate day after day until something constructive is done. I shall pursue the matter, I shall persist in it, and I shall do so in the name of fair play and equity. We are not asking for the millennium; we are not asking for special privileges. We are asking for fair treatment and equality of treatment.

Mr. President, I yield the floor.

Mr. WATKINS. Mr. President, it will not be necessary for the acting majority leader to inform the majority leadership that the junior Senator from Minnesota will be speaking on this subject, because, as best I can recall, the Senator from Minnesota already has warned a half-dozen times that he intends to continue to speak on the subject. So I think all that is necessary is to remember what the Senator from Minnesota already has said.

RECESS

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). What is the pleasure of the Senate?

Mr. WATKINS. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 56 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, April 1, 1954, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 31, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of grace and goodness, grant that our whole life during this day may be lifted into an atmosphere of spiritual refinement.

Give us moral courage as we contend with those great and vested wrongs which are continually storming the citadel of our souls.

Help us to hold in stern discipline every evil desire which seeks to undermine our character and tempts us to break faith with our better self.

May all the ambitions and aspirations which Thou hast planted within our minds and hearts grow into fuller strength and beauty.

Inspire us with an eager longing to enrich the well-being of mankind everywhere. May the spirit of good will and helpfulness have an ever-widening dominion.

Hear our prayer in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

GRANTING PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. GRAHAM submitted a conference report and statement on House Joint Resolution 238, granting the status of permanent residence to certain aliens.

FARMERS' SHARE OF CONSUMERS' DOLLAR IS LESS THAN MOST PEOPLE REALIZE

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, there appears to be a growing belief among urban people that farmers are "living high on the shank" at the expense of city consumers. I suspect that some of my colleagues from urban districts entertain the same notion. My reason for making this observation is that as recent as last week one of my distinguished colleagues from New York declared on the House floor that the Secretary of Agriculture should be congratulated for lowering dairy price supports. The implication was given in his remarks that we now have a Secretary of Agriculture who is thinking of consumers.

As I have stated here on the floor several times, I am also concerned with the economic problems of consumers; but I do not think that the remedy lies in beating down farm prices. When the gentleman from New York uttered his words in praise of the Secertary of Agriculture, he must have done so with the thought in mind that farmers are being paid too much for their milk.

What are the facts on the dairy farmers' share of the consumers' milk dollar? Are dairy farmers gouging consumers? Well, I decided to do a little research work of my own on eight milksheds east of the Mississippi River. The milksheds that I secured information on are all very large metropolitan cities, and over 18½ million people live in these cities.

The figures which I obtained are the most recent, and they cover milk prices for a period of from a month to 6 weeks ago at the latest.

Dairy farmers in the New York milkshed area, I was informed, received $4.25 per hundredweight for their milk. Consumers in New York City were paying on the average of 25 cents a quart for home-delivered milk.

According to my calculations, the dairy received 9.2 cents on a quart of milk. If the New York milkshed dairy farmers gave their milk away for nothing—and it appears that some people would like to see it this way—New York City consumers would still have to pay 15.8 cents for a quart of milk.

Do these figures support the contention that dairy farmers are gouging the consumers? I fail to see it, for there is a 15.8 cents spread between the farmers' share and the consumers' price. The gentleman from New York said nothing about this when he declared the other day on the House floor that there was a "rash of speeches" on the dairy problem.

However, let us hurry along and examine the farmers' share of milk prices in seven other major industrial centers. Here are the facts:

In Washington, D. C., the price of home-delivered milk is 24.5 cents a quart, and the farmers' share is about 10.8 cents. For the city of Boston home-

delivered milk averages from 23 to 23.5 cents a quart with the farmers' share running 11.9 cents. Philadelphia consumers paid 23 cents a quart and farmers received 10.3 cents.

Moving westward, we find that home-delivered milk in Cleveland costs 20 cents. The dairy farmers' loot is 9 cents. Home-delivered milk is sold to Detroit consumers for 21.5 cents a quart. The farmers in this area received 8.2 cents. Still farther west we find Chicago consumers paying 25.5 cents a quart, and the dairy farmers are robbing consumers to the tune of 7.9 cents a quart. In Milwaukee the consumer pays 20 cents, and the farmers are getting "hog rich" on 7.2 cents a quart.

No, my friends; farmers have not been gouging the consumer on milk or any other farm commodities. I read some figures recently to the effect that the cotton farmer receives 31 cents on a $3.50 shirt. A beef farmer receives 24 cents of the consumers' dollar. The wheat farmer receives 3.2 cents out of a 17-cent loaf of bread. A 23-cent can of corn enriches the farmer by 3.6 cents. Tobacco farmers are getting rich on their 3.3 cents that they get on a 23-cent package of cigarettes.

Despite this evidence, the gentleman from New York believes that we should congratulate the Secretary of Agriculture for thinking about consumers. Well, just for the record, I wish to say that farmers are also consumers. In my remarks yesterday, I neglected to mention some pertinent facts about the farmer as a consumer.

The American farmer requires each year 7 million tons of steel. This is more steel than is used in a year's output of passenger cars. Farmers, by the way, also buy passenger cars when they have the money. Incidentally, it requires 350 million pounds of raw rubber to supply the rubberized equipment on America's farms. This is enough rubber to put tires on 6 million passenger cars. Each year American farmers use 16.5 billion gallons of crude petroleum—this is more petroleum than is used by any other single industry. Farmers use 50 million tons of chemicals each year.

And yet there are people who think that our industrial economy is not tied up with the welfare of agriculture. I am not certain that some of my colleagues and the critics of farm programs appreciate the fact that almost 40 percent of the Nation's working population is involved with the economics of agriculture and industries related to agriculture.

Or to put it in other words, out of 61 million people employed in the United States, 10 million are working on farms; 6 million are producing for and servicing farmers; and 9 million people are processing and distributing farm products. On the basis of these statistics, I believe that agriculture is very important to the Nation's business, industrial, financial, and political economy.

Instead of taking potshots at farmers, as some people delight in doing, we should be concerned with what is happening in agriculture. I am sure that the newspaper editors and magazine editors—who also receive subsidies—are not going to buy the tractors, farm trucks, fertilizer, and other farm supplies that farmers will not be able to buy in sufficient amounts if agricultural income continues to decline.

According to The Farm Income Situation bulletin, published by the United States Department of Agriculture, net farm income in relation to national income was the lowest percentagewise in 1953 that it has been since 1910. It was 6 percent of total national income last year. This is 1.3 percent lower than it was in the depths of the depression in 1932.

I also wish to point out that for 1953 the farmers' percentage of net income in relation to gross farm income was the second lowest since 1910. It was down to 36.6 percent.

While farm income has been declining, there is no evidence to indicate that farm costs of operation are dropping. In fact, farm costs continue to stay at the same level, or at best drop slightly in certain phases.

Let me sum up farm costs by citing this example. Today the cost of a two-plow tractor would have financed the production expenses of an average farm in 1910 for 3½ years. I did not hear the gentleman from New York suggest that farm implement manufacturers, steel companies, rubber companies, chemical companies, and others that supply farmers should cut their prices to 75 percent of parity. Nor has the Secretary of Agriculture expressed much concern about farmers as consumers.

Farmers have been going steadily into debt. Farm mortgage debt today stands at $7.8 billion; and farmers' short-term debt was around $7.2 billion at the end of 1953.

A few more figures on farmers' increasing costs should be of interest to my colleagues. The statistics I cite are from the report of the Secretary of Agriculture, 1953, just published. On page 8 we find these figures:

In 1947, 800 bushels of corn would buy a tractor. At the end of 1952 it took about 1,300 bushels—or two-thirds more.

In 1947, 930 bushels of wheat would buy a 12-foot combine. At the end of 1952 it took more than 1,600—or three-fourths more.

In 1947, 9 bales of cotton would buy a pickup truck. At the end of 1952 it took 12 bales—one-third more.

In closing, I wish to say that today I included other types of agriculture because what has happened and is going to happen to dairy farmers will also face other segments of American agriculture.

Tomorrow Secretary of Agriculture Ezra Benson plans to play a little April Fool's joke on dairy farmers—he is going to lower dairy support prices to 75 percent of parity. I note that the press carried stories to the effect that the order would not be carried out for at least another month.

On March 15 I introduced a bill, H. R. 8388, to extend the present 90-percent support prices on milk and butterfat for another 120 days. I introduced it for the purpose of maintaining present supports so that Congress could give more thought to a dairy program as part of the general farm bill.

I have twice written the members of the Agriculture Committee to hold a hearing on my bill—or a similar bill—and report it out before April 1. Up to this moment the Agriculture Committee has not held a hearing. I do hope that they will find it expedient to hold a hearing and report the bill out before the dairy industry is confronted with even more pressing economic problems.

This is a serious problem and it must be solved—but it will not be solved by beating down farm prices. Seventeen-cent-a-pound butterfat didn't help city consumers in 1932—and it will not do it in 1954.

SPECIAL ORDER GRANTED

Mr. FEIGHAN asked and was given permission to address the House for 10 minutes today, following the legislative program of the day and the conclusion of any special orders heretofore entered.

A FACT-FINDING COMMITTEE ON UNEMPLOYMENT

Mr. HELLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, despite the continued rise in unemployment and the administration's promise to take action if there is no improvement in the jobless situation in March, we are now being told that May is really the month in which to look for economic improvement. Efforts are now under way to minimize the importance of the March figures on which the President laid so much hope. Here it is the end of March. There is no improvement in sight. Nor is there in sight any attempt by the administration to take action.

Labor Secretary Mitchell admitted recently that unemployment would continue to rise in March and April, but that an upswing in employment would not come before next fall. How high unemployment would go is a matter which only the future can tell. Dr. Ross M. Robertson, an economist with the Federal Reserve bank in St. Louis, estimated it would reach 4 million by the end of March and would continue rising until it reaches 5 million. He added that there would be no reversal to this trend at least for the next 6 or 8 months.

Here are the month-by-month figures on unemployment since last October as reported by the Commerce Department's Bureau of Census:

Month	Total unemployment	Monthly increase	Total civilian employment
October 1953	1,162,000		62,200,000
November 1953	1,428,000	266,000	61,925,000
December 1953	1,850,000	422,000	60,764,000
January 1954:			
Old	2,360,000		
New	3,087,000	510,000	59,753,000
February 1954:			
Old	3,385,000		
New	3,671,000	584,000	60,051,000

Mr. Speaker, the two sets of figures given for the months of January and February are based on separate sam-

plings by the Bureau of the Census, the old survey being limited to 68 areas and the new survey encompassing 230 areas throughout the country. A careful perusal of these figures shows the following:

First. That unemployment in February had reached the highest total in the last 4 years.

Second. That unemployment in the 5-month period between October 1953 and February 1954 increased at a faster rate than at any time in our history, including the depression period of the early 1930's.

Third. That despite repeated administration assurances that the situation is leveling off, the increase in unemployment is growing each month.

Fourth. That unemployment is now being felt in almost all major industrial areas in the country, as evidenced by the fact that the new Census Bureau survey covers 230 such areas.

The most disquieting phase of this situation, however, is the fact that the Census Bureau's figures on unemployment do not include persons who were laid off for 30 days or less, or those who worked as little as 1 hour per week. Actually, then, the number of people out of work is much larger than the estimated figures of the Census Bureau.

If the picture is not obscure enough, the Labor Department's Bureau of Employment Security reported on March 19 that virtually all of the 149 major job areas which it surveyed reflected adversely affected employment conditions between mid-January and mid-March of this year, and at least 40 of these labor market areas are now classified as showing greater surpluses of workers. This Bureau said it found that unemployment had spread by mid-March to a "wide range of industries," including auto, farm machinery, aircraft, household appliances, basic steel, textiles, shipbuilding, electronics, electrical equipment, and others.

Mr. Speaker, the one glaring weakness about the unemployment statistics published periodically by the various Government bureaus is that they are estimates, based on surveys, and not exact figures. We have no true picture of the unemployment situation. There is no correlation and no coordination of employment data as gathered by our various bureaus and agencies. Commerce Department has one set of figures, the Labor Department has another, and the Agriculture Department yet another. While it is true that they cover different aspects of the employment situation, they fail to provide us with a total picture and only add to the confusion.

The result is that today few objective observers have any confidence in the accuracy of the administration's official figures on unemployment. Its surveys are not carefully tested, different sets of figures are issued, the statistics are inconsistent, corrections have had to be made after official figures were released, there is apparently no agreement on the base which is to be used in measuring the rate of joblessness, with the result that many people question the veracity of these statistics. At a time when accurate statistics are of crucial importance, we do not have them or we question those we have. In fact, we do not even have an accurate or acceptable definition of the term "unemployment." If a person has been laid off for less than 30 days, is he to be considered as unemployed?

We cannot proceed on this casual basis. If we continue to do so, it will in time become dangerously misleading. We must know accurately how deep unemployment is reaching, how fast it has been rising, how far it may be going before the trend is stopped and reversed. We must have accurate figures that are not questioned or disputed.

Mr. Speaker, there is only one way whereby we can obtain a true picture of the situation and that is by having a congressional committee look into the matter, study our present system of compiling data on the number of unemployed, clearly define unemployment in acceptable terms, and recommend ways to coordinate all such statistics into one report to be issued from one official source.

I am, therefore, introducing a joint resolution to establish a committee to be known as the Joint Committee on Unemployment which shall conduct a full investigation of the unemployment situation in the country, with particular reference to certain localities and industries, and that this committee shall make a report of its study and its recommendations to Congress by June 30, 1954. This is to be primarily a fact-finding committee and it shall have the authority to call on the various departments and agencies to furnish the necessary information in pursuance of its functions. The committee is to consist of 16 members, 8 from the Senate and 8 from the House, to be divided evenly among the 2 political parties. The committee is to select its own chairman and vice chairman.

The main idea is that this must be a quick and intensive study. We must have a true picture of the unemployment situation at the present time and we must also have the machinery to supply the Government and the people with accurate statistics for future guidance and planning. We cannot and dare not drift along blindly and casually. The welfare of our people and the future of our Nation require that we have clear direction ahead.

The text of the resolution is as follows:

Joint Resolution 487

Joint resolution to establish a Joint Committee on Unemployment

Resolved, etc., That (a) there is hereby established a Joint Committee on Unemployment (hereinafter referred to as the "joint committee") to be composed of 8 Members of the Senate appointed by the President of the Senate, and 8 Members of the House of Representatives appointed by the Speaker. In each instance not more than 4 members shall be members of the same political party. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to perform the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman and vice chairman from among its members.

(b) The members of the joint committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the functions vested in the joint committee, other than expenses in connection with meetings of the joint committee held in the District of Columbia during such times as the Congress is in session.

SEC. 2. The joint committee shall have power to appoint and fix the compensation of such experts and consultants and such clerical, stenographic, and other assistants, as it deems advisable.

SEC. 3. The expenses of the joint committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman of the joint committee. Disbursements to pay such expenses shall be made by the Clerk of the House of Representatives out of the contingent fund of the House of Representatives, such contingent fund to be reimbursed from the contingent fund of the Senate in the amount of one-half of the disbursements so made.

SEC. 4. (a) The joint committee shall conduct a full and complete investigation and study of the unemployment situation in the United States, with particular reference to the extent of unemployment in particular localities and industries.

(b) The joint committee shall make a report of its study and investigation, together with such recommendations as it deems advisable, to the Senate and House of Representatives on or before June 30, 1954.

(c) The functions vested in the joint committee by this joint resolution are supplemental to the functions vested in other committees (including joint committees) of Congress; and nothing in this joint resolution shall be construed so as to curtail or take away any function of any such committee.

SEC. 5. (a) The joint committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places within the United States, to take such testimony, and to procure such printing and binding, as it deems advisable.

(b) (1) The joint committee is authorized to secure directly from any executive department, board, bureau, agency, independent establishment, or instrumentality of the Government, information, suggestions, data, estimates, and statistics which will be of assistance to the joint committee in carrying out its functions under this joint resolution.

(2) The executive departments, boards, bureaus, agencies, independent establishments, and instrumentalities of the Government are authorized and directed to furnish such information, suggestions, data, estimates, and statistics directly to the joint committee upon request made pursuant to paragraph (1) of this subsection.

DAIRY PRICES

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. ZABLOCKI] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, since the beginning of the 81st Congress, I have had the honor of representing the people of the southern half of Milwaukee County in this great body. My district is primarily industrial and the great majority of our people are wage earners. They are consumers who are most vitally affected by fluctuations in the cost of

living. An increase in the price of basic commodities makes it frequently difficult for them to make ends meet and it makes inroads on their savings.

For these reasons, all increases in the cost of living have been deeply disturbing. Further, the growing spread between the low prices received by farmers for their produce and the high prices charged for the very same products to our metropolitan consumers was of great concern to me. Therefore, I have repeatedly urged Congress to investigate this situation to determine who has been getting the gravy.

Last year, with a number of my colleagues, I sponsored a resolution providing for the establishment of a Joint Committee on Consumer Interests. When the Republican-controlled House last year denied the Federal Trade Commission the funds necessary to undertake a study of the makeup of the consumer dollar—a study that could have helped to clear up this mystery of the rising cost of living and the simultaneously dropping farm incomes—we pressed for early action on our resolution. We will continue to press for congressional action on this proposal because the people of my district and all the consumers in our country are entitled to know the facts about this situation.

In the meantime, however, another subject which is very closely connected with the interests of the consumers of my district, needs to be mentioned: namely, the critical situation which is reportedly facing the dairy farmers of our great State of Wisconsin. We must remember that our dairy industry accounts for a big portion of our State's economy. Because of the growing spread between farm and consumer prices, and the recently announced decision of the Secretary of Agriculture to cut dairy supports from 90 to 75 percent of parity, our Wisconsin dairy industry may be facing some very difficult times.

Now the people of my district have seriously questioned the wisdom of maintaining a permanent and rigid support program for any segment of our national economy. Further, they have been hard hit by the high level of prices of agricultural products. They welcome relief from those high prices.

At the same time, however, our people realize that the farmer has not been getting the gravy because his income has been dropping while prices have been going up. They also appreciate the fact that if our dairy industry goes into a slump, our dairy farmers will not have the money with which to buy the products manufactured by the people of Milwaukee.

This is not a simple matter, nor one that can be solved overnight. Yet the Agriculture Committee of this House has delayed giving serious and comprehensive study to this problem in face of the threatened crisis. The issue is grave, and it requires earnest attention and close cooperation between the Government and the representatives of the dairy industry.

Together with other Members of Congress. I wish to commend my colleague from Wisconsin, Congressman LESTER JOHNSON, for his efforts to bring about immediate consideration by the Agriculture Committee of his proposals contained in H. R. 8388. As I have already stated, the threatened crisis which is reportedly facing our dairy farmers—and thereby a large segment of the economy of our State—merits earnest and careful consideration.

In closing, it is my desire to again emphasize that, together with those of my colleagues who are also concerned about the interests of the consumers, I will continue to press for early action on the proposal for the establishment of a joint committee on consumers' interests. The consumers are in need of help and it is up to this body to ascertain why our people are paying high prices for goods which continue to bring decreasing incomes to agricultural producers.

UNEMPLOYMENT AT MARTINSBURG, W. VA.

Mr. STAGGERS. 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 West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, in Martinsburg, W. Va., there are two projects that I desire to call to your attention. This city is one of the many in my district that is classified as a distressed unemployment area and it surely needs a building program.

Several years ago a new Federal building and post office was authorized and plans progressed to the point of purchasing the grounds, but the war stopped all construction as we know, and in 1945 the already-appropriated moneys were turned back to the Treasury. Now that this program is already set up and there is a lot of unemployment in this area as well as a great need for a new post office and Federal building, why should not this be an appropriate time to start this construction? I have done everything I know how to do and it is now time for Congress to take a hand in this project.

I am told the Government is not doing any building in the United States now. However, we are going to have to start a building program in the near future, so why not now? It will certainly help to alleviate a critical unemployment situation in this area.

Another item I desire to call to your attention, one of the finest airports to be found anywhere is also located near Martinsburg. This is a comparatively new airport, constructed in 1944 at a cost to the Federal Government of more than a million dollars. I have suggested to the Air Force it would make an ideal site and location for the proposed new Air Force Academy. It is just 15 air minutes from Washington. I have tried and tried to get the defense agencies, the Air Force, the Civil Aeronautics, or private industry to make use of it, but I am told this airport is not needed. Yet the Air Force goes ahead and builds new airports when this fine facility is close by that could be utilized.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ARENDS. 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. 42]

Battle	Hale	Powell
Bender	Jensen	Richards
Bentley	Jones, Mo.	Rivers
Boykin	Kee	Roberts
Bramblett	Kelley, Pa.	Seely-Brown
Carlyle	Lucas	Sieminski
Celler	Lyle	Teague
Chelf	McGregor	Tuck
Chiperfield	McIntire	Velde
Cotton	Merrill	Weichel
Curtis, Nebr.	Miller, Calif.	Wilson, Tex.
Davis, Tenn.	Nelson	Yorty
Dawson, Ill.	Patten	
Dingell	Pillion	

The SPEAKER. On this rollcall 392 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MEDICAL CARE FOR DEPENDENTS OF SERVICE PERSONNEL

Mr. WILSON of California. 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. WILSON of California. Mr. Speaker, I have had the recent privilege of reviewing a new bill proposed by the Department of Defense to provide medical care for dependents of service personnel.

You might well ask: "What is so unusual about that? Do not we provide medical care for service families now?"

As a matter of fact, we do provide some medical care for some service dependents, but it is offered to them sometimes begrudgingly, on a basis of privilege rather than of right. The proposed bill, on the other hand, could well be termed a dependents' bill of rights for medical treatment. It would establish a definite obligation of the services to provide medical treatment to servicemen's families, an obligation that many of us in Congress may have assumed was being fully discharged.

In these days of deep concern over the strength of the defenses of our Nation, we must not overlook the importance of maintaining high morale and fighting efficiency of our defenders, those in the military service today in whose hands we are trustfully placing our future existence.

Surveys and personal interviews have convinced many of us that the No. 1 concern of the fighting man today is the safety and well-being of his family. The airman on duty in the frozen Arctic reaches, the sailor on an extended cruise away from his home, the marine and infantryman on a foreign shore

is most concerned that his family is being cared for while he is away.

Mr. Speaker, this proposed bill guarantees to our fighting forces that this usually recognized privilege of medical care for dependents is, in fact, an entitlement that he can count on. With that assurance, the fighting man on our global defense line can turn to his job at hand with renewed confidence and higher efficiency.

The preamble to the proposed bill carried a statement of intent that bears out the importance of medical care. It states, in part:

> The Congress believes that programs of medical care have been, and will be, important factors in the creation and maintenance of great courage in face of combat and other service conditions throughout the Armed Forces, because it assures members of the Armed Forces at home and overseas that the medical care of dependents will not be denied by reason of member's service or member's absence on extended active duty.

This forward-looking legislation, as proposed, will cover dependents of servicemen and women, active and retired, and the widows and dependent children of deceased service personnel. It includes all branches of the military, including the Coast Guard, when on active duty with the Navy.

One of the most important provisions is that it makes full use of existing military medical facilities and staff. The bill provides specifically that military medical facilities would be used to the fullest extent possible.

In cases where such military facilities were not capable of providing the authorized treatment, or in cases of emergency, medical care would be provided at Government expense from duly licensed civilian physicians and surgeons, and at duly accredited civilian hospitals and treatment facilities. Use of military medical facilities would be specifically directed in cases where the care could not be furnished more economically by civilian means.

In order to prevent possible overuse of the new program, the Secretary of Defense would be allowed to assess a nominal contribution from each patient for the medical care rendered. Current thinking in the Department of Defense is for a charge to the patient of about 10 percent of the cost. In the case of hospitalization, this would about equal the nominal subsistence charge now made to dependents who have been treated at service hospitals. Outpatient medical care at a military dispensary, or clinic, would not be charged to the patient under the proposed regulations.

Medical care would include such treatment as diagnosis, acute medical and surgical treatment, immunization, and maternity and infant care. It would include hospitalization, where needed, except for domiciliary care of chronic diseases, chronic nervous or mental disorders, and certain contagious diseases. In acute emergencies, it would include ambulance service, and in special cases would also include house calls by the physician.

This bill, when passed, will have an immediate and far-reaching effect on the Armed Services, where morale is at an all-time low, and reenlistment rates are the lowest in history.

It will mean that this Congress and the Eisenhower administration have reversed the ominous trend that has progressively whittled away servicemen's benefits over the past 10 years. It will signal an end to the creeping cutbacks that have seriously damaged military morale at a time we can least afford it.

I understand that this legislation has the approval of the various branches of the military, of the Defense Department itself, and of President Eisenhower. I understand it has been thoroughly discussed at the Budget Bureau and is soon to emerge from there for action by the Congress. It is my earnest hope that we may act quickly, forthrightly, and sensibly when this long-needed legislation comes before us for consideration and action. Action on this matter is long past due.

SUPPORT PRICES ON DAIRY PRODUCTS

Mr. DAWSON of Utah. 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 Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, tomorrow, Secretary of Agriculture Ezra Taft Benson will lower the support level on dairy products, including butter, to 75 percent of parity. This courageous action is being taken by the Secretary in an atmosphere clouded by false statements and malicious rumors. I think it would be well at this time to examine the facts.

First, what is the law under which the Secretary is taking this action? Let me read it. Subsection 201 (c) of the Agricultural Act provides:

> The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply.

Let me emphasize the key words. Supports shall be set at a level necessary to assure an adequate supply. That is the law.

A review of the production of dairy products during the last year when the price was supported at 90 percent of parity is in order. You all will recall that Secretary Benson agreed 1 year ago to continue supports at 90 percent. He was frank in admitting that he came to this conclusion reluctantly. He said at that time that the dairy industry itself should find a solution to the program that was keeping milk and butter and cheese priced out of the low-income market. He warned that the consumer who could not afford to buy these necessary foods for his children resented the use of his tax money by the Government to buy these foods for storage. Nevertheless, in order to give the industry time to work out its own solution, the Secretary kept high supports.

What has happened to the supply of dairy products? Has consumption increased? Has the industry come up with a program that would put these needed products in stomachs rather than storage? Let us look at the facts for the answers.

The Commodity Credit Corporation inventory as of February 20, 1953, was 60.5 million pounds of butter, 22.7 million pounds of cheese, and 97.5 million pound of nonfat dry milk solids. This was the equivalent of approximately 1.2 percent of the milk production of the previous year.

What is the picture today? Here it is as of February 17, 1954.

Instead of 60.5 million pounds of butter, the Government now holds 275 million pounds. Instead of 22.7 million pounds of cheese, the Government now has 290 million pounds. Instead of 97.5 million pounds of nonfat dry milk solids, we now have 482 million pounds.

Our supply on hand of butter and cheese—stored at appalling expense to the taxpayer—is sufficient to give every man, woman, and child in the United States 3 pounds each. The operation of the 90 percent price-support program during the past year has required the Government to use tax funds to take approximately 1 quart out of every 10 produced and put it into storage.

I do not think anyone can safely say that the 90-percent support program is necessary to insure an adequate supply of butter. Those who would maintain this, would describe the Johnstown flood as the result of an adequate supply of water.

Instead of attempting on its own to bring consumption up and production in line, the dairy industry bolstered by the high support program has increased production during the past year to such an extent that we are paying over $500,000 per day in storage charges. How can anyone defend or propose a continuation of this policy?

Can any friend of the farmer maintain that a continuation of this surplus buildup will result in anything but a revolt from the consumers—a revolt that may in its extreme wreck any program to aid the farmer?

I submit that Secretary Benson has taken the only action he can take and obey the law. I believe that this action—despite the outcries from narrow interests—is the only one that will save the farm program.

Is there any constructive alternative to this program which will permit a general decrease in retail prices of milk and its products and so encourage increased consumption for the benefit of all?

I cannot see how anyone who is conscientious could do otherwise than what Secretary Benson has done in this case. His honesty, integrity, and concern for the general welfare—in the face of political pressures generated by narrow interests—is admirable. In Secretary Benson, the American people have the type of courageous public servant they are entitled to.

INDEPENDENT OFFICES APPROPRIATION BILL, 1955

Mr. PHILLIPS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

State of the Union for the further consideration of the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8583, with Mr. GRAHAM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending an amendment offered by the gentleman from Alabama [Mr. ANDREWS].

Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS: On page 42, line 25, after the word "vehicles", strike out "$103,582,000" and insert "$188,358,000."

Mr. JONAS of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment would increase the appropriation recommended by the committee from approximately $103 million by $85 million. Several other amendments will be offered today, and they will bear upon other sections of the bill. I expect to have something to say about those amendments when they are offered, but I will undertake to confine my remarks during these 5 minutes to this particular amendment. The $103 million of funds authorized in the bill, will permit TVA to complete the construction of every installation now in process of construction. The purpose of the amendment is to give TVA additional money to build entirely new steam plants or new units in existing steam plants. The question, therefore, arises whether or not TVA will need $85 million to build new steam plants. I will cite just two reasons why this amendment should be defeated. There are others that I could mention, but I think these two ought to be determinative of this issue. First, keep this in mind. We are not dealing with $85 million. That is only the first installment. These steam plants undertaken to be authorized by this amendment will require 3 years to construct, and the $85 million undertaken to be added to the bill today will only pay the first year's cost. So, we ought to understand at the outset that what is proposed here is to obligate the Treasury of the United States to spend $227 million in addition to the $1,750,000,000 already invested in TVA. The other reason I think the amendment should be defeated is that it does not have budget authorization. There was no justification before our committee for the construction of additional steam plants. Not a word appears in the printed justifications filed before the committee asking for money to construct plants other than those now in process of construction. I do not think this committee, without any hearings and without any consideration at the hands of the Budget Bureau ought to summarily so to speak add $225 million to the expense of the taxpayers of the United States. I do wish to make it clear that there is no shortage of power in the Tennessee Valley area. Statements have been made on the floor this week, as well as last year, indicating a shortage. It is not a question of shortage of power; it is a question simply as to whether TVA will get the additional power it needs from private power sources that is now available, or whether the taxpayers of the United States will put up additional money to build new steam plants. TVA expects to sell during the fiscal year 1955, 50 billion kilowatt-hours of electricity. Where is that electricity going to go? About 50 percent of it will go to Federal agencies.

Sixteen and one-half billion of those kilowatt-hours will go to industrial and commercial uses. Five billion, one hundred million kilowatt-hours will go to Tennessee Valley to light the homes of the people of the Tennessee Valley; one and a half billion kilowatt-hours will go to the people of Tennessee to heat their homes. I do not believe it is up to the taxpayers of the United States to provide cheap electricity for the good people in the Tennessee Valley to enjoy the luxury of electric heating.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CANNON. Mr. Chairman, the money we have spent on TVA is the best investment the Government has ever made in its entire fiscal history. The Tennessee Valley Authority has paid bigger dividends than we have ever received from any other enterprise within the memory of man.

Had it not been for TVA we could not have had the atomic bomb which ended the World War, and which saved hundreds of thousands of lives and untold amounts of treasure. Had it not been for the superpower provided by TVA we could not have produced the aluminum for that great fleet of airplanes which blasted Hitler's centers of communication, production, and power and brought the war to an end.

TVA alone made it possible. And the gentleman from New York [Mr. TABER] went with me down to Oak Ridge, leaving in the night and returning in the night, and with me and the other three members of the subcommittee wrote into the TVA appropriation bills over $2 billion, when no other Member of the House knew that it was being spent much less what it was being spent for. That $2 billion ended the war. How fortunate for the Nation it was that it was in the 79th Congress and not in the 83d Congress.

The flower of the American Army was trying to take Iwo Jima. The desperate resistance of the Japanese forces was compelling us to consume three times the men and munitions and three times the time we had expected to expend. They were entrenched in caves and vast underground galleries and had to be blasted out with subterranean charges and burned out with flamethrowers, step by step, a yard at a time, and our losses were appalling. Just last week you read in the papers of the finding of 3,200 bodies of Japanese soldiers in these underground galleries where they had remained undiscovered during our 10 years of occupation of the island. When we finally took it there was not a square foot on the island that had not been bombed and devastated and pulverized by artillery, rifle fire, grenades, and the heaviest naval guns in the American fleet.

We then turned our attention to the mainland and the indomitable Japanese Army, fighting on its own shores, in defense of its homes, its empire, and its shrines, fighting with its back to the wall, prepared to make an even more desperate resistance. Iwo Jima was merely a foretaste of what was to come.

In that fateful hour, a single airplane, with a single bomb—from TVA—without the loss of a single American life, closed an era in world history.

What a dividend TVA paid. There is not a community in America but sent men to Iwo Jima who never came back. What would it have meant to communities and homes throughout the Nation if we had to take the mainland—the homeland—by assault? As at Iwo Jima, wave after wave after wave of Americans hurled against ramparts defended by Japanese who never surrendered would have been hurled back burned and broken and crushed to bloody pulp. That is what TVA saved us. And yet they tell us here today that TVA should never have been built. That it was a financial mistake. That it is socialistic. That it prevents the private utilities from charging the American people more for electricity.

But that was only half the battle. Over on the English Channel superior German airpower destroyed Rotterdam in 30 minutes, and brought France to her knees in as many days. Every night London was lighted by her own conflagration, and slowly but inexorably Hitler closed in. Neither England nor France nor any allied country could turn back the rain of death from the skies. Only one hope remained. American airpower.

Only a little while before we had fought in the Appropriations Committee and here on the floor the same battle we are fighting today. TVA was appealing urgently for that last dam. The same interests opposed it then that oppose it today. But it was the 78th Congress and not the 83d Congress. And we built the socialistic dam that completed the grid and from the expanded TVA flowed the vast currents of power which produced the aluminum and sent a conquering cloud of airplanes across just in the nick of time to stop the new rockets already in position on the French and Belgian coasts which would have snuffed out all allied resistance in a matter of weeks. No power or agency under heaven could have saved Europe and us—but TVA. But we are told here today that TVA is socialistic and should never have been built and that it should be so loaded down with drains on its income that the yardstick which protects every consumer of electricity in city and country, in every community in the Nation, should be destroyed so that private enterprise can charge more for electricity.

But we are confronted by another and more deadly enemy. Russia not only has the A-bomb and the H-bomb but she has more and better planes than we have. She has more and better sub-

marines than we have. And she has a well-disciplined and well-equipped army 10 times as large as all the allied armies combined.

Russia is building TVA modeled powerplants on her great rivers. And she is not putting them under the restrictions imposed by the committee in the bill pending here today.

The President has warned the Nation of the danger of the situation. Plans have been completed for abandoning our cities and getting our people out into the country as their only defense against air attack. And TVA which saved Europe cannot save itself. In this bill we are taking the first deliberate step toward strangulation.

Why, Mr. Chairman, we do not have to emasculate TVA. If we will just give them time the Russians will do it for us. Our Army long ago worked out a list of targets which they say the Russians will attack when they come over. And TVA is the first target on the list. Russian communism hates and fears TVA more than any other American institution. And when this race between American and Russian armaments draws to its close—as eventually it must—TVA will be the first to go. It is now a question of which will get in its deadly work on TVA first, the Politburo or the Power Trust.

But TVA is as valuable in peace as it is in war. Within the last century we have so plundered and exploited our national resources that we are getting down to the bottom of the barrel. Our vast forests are making their last stand in the Far West, and lumber is reaching a prohibitive price. Our gold and silver mines have been worked out and we must import all precious metals. New oil wells are being discovered but the old wells have been pumped dry. Even our subterranean water level is dropping and reclaimed irrigation districts are being turned back to the desert.

Our agricultural lands have been so worn and depleted that fertilizer is a necessity in every farming region. The first modern fertilizer plant was established at TVA and it is today a pilot plant showing what kind of fertilizer is needed and how to produce it cheapest. And of course the cheaper food can be grown the cheaper it can be sold to the consumer.

But most serious of all, our iron mines are being exhausted and now that even the fabulous Mesabi Range is about worked out, it becomes necessary to find a substitute. Steel is the foundation of industry—the one indispensable factor in our modern economy. Aluminum is the only practical substitute. And it can be produced in practically unlimited quantities as long as we have electricity. But it requires electricity to produce it, and only TVA can deliver power in the quantities required.

We cannot stand still. We cannot adequately implement a steel-age civilization without TVA. We cannot win the next war with the weapons and strategy with which we won the last war. We will need greater weapons—we must have a greater TVA in the next war than we had in the last. Instead of restricting TVA as we do in this bill we must provide additional and expanded facilities.

That is what we are voting on here today. We know how Stalin and Hitler and the Mikado would have voted. They didn't like the demonstration over Hiroshima and Berlin in 1945. We know how Malenkov and Vo Nguyen Giap and Mao Tse Tung would like to see us vote on TVA here this afternoon. And in voting let us remember that a hydrogen bomb dropped on Washington would burn to a crisp everything north to Toronto, south to Miami, and west to Kansas City. In this connection I would like to read an editorial from the Washington Post and Washington Times-Herald, the great American newspaper. Its editorial opinions are not controlled by its advertising columns. Here is what it says:

CRIPPLING THE TVA

The House Appropriations Committee has proposed a program for the Tennessee Valley Authority which would slowly put it out of business as an effective regional enterprise. In the first place, the committee lopped off $38 million of the $141 million appropriation recommended by President Eisenhower. This is a heavy blow in view of the fact that the President already had refused a TVA request for $85 million to build new power facilities. In the second place, the committee wrote into the appropriation bill, which the House now is considering, a series of riders that would do more damage than the denial of funds.

The bill would abrogate the agency's authority to control resale rates on the power it generates. This would permit co-ops and communities buying power from TVA to vie with one another in establishing retail rates, or to pay for various community services by charging high electric rates, or to subsidize certain enterprises with low rates at the expense of the individual consumer. Another rider on the appropriation bill would require TVA to pay interest to the Government on money invested in power facilities. TVA could pay this, as it is ahead of schedule in repaying money advanced by the Treasury. But if it paid interest charges—interest on money to purchase property which the Government owns now and will own after the agency pays back the money—TVA would have less money for new transmission lines and other necessary development. Finally, the bill would require the agency to return to the Treasury money it has on hand to cover depreciation of plant and equipment. This would be an invitation to inefficiency.

TVA is an agency which the people of this country have come to support with pride and enthusiasm. During World War II, it proved its worth many times over. Even today there is a shortage of electric power in many parts of the country, and nearly every electric system is busily engaged in expanding plant capacity. It would be shortsighted in the extreme to cripple TVA at a time when it is an important supplier of power for atomic plants. Congress would not think of making a direct attack on the agency. It should not permit an indirect attack—and by the infamous method of legislation by appropriation—such as that engineered by critics of TVA on the House Appropriations Committee. The House at least ought to eliminate these legislative riders in the appropriation bill.

Mr. GWINN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had 20 years' experience now with America's first, much-touted, great, Socialist, Communist experiment. We ought to have learned something.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GWINN. No; I do not. I will after a while. I am anxious to yield, but not now.

Mr. SUTTON. Mr. Chairman, I ask that those words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

The Clerk read as follows:

By Mr. GWINN: "We have had 20 years' experience now with America's first, much-touted, great, Socialist, Communist experiment. We ought to have learned something."

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1955, and for other purposes, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

By Mr. GWINN: "We have had 20 years' experience now with America's first, much-touted, great, Socialist, Communist experiment. We ought to have learned something."

Mr. GWINN. Mr. Speaker, may I read the definition of communism?

Mr. McCORMACK. Mr. Speaker, a point of order.

The SPEAKER. The Chair is ready to rule.

The Chair sees nothing in the language used that would reflect upon the membership of the House or otherwise be considered unparliamentary.

The Committee will resume its sitting.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8583, with Mr. GRAHAM in the chair.

Mr. GWINN. Mr. Chairman, it might be well to read from Webster's International Dictionary the definition of communism:

A system of social organization——

Mr. SUTTON. Mr. Chairman, I make the point of order the gentleman is not speaking on TVA and he is therefore out of order.

The CHAIRMAN. The gentleman from New York will address himself to the pending amendment.

Mr. GWINN. Mr. Chairman, I am doing just that. I am going to describe this black spot on our map down in Tennessee which they themselves have circulated, and give a definition of what it is, which I propose to talk about:

Communism is a system of social organization in which goods are held in common, the opposite of the system of private property.

Now, we ought to defeat this amendment; in fact we ought to stop all appropriations because a system of public property or commercialized property

works in America like it does in the rest of the world—England, France, Russia. It reduces production, it impoverishes the people, it destroys political and economic freedom without an exception in the world. From that history we would expect just what has happened in Tennessee as the result of this experiment.

The chamber of commerce has just published a most enlightening study on TVA from 1933 to date. It shows that Tennessee among the 10 Southeastern States ranked very high before TVA when they had private power and private salesmen going all over the State selling power. They had no shortage.

Tennessee ranked then among the 10 Southeastern States with regard to retail sales as second in 1929. After TVA in 1948 it dropped down to fifth.

In retail-store payrolls in 1935 it ranked third; in 1948 fifth.

In value added by manufacture, Tennessee ranked third in 1933, fourth in 1947. In gross postal receipts they ranked third in 1933, down to fourth in 1951.

Listen to this: Receipts from farm markets, in 1933 Tennessee ranked fifth, in 1950 eighth.

They put more land under water, 660,000 acres of it under water down there—more acres than there are in the whole State of Rhode Island. Floods are not controlled. The land is permanently flooded. Annual production of $27 million, from the richest bottom land is permanently wiped out, the State permanently crippled by a big, rather useless lake, with 9,000 miles of shoreline. As some one said, "Man made 9,000 miles of shore on a God-made 650-mile river."

The extent of the misrepresentation involved in this project as a flood-control project is shown by the Army engineers report that not more than once in 500 years would there be a serious flood.

In all of the categories examined, Tennessee has fallen behind in productivity. It ranks one point above where it used to rank 20 years ago, only in one particular, and that is the per capita income and the per capita taxes paid. But, the reason for that is not that Tennessee is more productive. Instead of producing and paying taxes, Tennessee herself has been an eater of taxes from the outside. One hundred and eight million dollars have gone down there from the outside to meet payrolls of 22,796 TVA employees, or nearly an average of $5,000 apiece, plus other hundreds of millions in doles for one sort or another. That accounts for the rise in per capita income and per capita taxes paid in Tennessee—by donations from outside.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. PHILLIPS. Mr. Chairman, reserving the right to object, I wish to say this: I am in this peculiar position. We are actually working today on borrowed time. The other committee is waiting to go. We had discussed this matter yesterday and the day before. I have no desire whatever to limit debate of anybody, especially those who have not spoken before. I hope no one will ask for an increase in time. I am constrained to object to any request for additional time.

Mr. McCORMACK. Mr. Chairman, I do not like the phrase "borrowed time" in its application to the House. This side cooperates in every way possible.

Mr. PHILLIPS. That is true.

Mr. McCORMACK. Now, the gentleman, I think, should allow a little flexibility, and a situation has arisen where, I think, if anyone wants to answer, he should be given 5 additional minutes. I believe in freedom of speech, and I would like to see the gentleman from New York get 5 additional minutes.

The CHAIRMAN. Does the gentleman from California insist on his objection?

Mr. PHILLIPS. If I may make a further observation, answering the gentleman from Massachusetts, if I accede to his request to permit the gentleman from New York additional time which I think, as he does, is desirable, will he then object if from then on I decline to allow unanimous-consent requests by other Members?

Mr. McCORMACK. The gentleman from Massachusetts will not permit himself to have conditions imposed. I have asked unanimous consent that the gentleman from New York have 5 additional minutes, and I am just going to stand on that. We will let the rest take care of itself.

Mr. PHILLIPS. Then the gentleman from California will not object to this unanimous-consent request, but the gentleman from Massachusetts understands what will happen in the future.

Mr. McCORMACK. The gentleman from Massachusetts is not binding himself beyond the present unanimous-consent request that the gentleman from New York have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I was interested in the gentleman's reference to the Tennessee Valley Authority as a Communist outfit. Year before last when the gentleman's candidate for President came down to Memphis he endorsed the program of the TVA——

Mr. GWINN. I yield for a question.

Mr. ABERNETHY. What complaint did the gentleman from New York register then against his candidate's endorsement?

Mr. GWINN. I am not discussing that now.

Mr. ABERNETHY. It is very relevant.

Mr. GWINN. I yielded for a question. Will the gentleman repeat the question?

Mr. ABERNETHY. I am asking the gentleman, what complaint did he register at the time his candidate endorsed what the gentleman says is a communistic organization?

Mr. GWINN. What gentleman?

Mr. ABERNETHY. You.

Mr. GWINN. Will the gentleman repeat his question?

Mr. ABERNETHY. I said, what objection or protest, if any, did the gentleman interpose when his candidate for President in 1952 endorsed this so-called Communist organization?

Mr. GWINN. Why, the part of what the candidate said that I endorsed was that this was one of the best examples of our American creeping socialism.

Mr. ABERNETHY. But that was after he had already caught the rabbit.

Mr. GWINN. Now, Mr. Chairman, I do not yield further.

Mr. ABERNETHY. While your candidate was chasing the rabbit, what did the gentleman have to say?

Mr. GWINN. Mr. Chairman, I do not yield further to the gentleman.

Mr. ABERNETHY. I did not understand that.

Mr. GWINN. I would like to answer further the gentleman's reference yesterday on the floor to the candidate for the Presidency. When the candidate for the Presidency rode in his campaign, before his train got even to the Tennessee border a committee from Tennessee, economically not free, politically not free, religiously worshiping the State, said to the candidate, "What do you bid for the votes of Tennessee in terms of appropriation for TVA?" And the gentleman said that unblushingly, as if our candidates, from here on, should approach each State border with an answer to the question, "What do you bid at this auction for the vote of this State?"

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield to the gentleman from Tennessee.

Mr. MURRAY. I should like to ask the gentleman from New York if he agrees with this statement made by President Eisenhower on November 2, 1952, just 2 days before the election, which statement appeared in all the Tennessee newspapers:

> If I am elected President, TVA will be operated and maintained at maximum efficiency. I have a keen appreciation of what it has done and what it will be able to continue to do in the future. Under the new administration TVA will continue to serve and promote the prosperity of this great section of the United States.

Does the gentleman agree with that?

Mr. GWINN. I assume, Mr. Chairman, that what the President meant was that since TVA was well advanced, having had spent on it $1,788,000,000, that it would raise its power rates to a point where it could build its own steam plants and pay its own taxes. TVA is not contributing to the salary of the President or to the salaries of the Congress or the delegation from Tennessee. Its customers, 1,600,000 of them, are not saying anything either in their power bills. We ought to raise the rates so that at least the Tennessee Valley, this black spot on the map that they put out, will pay something toward their own national defense.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GWINN. Certainly, I yield to the gentleman from West Virginia.

Mr. BAILEY. I should like to remind the gentleman that the financial structure for the proposed St. Lawrence Seaway will be an exact replica of what we have in the Tennessee Valley. Is the gentleman going to take the floor when we take up the St. Lawrence Seaway and brand it as communistic and socialistic?

Mr. GWINN. I shall, if they lose track of the harbors and rivers and begin to deepen the channels as an excuse to use coal.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. PHILLIPS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SUTTON. Mr. Chairman, I am sorry that the chairman of the subcommittee deemed it advisable to object to my request to proceed for an additional 5 minutes, after such a serious charge has been made against 5 million loyal Americans, against the people of Tennessee and the Tennessee Valley.

Mr. Chairman, I might say as an irrefutable fact Tennessee has been known, since 1796, as the volunteer State of the United States of America. In every war America has ever been in, there have been more volunteers from Tennessee, per thousand of population, than from any other State in the United States. Not only in the Spanish-American War, not only in World War I, not only in World War II, but in Korea also, Tennessee is still known as the volunteer State. Any time America is threatened the State of Tennessee comes to the front with her sons and her daughters. We in Tennessee have never been known as believing in communism or any other type of foreignism. We believe in Americanism.

I venture to say to my good friend from New York that he has more Communists in his district than the entire State of Tennessee, and I also venture to say that he has more sympathizers with communism in his district than the State of Tennessee ever will have.

Mr. Chairman, it is a reflection not only on the speaker who is now addressing you to be classified as one who believes in any form of communism but it is a reflection on the nine members of the Tennessee delegation in this House.

I think I can say without fear of contradiction from any Member of this body that there are no more loyal Americans in the United States of America than the nine Members of the House of Representatives from the State of Tennessee. It is not only a reflection on those nine Members from Tennessee but it is a reflection on every Member of the House of Representatives who since 1933 has voted for TVA.

It is a reflection on your present President, who last November said that TVA was all right. In his statement made in Memphis, Tenn., he embraced the Tennessee Valley Authority. I am sure my friend from New York would say that the President of the United States is against communism. If his statement is true that we in the valley are advocating an agency which believes in communism, he is saying that the President of his own party is embracing communism also.

Let me go further, Mr. Chairman, and say this: The gentleman from New York just does not know what TVA is. I think he has been guided by the chamber of commerce or some private power company. If he would come and see what TVA has meant not just to Tennessee but to the national defense of America, he would not come into the well of this House and make statements such as he made previous to my speaking.

What would have happened, as my friend from Missouri [Mr. CANNON] said, had we not had TVA and its power in the last war, and in World War II also? What would have happened if we had not had the atomic bomb? If the subcommittee chairman had let me have the additional 5 minutes I requested, I could have gone into the history of the national defense of this country of ours and shown you what a part TVA has played in it.

Mr. GWINN. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I have but 5 minutes.

Mr. GWINN. I yielded.

Mr. SUTTON. But not to me.

I may say to my good friends that are opposing this $85 million for TVA that I would like to predict something for you: Within 4 months you will be in here asking this House to give at least $300 million for TVA, even though you are today trying to cut our throats. If you know anything about national defense at all, and if you know what is going on today, if you will stop and think and consider, you will not be fighting this amendment because you know yourselves it takes 3 years to construct these steam plants. We have never had a power shortage like today, when we are building some super bombs for the defense of the people in your district and mine, in Tennessee and New York. Without building these plants and preparing for the future, you are cutting the national defense of America.

I might say this to the gentleman from New York, that we in Tennessee hate communism.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is not always easy to present a subject that has been the subject of as much partisan argument as this one has, to get credit for being completely unbiased in analyzing it and presenting it. The TVA was quite an issue in the Congress and in the country when it was created. In the 20 years of its existence, there have been many strong leaders in the Republican Party who agreed with the gentleman from New York [Mr. GWINN]. The record of this Congress will clearly show that has been the viewpoint and the attitude of many Republican leaders through the years. In the 1952 presidential campaign, when General Eisenhower, with his great popularity throughout the country, was the candidate and the nominee of the Republican Party, it was a natural thing for the people in the Tennessee Valley area and those who believe it necessary to have the TVA to meet local and national needs to wonder how they would stand with a man elected on the Republican ticket in view of the fact that so many Republican leaders agreed with the attitude of the gentleman from New York [Mr. GWINN]. At that time, they did ask General Eisenhower, Candidate Eisenhower, where he stood on this great activity which is so vital to a great section of the country. At that time, Mr. Eisenhower clearly stated his position. He stated clearly that he would be for the operation of the TVA at its maximum efficiency and he clearly represented to the people of the area that he would not be a party to the dismemberment of TVA. He made that commitment, and as my colleague said, "He caught the rabbit"—he won the Presidency. But, my friends on the left, let me tell you something. People down there realized then that all they had was the President's own assurance. They recognized then, and they recognize now, that there are 2 or 3 ways to kill the TVA. I am saying to you that the course that this subcommittee has started out upon in this bill clearly shows that they are headed in the direction of killing TVA notwithstanding the commitment of their own President. One way you can kill anything is to let it strangle on its own growth. This issue of whether we should ever have had TVA or not is beside the point—we have it. Let us see if this administration, through this committee, is now starting out on a policy to abolish the TVA. First, through the activities of the Government, the Atomic Energy Commission in less than 2 years, that is the Federal Government, will be taking fully 50 percent of all of the power produced in that area. There, through the Federal Government, you are taking more and more of the total production of the entire operation. Then, notwithstanding the foreseeable need for more power for the Government and for the natural growth in the needs of the area, the TVA is not authorized to place orders for the additional power generation which we can clearly see will be needed. Remember territorial expansion is not sought nor involved. Now to further strangle the TVA the subcommittee requires TVA, in addition to returning to the Treasury the full amount of money that we have invested in 40 years, to return to the Treasury each year $20 million more whether the TVA makes such money or not—even if we have a dry year when water might not be available to generate power. Not only that, but the committee says that transformers and all these other things that are so essential to running a real power utility are going to have to be paid for out of the funds that come into the TVA from power sales. The committee does not stop there. The committee says, "Each year out of your income, even when the Government is taking half of the total power production for atomic energy, you are going to have to run the forestry work, the soil-conservation work, and programs of that nature for which, in

the rest of the country, we appropriate money to the Department of Agriculture, from your power income. And then, in addition to that, you say in this bill to TVA, in case that does not make you raise your rates to the retailers to destroy a part of the value of TVA as a yardstick—in case that does not force repeal of the TVA by making it necessary to sell or to strangle on the growing need for power in the area, the committee would take off all control on the retail rates charged by the distributors, municipalities, and cooperatives, giving an open invitation for them to finance municipal programs from power distribution, so they will increase retail rates though such course would not help the Federal Government or the TVA. Remember this action was not requested.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. PHILLIPS. Mr. Chairman, I am sorry. I am under a good deal of pressure. Cannot the gentlemen extend his remarks?

Mr. WHITTEN. Mr. Chairman, may I proceed for 1 additional minute to complete my statement.

Mr. PHILLIPS. Mr. Chairman, I will not object to the gentleman proceeding for 1 additional minute.

Mr. GAVIN. Reserving the right to object, Mr. Chairman, and I will not object, I just wanted to say that yesterday when I asked for an additional minute the gentleman from Tennessee objected, but I will not object.

Mr. WHITTEN. I appreciate the attitude of my good friend. I did want to say this: What this committee did in its recommendation was to take off the limit as to what any city could charge at the retail level, and apparently dangled before the cities that "Here is a means for you to finance everything in the city." The effect would be to destroy the yardstick value of TVA. Actually it opens up possible dangerous practices, for then cities could provide industrial power for practically nothing, and could bring industries into the area and obtain operating costs for power distribution from the domestic consumers. Behind it all you can see that the fears of the Valley that the Republican administration will destroy the TVA are being well carried out by the proposed action in this bill. Instead of meeting the issue and abolishing the TVA or selling it, they are taking away half of its power production to meet Government needs. Then they are not making available money to finance the building of the additional units needed to meet such increased loads, they withdraw necessary operating capital and destroy the yardstick value by taking off all control of retail charges. If there is any surer way than that to kill the TVA, I do not know what it is. It is to be hoped these efforts will not succeed, but people should know the facts.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Chairman, whatever its intention, the Committee on Appropriations has recommended amendments to the appropriation bill which, if adopted, would in their combined effect, destroy TVA.

They have reduced the appropriations required to add the facilities the system needs to continue giving service to this vital area and suggested that revenues should be used for these expenditures. At the same time they have demanded an increase in the annual dividend—calling it "interest"—required from the system's revenues, a combined burden which will operate to strip TVA of the cash required for reinvestment in the business or to be held as liquid assets in reserve. If these proposals are adopted, the TVA power system will be required to amortize the power investment provided by appropriations in 40 years, and to pay interest at the same time—a burden that no regulatory commission would permit a private power company to saddle on its consumers. At the same time the owners are intent on starving the system by refusing new capital required.

The committee states that the interest provision "included in this bill is intended to help the Tennessee Valley Authority and stop the increasing amount of criticism that is developing because of its expanding power requirements." In 1948 the same argument was advanced for the so-called amortized requirement. Before that pay-back provision was added as a rider to the appropriation bill by the 80th Congress, TVA was already making payments from power proceeds into the general receipts of the Treasury. Twenty-three million dollars had already been paid in from power proceeds, either to mature bonds or to offset appropriations. But it was contended by sponsors of the payback rider that such payments should be regularized in order to reassure the taxpayers that the money provided by the Federal Treasury for TVA's power facilities would, in fact and under the law, be repaid within a reasonable period. They are being repaid. TVA is about $10 million ahead of its schedule right now.

Now the committee suggests that the payment of interest in addition to amortization will allay criticism of TVA's expanding power requirements. Yet the provision clearly has failed to persuade the committee itself that funds should be made available for additional power-generating facilities in this vital area. No appropriation to meet the expanding power requirements is recommended by the committee. Instead, the budget approved by the President has been reduced. However benign the committee's intentions may have been, clearly the adoption of its proposals would be calamitous.

WHAT THESE AMENDMENTS WOULD DO TO THE CASH BALANCES

The effect of the committee's action in denying the appropriation request and proposing that funds for essential expenditures be provided from the cash intended to be reserved for contingencies means, in fact, that if average conditions prevail, TVA will begin fiscal year 1956 with a cash-reserve balance of somewhere between $2 and $8 million.

TVA had expected, on the basis of the budget estimates of revenue and expenditures, assuming average streamflow conditions, that the power program would have a cash balance at the end of year 1955, reserved for contingencies, of $39,920,712—page 2413 of hearings.

It had been expected that the nonpower funds available for contingencies would be $5,897,000—page 2413.

These two items, with the continuing fund of $1 million provided for in section 26 of the TVA Act, apparently make up the estimate June 30, 1955, balance of corporate funds of $46,817,712 referred to by the committee in its report.

The recommended use of $37,618,000 of corporate funds in lieu of appropriations could therefore reduce the year-end balance of power-program funds from $39,920,712 to $2,302,712.

To the extent that the nonpower corporate balance, estimated at $5,897,000, was reduced instead, the balance of power funds might be correspondingly larger than $2,302,712, but the total could be no larger than $8,199,712, on the basis of present estimates of revenues and expenditures, even if the nonpower balance were reduced to zero.

THE CASH RESERVE APPROVED BY THE COMMITTEE COMPARED WITH THE PRACTICE OF PRIVATE INDUSTRY

The committee believes that TVA's cash reserve can be safely reduced. But no explanation is given to indicate what type of analysis preceded the committee's decision. The judgment could not have been based on an analysis of the prevailing practice in private business, nor on the experience of TVA, the largest power producer in the United States. In fiscal 1955, the total assets of its power system will be over a billion dollars. A reserve cash balance of $8 million, the largest possible if the program of additions and replacements anticipated by TVA and approved by the committee is carried out but paid for out of the reserve instead of appropriations, would mean that TVA would have available as liquid assets somewhere in the neighborhood of one-half of 1 percent of its total power assets.

Contrast the situation of the world's largest automobile manufacturer, whose last annual report revealed liquid assets of more than $300 million, 8 percent of its total assets. The world's largest steel company likewise reported liquid assets of more than $300 million, about 11 percent of its total assets. The world's largest chemical company had liquid assets of more than $250 million, 15 percent of total assets. Yet the committee believes that the world's largest power system, owned by the Government of the United States, requires at the most liquid assets of one-half of 1 percent of total assets.

Compare the cash reserve considered adequate for TVA with the reserve maintained by private utility systems in the United States, all smaller than TVA, and all with borrowing powers denied to TVA. Detroit Edison Co. has found it

desirable to have liquid assets of as much as $50 million, 9 percent of total assets, while liquid assets of the Arkansas Power & Light Co. have exceeded 8 percent of total assets.

All these companies can borrow money in the event their cash reserve should prove to be inadequate. TVA has no such power to incur debt. Yet the committee is willing to take the risks involved by reducing TVA's cash balance to one-half of 1 percent of total assets.

The management of TVA could not take that risk. TVA would be obliged to postpone replacements, delay improvements, in order to build up the cash reserve. The system would suffer. Operating costs would rise. Disaster would result to this great public power system upon which a whole region depends, upon which critical installations for defense must depend for national security.

Mr. Chairman, on Monday I referred to the assistance the Government is now offering private utilities in the form of tax amortization. The following is a list of the private electric utilities that have been issued tax amortization certificates through September 21, 1953:

Electric power projects approved for tax certificates

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
ALABAMA						
Alabama Power Co, Birmingham, Ala	Barry generating station unit No. 1, near Mobile Ala	125,000	$22,448,373	$22,284,837	55	$12,256,660
Do	Barry generating station unit No. 2, near Mobile Ala	125,000	16,094,185	16,094,185	65	10,461,220
Do	Transmission line to McIntosh, Ala., and construction of a switching station in Washington County, Ala.		276,724	275,480	25	68,870
Do	Chickasaw plant, 1-unit extension and transmission connections.	40,000	5,771,188	5,765,202	25	1,441,301
Do	Martin Dam, 1-unit hydro extension	55,000	2,468,500	2,468,500	50	1,234,250
Do	Gorgas plant, 2-unit extension and transmission connections.	100,000 100,000	24,611,395	12,171,695 12,439,700	25 55	3,042,924 6,841,835
Do	Transmission connection to River Junction plant		306,695	306,695	50	153,348
Do	Increased transformer capacity to serve Camp Rucker		24,153	24,153	65	15,699
Do	Gorgas steam plant, unit No. 8, Gorgas, Ala	156,250	24,979,098	24,979,098	35	8,742,684
Alabama total						44,258,791
ARIZONA						
Arizona Edison Co., Inc., Phoenix, Ariz	Diesel-Electric generating unit at Miami, Ariz	1,235	164,245	164,245	40	65,698
Arizona Public Service Co., Phoenix, Ariz	Saguaro steam electric station near Red Rock, Ariz	90,000	10,900,000	10,900,000	45	4,905,000
Do	do	90,000	14,000,000	13,950,000	40	5,580,000
Do	Powerplant at Douglas, Ariz		176,392	176,392	45	79,376
Do	Powerplant at Yuma, Arizona	2,500	316,340	316,340	20	63,268
Do	Generating equipment at Ajo, Ariz		98,268	98,268	40	39,307
Do	Transmission line at Luke Field, north of Litchfield, Ariz.		23,632	23,632	50	11,816
Central Arizona Light & Power Co., Phoenix, Ariz	Line and substation facilities		150,000	33,000 84,000	40 25	13,200 21,000
Citizens Utilities Co., Greenwich, Conn	Electric power substation and connecting lines, Santa Cruz County, Ariz.		13,112	13,112	30	3,934
Phelps Dodge Corp., New York, N. Y	Extension to powerplant building at Morenci, Ariz	12,500	2,325,000	2,325,000	65	1,511,250
Arizona total						12,293,849
ARKANSAS						
Arkansas Power & Light Co., Little Rock, Ark	Microwave system—various locations in eastern and southern Arkansas.		122,000	120,000	65	78,000
Do	Capicator installations at Gum Springs, Ark		249,519	249,519	55	137,235
Do	Transmission facilities, Arklahoma, South Little Rock, Bull Shoals, Harrison, Guy, Heber Springs, Cold Creek.		6,635,000	6,635,000	55	3,649,250
Do	Cecil Lynch power station, unit No. 3, North Little Rock, Ark.	105,000	12,650,000	12,650,000	55	6,957,500
Do	Harvey Couch power station unit No. 2, Stamps, Ark	105,000	12,750,000	12,750,000	65	8,287,500
Arkansas Power & Light Co., Pine Bluff, Ark	Transmission line from Moses steam station		660,000	660,000	45	297,000
Do	Transmission and substation facilities, Ingalls, Donan-Ingalls, Ingalls-Warren, Warren-Pine Bluff, Heber Springs-Newport, Remmel Dam-Jones Mills.		4,160,201	4,160,201	55	2,288,111
Do	Addition to generating plant, Lake Catherine power station, unit No. 3, Jones Mills, Ark.	90,000	9,300,000	9,300,000	55	5,115,000
Arkansas Power & Light Co	Transmission line from Jonesboro to Parkin		561,000	561,000	45	252,450
Do	Transmission line from Moses steam station to West Memphis.		528,000	528,000	45	237,600
Do	Installation of capacitor at Jones Mills	13,000	272,000	272,000	45	122,400
Do	Hamilton Moses steam electric station (units No. 1 and No. 2).	132,000	13,100,000	12,160,000	45	5,472,000
Do	Transmission line from Monticello to Warren, Ark		200,000	200,000	45	90,000
Do	Transmission line from Jones Mills to Gurdon		420,000	420,000	45	189,000
Arkansas total						33,173,046
CALIFORNIA						
California Electric Power Co., Riverside, Calif	Switchyard at Highgrove steam generating station, San Bernadino County, Calif.		349,950	349,950	35	122,483
Do	San Bernardino transmission substation, California		379,695	243,645	35	85,276
Do	Highgrove-San Bernardino transmission line, California.		147,595	147,595	35	51,658
Do	Terminal facilities for transmission line from Highgrove powerplant and Valley substation, to San Diego line.		261,585	248,085	35	86,830
Do	Transmission terminal facilities at Highgrove powerplant.		137,300	137,300	35	48,055
Do	Substation and facilities Edwards Air Force Base, Kern and San Bernardino Counties.		401,635	383,498	55	210,924
Do	Highgrove steam electric station, unit No. 3	40,000	5,568,221	5,568,221	35	1,948,877
Do	Transmission connections to new Highgrove powerplant.		346,605	346,605	35	121,312
Do	Panoche substation, San Benito County, Calif		311,796	311,796	45	140,308
Do	Transmission connection to pit No. 4 hydroelectric plant, Shasta County, Calif.		2,684,323	2,624,323	45	1,180,945
Do	San Mateo and Moraga substations facilities		2,463,660	2,463,660	45	1,108,647
Do	New hydroplant (plant No. 4), Shasta County, Calif	85,000	25,171,247	25,171,247	45	11,327,061
Do	New steam-electric powerplant in central California (location undetermined).	250,000	44,310,600	44,310,600	45	19,939,770
Do	Moraga substation, Contra Costa County, Calif., additional facilities.		75,000	75,000	20	15,000
Do	Transmission lines in Kern and San Luis Obispo Counties, Calif.		500,422	500,422	20	100,084

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
CALIFORNIA—continued						
California Electric Power Co., Riverside, Calif.	Transmission lines, Williams and Calpella in Colusa and Mendocino Counties, Calif.		$3,826,827	$3,826,827	20	$765,365
Do	Transmission line from Monte Rio to Gualala in Sonoma and Mendocino Counties, Calif.		666,120	666,120	40	266,448
Do	Transmission line from San Luis Obispo to Santa Maria, Calif.		504,441	504,441	40	201,776
Do	Contra Costa steam plant to Maranga, Contra Costa County, Calif.		496,000	496,000	40	198,400
Do	McCall substation about 12 miles southeast of Fresno County, Fresno, Calif.		1,583,138	1,583,138	40	633,255
Do	Tesla-Panoche transmission line—San Joaquin, Stanislaus, Merced and Fresno Counties, Calif.		1,146,292	1,146,292	40	458,517
Do	Transmission line in Monterey and Santa Clara Counties, Calif.		667,000	667,000	40	266,800
Do	Panoche-McCall transmission line right-of-way, Kings County, Calif.		211,875	211,875	40	84,750
Do	Transmission line, Bridgeville to Fruitland Junction		181,886	134,021	40	53,608
Do	Hamilton Field Air Base substation, Marin County, Calif.		59,550	59,550	40	23,820
Do	Transmission and substation facilities, southeast of San Francisco, Calif.		8,225,208	8,225,208	40	3,290,083
Do	Transmission line in Humboldt County, Calif.		487,177	339,087	40	135,635
Do	Tesla substation, San Joaquin County, Calif.		178,394	178,394	40	71,358
Do	Humboldt substation, Humboldt County, Calif.		429,300	429,300	40	171,720
Do	Transmission facilities, vicinity Red Bluff, Tehema County, Calif.		67,843	67,843	40	27,137
Do	San Miguel substation (increase capacity)		51,408	51,408	40	20,563
Do	Terminal facilities at the Marage substation for Contra Costa plant (6 miles northeast of Oakland in Contra Costa County).		147,731	147,731	20	29,546
Do	Transmission facilities, Alameda County, Calif.		220,500	220,500	20	44,100
Do	Contra Costa steam electric, Contra Costa County, Calif.	200,000	28,198,500	28,198,500	55	15,509,175
Do	Install 2 kilovolt underground circuits between station G, El Cerrito, and the proposed substation at Richmond, Calif.		760,000	760,000	20	152,000
Do	Transmission facilities to Dow Chemical Co. at Pittsburg, Calif.		282,700	282,700	20	56,540
Do	Transmission facilities in Humboldt, Trinity, and Shasta Counties, Calif.		5,519,530	5,511,530	40	2,204,612
Do	Transmission facilities Panoche-Ora Lima substation in San Benito and Fresno Counties, Calif.		634,606	634,606	40	253,842
Do	Transmission facilities Mountain View, Santa Clara County, Calif.		37,070	37,070	40	14,828
Do	Mendocino substation, Mendocino County, Calif.		113,588	113,588	20	22,718
Do	Transmission facilities, Pittsburg to Panoche, Alameda, Contra Costa, Stanislaus and Merced Counties, Calif.		7,273,914	7,273,914	45	3,273,261
Do	Murphys hydroelectric plant, Calaveras County, Calif.	3,850	1,204,168	1,204,168	35	421,459
Do	Transmission line, Shasta County, Calif.		265,162	265,162	40	106,065
Do	Transmission line, Humboldt-Newberg Junction, Humboldt County, Calif.		97,511	97,511	40	39,004
Do	Cooley Landing substation, East Palo Alto, Calif.		545,118	545,118	40	218,047
Do	Pittsburg Powerplant, units No. 1 and No. 2, Pittsburg, Calif.	250,000	42,522,751	42,522,751	45	19,135,238
Do	Pittsburg powerplant units No. 3 and No. 4, Pittsburg, Calif.	250,000	31,999,922	31,999,922	45	14,399,965
Do	Maraga substation, Contra County, Calif.		175,000	175,000	40	70,000
Do	Substation and transmission facilities, Fort Ord station, Monterey County, Calif.		134,570	59,570	35	20,850
Do	Transformer bank at Vaca-Dixon substation, Solano County, Calif.		804,000	804,000	40	321,600
Do	Transmission line and substation, Ames, Calif.		1,054,204	1,009,204	55	555,062
Do	Panoche to McCall transmission line, Kings County, Calif.		1,819,000	1,740,584	40	696,234
Do	Benicia Arsenal and vicinity, Solano County, Calif.; distribution facilities.		41,966	41,966	40	16,786
Do	Electric distribution system at Fairfield, Solano County, Calif.		48,319	48,319	30	14,496
Do	Transmission line, Newberg to Bridgeville, Humboldt County, Calif.		272,790	272,790	20	54,558
Do	Transmission line from Brighton substation to Sacramento, Calif.		129,538	129,538	20	25,908
Do	Transmission line between Newark and Mabury stations and related equipment at Newark substation, Alameda and Santa Clara Counties.		192,094	192,094	20	38,419
Do	Transmission line, Panoche-Midway-Kern steam plant, near Bakersfield, Calif.		2,045,221	2,045,221	20	409,044
Do	Transmission line from Moraga substation to station U, San Leandro, Calif.		2,019,000	2,019,000	20	403,800
Do	Transmission line from Salisbury station to Mather Heights, Sacramento County, Calif.		81,274	81,274	30	24,382
Do	Transmission line from Trinidad to Orick, Humboldt County, Calif.		308,699	308,699	20	61,740
Do	Installation of transformers at Decoto substation, Alameda County, Calif.		24,750	24,750	20	4,950
Do	Transmission line from Essex junction to Trinidad, Humboldt County, Calif.		244,272	244,272	20	48,854
Do	Increase Lathrop substation capacity, San Joaquin County, Calif.		39,595	39,595	20	7,919
Do	Substation at San Leandro, Calif.		329,700	329,700	25	82,425
Do	Transmission facilities, Redwood Creek area, Humboldt County, Calif.		228,382	135,642	20	27,128
Pope & Talbot Co., Inc., San Francisco, Calif.	Extension to industrial powerplant	2,500	148,607	148,607	40	59,443
Southern California Edison Co., Los Angeles, Calif.	Transmission line in Los Angeles County, Calif.		95,787	95,787	40	38,315
Do	Electric distribution facilities, to Northrop Aircraft, Inc., Hawthorne, Los Angeles County, Calif.		28,982	28,982	20	5,796
Do	Transmission line and facilities to Nigg Corp., Corina, Calif.		31,803	31,803	30	9,541
Do	Redondo steam-electric station No. 2, Redondo Beach-Los Angeles, Calif.	250,000	43,500,000	19,065,000 24,335,000	30 25	5,719,500 6,083,750

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
CALIFORNIA—continued						
Southern California Edison Co., Los Angeles, Calif.	Antelope substation, Los Angeles County, Calif.		$2,113,517	$2,091,662	40	$836,665
Do	Transmission connections to center substation near Los Angeles, Calif.		2,415,208	1,362,755	20	272,551
Do	Etiwanda steam generating station waste-water disposal facilities, Etiwanda, San Bernardino County, Calif.		1,076,000	1,076,000	40	430,400
Do	Etiwanda steam electric station, San Bernardino County, Calif.	100,000	35,500,000	35,182,000	40	14,072,800
Do	Transmission facilities to Edwards Air Force Base, Muroc, Calif.		228,000	228,000	55	125,400
Do	Center substation near Downey, Calif.		5,242,050	5,066,550	20	1,013,310
Do	Line extension and substation near Pomona, Calif.		62,146	62,146	35	21,751
Do	Etiwanda steam station transmission facilities.		2,854,931	2,681,788	40	1,072,715
Do	Oil and gas line facilities for Etiwanda steam station, Etiwanda, San Bernardino City, Calif.		2,560,000	2,525,000	40	1,010,000
Do	Transmission line from Chino substation to Ganesha substation.		93,864	93,864	40	37,546
Do	Laguna Bell substation facilities.		4,196,296	2,926,788	40	1,170,715
California total						133,901,218
COLORADO						
Frontier Power Co., Trinidad, Colo.	Transmission lines, Las Animas and Huerfano Counties, Colo.		439,655	439,655	45	197,845
Public Service Co. of Colorado, Denver, Colo.	Lacombe steam-electric station unit No. 2, Denver, Colo.	60,000	10,897,000	10,897,000	45	4,903,650
Do	Alamosa electric powerplant—addition—unit No. 6, Alamosa, Colo.	7,500	1,782,376	1,782,376	55	980,307
Do	Steam electric stations at Arapahoe and Grand Junction.	127,500	25,519,643	15,104,382	25	3,776,096
Colorado total						9,857,898
CONNECTICUT						
Connecticut Light & Power Co., Hartford, Conn.	Extension to existing Montville station, Uncasville, Conn.	75,000	17,300,000	17,300,000	40	6,920,000
Do	Thompsonville gas turbine electric plant, Thompsonville, Conn.	10,000	2,875,600	2,864,600	50	1,432,300
Do	Construction of new gas turbine electric plant, Danielson, Conn.	10,000	2,822,450	2,822,450	45	1,270,103
Do	Willimantic-Rockville 69-kilovolt transmission line.		349,572	349,572	25	87,393
Do	Devon-Norwalk transmission line.		1,269,125	948,125	25	237,031
Do	Montville-New Britain transmission line.		1,800,000	1,797,161	25	449,290
Connecticut Power Co., Hartford, Conn.	Transmission line, Berlin to New Britain, Conn.		355,000	293,122	45	131,905
Do	Transmission facilities, Middlesex and Hartford Counties.		2,495,000	2,495,000	55	1,372,250
Derby Gas & Electric Co., Derby, Conn.	Housatonic steam electric station, Derby, Conn.		763,942	763,942	20	152,788
Electric Power, Inc., Hartford, Conn.	Shepaug hydroelectric generating station, Southbury, Conn.	36,000	13,643,000	13,015,000	30	3,904,500
Hartford Electric Light Co., Hartford, Conn.	New steam electric generating station, Laurel steam electric station, Middletown, Conn.	60,000	14,500,000	14,500,000	55	7,975,000
United Illuminating Co., New Haven, Conn.	Transmission facilities to United Aircraft Corp., north of New Haven, Conn.		470,000	466,500	20	93,300
Do	Extension to English steam electric station, unit No. 8 510 Grand Ave., New Haven, Conn.	30,000	8,500,000	8,482,000	55	4,665,100
Connecticut total						28,690,960
DELAWARE						
Delaware Power & Light Co., Wilmington, Del.	Transmission and generation facilities, Edge Moor generating station, unit No. 3, New Castle County, Del.	60,000	12,650,000	11,910,000	45	5,359,500
Delaware total						5,359,500
DISTRICT OF COLUMBIA						
Potomac Electric Power Co., Washington, D. C.	Extension of power station, Washington, D. C.	25,000	9,000,000	9,000,000	60	5,400,000
District of Columbia total						5,400,000
FLORIDA						
Florida Power & Light Co., Miami, Fla.	Riviera steam electric station, Palm Beach County, Fla.	60,000	9,340,000	9,340,000	50	4,670,000
Do	Installation unit No. 4 at Cutler steam electric station, Cutler, Fla.	60,000	8,884,000	8,801,564	45	3,960,704
Do	Cutler steam electric station, unit No. 5 with transmission facilities (about 12 miles south of Miami, Fla.)	60,000	11,000,000	11,000,000	40	4,400,000
Florida Power Corp., St. Petersburg, Fla.	Extension to Avon Park steam electrical station, Avon Park, Fla.	40,000	6,365,820	6,289,820	30	1,886,946
Do	New Suwannee River plant, Suwannee, Fla.	30,000	5,535,000	5,510,000	30	1,653,000
Do	Transmission facilities, Higgins plant, Fort Mead-Lake Wales area.		1,768,200	1,768,200	30	530,460
Do	Extension to Higgins steam electric station, Oldsmar, Fla.	80,000	12,559,000	12,559,000	35	4,395,650
Do	New Higgins steam electric station, Oldsmar, Fla.		7,011,805	6,994,229	20	1,398,846
Do	Transmission facilities, Jasper-Quincy line; will connect with the new Suwanee plant, Florida.		868,478	868,478	20	173,696
Gulf Power Co., Pensacola, Fla.	Pensacola plant, 1 unit extension and transmission connections.	30,000	4,837,682	4,819,682	50	2,409,841
Do	River Junction plant, new 2-unit plant and transmission connections.	40,000 60,000	15,156,012	10,272,082 4,883,930	55 65	5,649,645 3,174,555
Florida total						34,303,343

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
GEORGIA						
Georgia Power Co., Atlanta, Ga	Lockheed Aircraft substation, Marietta, Ga		$203,486	$203,486	40	$81,394
Do	Transmission line near Augusta, Ga		579,371	579,371	55	318,654
Do	Extension to Hammond generating station, unit No. 3. Transmission connections and substation reinforcements.	100,000	15,990,588	15,885,588	65	10,325,632
Do	Hammond steam plant, unit No. 1, Rome, Ga	109,000	15,765,220	15,549,220	55	8,552,071
Do	Hammond generating station, unit No. 2, Rome, Ga	100,000	12,967,000	12,967,000	55	7,131,850
Do	Bartlett's Ferry, 1-unit hydroextension and transmission connections.	20,000	1,460,000	1,460,000	25	365,000
Do	Yates plant, 1-unit extension and transmission connections.	100,000	12,143,673	12,143,673	50	6,071,837
Do	Plant McManus, new 1-unit plant and transmission connections.	40,000	7,748,277	7,564,677	50	3,782,339
Do	Furman Shoals, 2-unit hydroplant and transmission connections.	45,000	16,764,800	15,286,800	50	7,643,400
Do	Transmission reinforcement, Macon-Eastman-Vidalia		1,255,544	630,544	25	157,636
Do	Transmission reinforcement, Commerce-Athens, Warrenton.		1,316,291	1,316,291	25	329,073
Do	Transmission reinforcement and connection to River Junction plant.		838,620	[1] 742,967	50	371,484
Do	Extension of existing hydroelectric plant with generating units and accessories at Goat Rock Dam, near Columbus, Ga.	10,000	931,000	931,000	35	325,850
Georgia Power & Light Co., Atlanta, Ga	Transmission facilities, Jasper-Waycross from Florida-Georgia State line to Waycross, Ga.		875,000	706,829	30	212,049
Florida Power Corp., St. Petersburg, Fla	Jasper-Waycross transmission line, from Jasper to Georgia State line, Waycross, Ga.		83,500	83,500	30	25,050
Georgia total						45,693,319
IDAHO						
Idaho Power Co., Boise, Idaho	Hydroelectric power development, Snake River, transmission lines and terminal facilities.	27,500 27,500 27,500	21,109,010	20,047,610	50	10,023,805
Do	Transmission line from American Falls, Idaho, to Don substation near Pocatello, Idaho.		832,642	832,642	25	208,161
Do	Don substation, Pocatello, Idaho		899,405	725,915	25	181,479
Do	Don substation, Pocatello, Idaho, transformer banks		1,034,000	1,034,000	40	413,600
Utah Power & Light Co., Salt Lake City, Utah	Substation at Goshen, Idaho		129,640	129,640	35	45,374
Do	Transmission line and facilities, Goshen-Scoville, Idaho.		565,529	282,765	35	98,968
Idaho total						10,971,387
ILLINOIS						
Central Illinois Light Co., Peoria, Ill	Transmission line and substations, De Kalb, Ill		345,000	205,000	30	61,500
Do	Wallace steam electric station and transmission lines	60,000	12,079,796	8,334,246	25	2,083,562
Do	Transmission line, Peoria to Springfield, Ill		744,000	744,000	45	334,800
Do	Transmission and substation facilities, northeast Peoria.		225,000	200,000	45	90,000
Central Illinois Electric & Gas Co., Rockford, Ill	Sabrooke generating station, unit No. 3	30,000	6,600,000	6,600,000	55	3,630,000
Do	Transmission loop for serving city of Rockford		1,711,100	1,271,900	55	699,545
Central Illinois Public Service Co., Springfield, Ill.	Transmission line to Joppa powerplant, Joppa, Ill., and additions to substation at West Frankfort, Ill.		3,100,238	3,100,238	55	1,705,131
Commonwealth Edison Co., Chicago, Ill	Substation and underground service extension to chemical plant.		201,000	201,000	35	70,350
Do	Underground service extension to munitions plant		245,000	245,000	35	85,750
Illinois Power Co., Decatur, Ill	Hennepin steam-electric station, unit No. 1, near Hennepin, Ill., Putnam County.	60,000	16,773,000	16,538,000	35	5,788,300
Do	Addition to Wood River steam-electric station, unit No. 4, Madison County, Ill., near city of Wood River.	90,000	15,784,800	15,784,800	35	5,524,680
Do	Transmission connections to West Frankfort, Ill		2,301,300	2,301,300	55	1,265,715
Public Service Co. of Northern Illinois, Chicago, Ill.	Transmission line, Waukegan to Wisconsin boundary		525,000	525,000	65	341,250
Do	Transmission line and substation at Sterling, Ill		1,200,000	1,160,000	45	522,000
Union Electric Power Co., St. Louis, Mo	Transmission facilities, Roxana, Ill		160,789	117,446	40	46,978
Do	Transmission facilities, East St. Louis, West Frankfort, Ill.		5,670,344	5,670,344	55	3,118,689
Illinois total						25,368,250
INDIANA						
Indiana and Michigan Electric Co., Fort Wayne, Ind.	Transmission line, Twin Branch, South Bend, Ind		611,179	661,179	25	165,295
Do	Tanners Creek No. 1, Indiana new steam electric generating plant and connecting transmission line.	150,000	21,034,840	20,928,340	25	5,232,085
Do	Tanners Creek No. 2, Indiana; extension to steam electric generating plant and connecting transmission line.	150,000	17,468,691	17,468,691	45	7,860,911
Do	Transmission line and substations, Union City, Dunkirk, Ind.		1,753,840	1,748,840	45	786,978
Indiana & Michigan Electric Co., care of American Gas & Electric Service Corp., New York, N. Y.	Substations at Marion, Anderson, and Muncie, Ind		270,750	270,750	55	148,913
Do	Transmission lines, Anderson, Ind		110,770	110,770	30	33,231
Indiana & Michigan Electric Co., New York, N. Y.	Tanners Creek steam plant, unit No. 3, near Lawrenceburg, Ind., to vicinity of Fort Wayne, Ind., to vicinity of East Dunkirk, Ind.	200,000	41,899,000	41,869,000	45	18,841,050
Indiana & Michigan Electric Co., care of American Gas & Elect. Service Corp., New York, N. Y.	Transmission facilities, Marion, Ind		179,485	179,485	35	62,820
Do	Transmission facilities, Fort Wayne, Ind		76,100	76,100	35	26,635
Do	Transmission facilities, near LaPorte, Ind		237,846	182,503	55	100,377
Indianapolis Power & Light Co., Indianapolis, Ind	New speedway substation west of Indianapolis, Ind		508,715	508,715	55	279,793
Do	Addition to existing White River generating plant, Morgan County, 25 miles southwest of Indianapolis (unit No. 4).	60,000	8,287,977	7,900,761	55	4,345,419
Do	Addition to existing White River generating plant, Morgan County, 25 miles southwest of Indianapolis (unit No. 5).	60,000	10,458,394	9,992,519	55	5,495,885

[1] Amended from $838,620.

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
INDIANA—continued						
Northern Indiana Public Service Co., Hammond, Ind.	Transmission and substation installations near La Porte, Ind.		$1,396,300	$1,133,900	30	$340,170
Do	Substation enlargement, East Chicago, Ind		89,636	52,261	20	10,452
Do	Transmission facilities to serve American Cyanamid Co., northeast of Michigan City, Ind.		78,505	64,775	35	22,671
Do	Substation and transmission facilities, Indiana Harbor, Ind.		209,305	209,305	35	73,257
Public Service Co. of Indiana, Inc., Plainfield, Ind.	Wabash River power station, approximately 6 miles north of West Terre Haute, Ind., on Wabash River.	180,000	28,829,500	28,829,500	30	8,648,850
Do	Transmission facilities, Wabash River station to Kokomo—substation at Kokomo, addition to existing Highland substation, Wabash River station to Columbus—substation at Columbus.		9,679,570	9,658,370	30	2,897,511
Do	Extension of Wabash River station north of West Terre Haute, Ind.	180,000	24,879,000	24,879,000	40	9,951,600
Do	Wabash River power station No. 5, 6 miles north of West Terre Haute, Ind.	125,000	17,000,000	17,000,000	40	6,800,000
Do	Transmission substation at Kokomo and Columbus, Ind.		1,702,500	1,702,500	40	681,000
Do	Transmission and substation facilities connecting Wabash River generating station to system at Lafayette, Kokomo, and Columbus, Ind.		5,666,800	5,666,800	40	2,266,720
Southern Indiana Gas & Electric Co., Evansville, Ind.	Read St. substation for new defense loads, Evansville, Ind.		454,000	422,652	30	126,796
Do	Culley generating station 14 miles east of Evansville, Ind., on Ohio River.	40,000	10,552,500	10,443,500	45	4,699,575
Do	Transmission line, Evansville to Oakland, Ind		1,322,000	1,294,500	35	453,075
Indiana total						80,351,069
IOWA						
Iowa Electric Light & Power Co., Cedar Rapids, Iowa.	Steam electric generating station, Marshalltown power station, Marshalltown, Iowa.	30,000	7,776,782	7,761,162	55	4,268,639
Iowa Power & Light Co., Des Moines, Iowa	Des Moines power station No. 2 (steam electric generating station), Des Moines, Iowa.	66,000	9,776,900	9,769,301	50	4,884,651
Do	Council Bluffs power station, Council Bluffs, Iowa	44,000	9,362,900	9,352,850	50	4,676,425
Iowa Public Service Co., Sioux City, Iowa	Hawkeye steam electric generating station, unit No. 2 at Storm Lake, Iowa.	11,500	2,700,000	2,700,000	55	1,485,000
Do	Transmission line and substations, Sioux City to Fort Dodge.		4,435,282	4,425,282	55	2,433,905
Iowa Southern Utilities Co., Centerville, Iowa	Bridgeport steam electric station units Nos. 1 and 2	40,000	8,926,000	4,117,134 4,747,966	50 30	2,058,567 1,424,390
Iowa total						21,231,577
KANSAS						
Central Kansas Power Co., Abilene, Kans	Hill City steam electric generating station, Hill City, Kans.	11,500	1,906,776	1,900,852	50	950,426
Do	Transmission line, Hill City, Hays, Kans		474,734	474,734	50	237,367
The Empire District Electric Co., Joplin, Mo	Riverton unit No. 8, Riverton, Kans	40,000	6,961,000	6,961,000	40	2,784,400
Kansas Gas & Electric Co., Wichita, Kans	Murray Gill steam plant	40,000	8,306,686	8,036,000	40	3,214,400
Do	Murray Gill steam electric unit No. 2—and transmission facilities—6 miles southwest of city of Wichita, Kans.	60,000	8,785,000	8,605,000	55	4,732,750
Do	Neosho steam generating electric station, No. 3 unit, Parsons, Kans.	60,000	10,981,000	10,969,200	65	7,129,980
The Kansas Power & Light Co., Topeka, Kans	Lawrence steam electric station, unit No. 2, Lawrence, Kans.	30,000	5,500,353	5,425,000	55	2,983,750
Lion Oil Co., El Dorado, Kans	Power installation at Chemica plant near El Dorado, Kans.	3,000	260,065	260,065	55	143,036
Western Light & Telephone Co., Inc., Kansas City, Kans.	Steam electric generating station, Heiser, Kans., initial unit.	15,000	3,517,000	3,495,000	55	1,922,250
Do	Smith Center-Medicine Lodge, Kans., transmission line and associate substations.		2,020,288	2,020,288	55	1,111,158
Kansas total						25,209,517
KENTUCKY						
Kentucky Utilities Co., Lexington, Ky	Green River Steel Corp., 3 miles east of Owensboro, Ky., transmission facilities.		1,024,476	1,024,476	40	409,790
Do	Transmission connections, Green River powerplant at Paducah.		2,452,578	2,442,578	55	1,343,418
Do	Green River powerplant, unit No. 3, Muhlenburg County, Ky.		9,497,000	9,497,000	45	4,273,650
Kentucky & West Virginia Power Co. (American Gas & Electric Service Corp.), New York, N. Y.	Transmission line, Bellefonte, Ky., and thence to Ohio State line.		672,420	607,420	40	242,968
Do	Transmission facilities at and between Hazard, Perry County, and Leslie substation, Leslie County, Ky.		216,615	216,615	20	43,323
Kentucky total						6,313,149
LOUISIANA						
Central Louisiana Electric Co., Alexandria, La	St. Landry generating addition and substation	40,000	7,069,018	3,200,560	40	1,280,224
Do	Teche generating station and transmission line, Alexandria Army Base.			3,286,500	55	1,807,575
Do	Transmission line, St. Landry			511,700	20	102,340
Do	Transmission line, Bayou Sale, La			27,500	25	6,875
Do	Gas pipeline to supply Teche No. 1 steam-generating unit at Baldwin, La.		246,000	246,000	55	135,300
Do	Transmission line, St. Landry-Baldwin; stepup substation at Baldwin steam electric station, transmission line, Shady-Oaks-Beaver Creek.		1,069,000	823,550	55	452,953
Gulf States Utilities Co., Beaumont, Tex	Transmission and substation facilities, Erath, La		216,100	216,100	20	43,220
Do	Transmission facilities near Lake Charles, La		202,100	202,100	40	80,840
Do	Louisiana power station, units 2A and 3A, Baton Rouge, La.	80,000	16,500,000	16,500,000	65	10,725,000
Do	Transmission facilities from Scott, to Eunice, La., and substation at Nelson general plant.		600,000	598,000	55	328,900

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
LOUISIANA—continued						
Gulf States Utilities Co., Beaumont, Tex	Nelson power station unit No. 1 Scott, La	60,000	$10,000,000	$9,940,000	65	$6,461,000
Do	Transmission facilities from Plaquemine, La., to Port Allen, La.		1,000,000	999,500	55	549,725
Do	Transmission facilities, Lake Charles, La		50,800	50,800	45	22,860
Do	Addition of 2 bays in Riverside substation, Lake Charles, La.		598,000	598,000	45	269,100
Do	Louisiana power station unit No. 9, Baton Rouge, La	60,000	8,500,000	8,500,000	55	4,675,000
Louisiana Power & Light Co., New Orleans, La	Transmission facilities between Raceland, La., and Plaquemine, La.		845,002	735,720	45	331,074
Do	Churchill-Luling and Churchill-Westwego transmission lines (Louisiana).		362,600	362,600	55	199,430
Do	Transmission lines: Minden, La., to Arkansas State line, Minden, La., to station E, and standard to Winnfield.		508,960	485,388	55	266,963
Do	Substation and transformer at Beaver Creek, La		202,000	202,000	55	111,100
Do	Ninemile Point power station unit No. 2, New Orleans, La.	90,000	9,900,000	9,900,000	55	5,445,000
Do	Transmission lines and substations from Sterlington power station to Minden, La.		1,322,500	1,114,579	55	613,018
Do	Transmission facilities, Ninemile power station to Snake Farm substation, New Orleans, La., and switching structure at Snake Farm.		741,000	711,430	55	391,287
Do	Ninemile Point steam electric station-steam electric generating plant.	60,000	8,123,633	7,936,955	45	3,571,630
Louisiana total						37,870,414
MAINE						
Central Maine Power Co., Augusta, Maine	Oil storage at Mason powerplant	10,000	1,604,100	151,324	25	37,831
Do	Transmission line from Mason station, Wiscasset, Maine, to Moshers substation, Gorham, Maine, and substation facilities.		1,184,235	1,184,235	55	651,329
Do	Indian Pond hydrodevelopment substation and transmission line on upper Kennebec River in Chase Stream and Indian Pond Townships, Maine.	45,000	17,101,187	16,540,600	45	7,443,270
Do	Mason steam electric station Wiscasset, Maine, units Nos. 3 and 4.	60,000	8,701,791 4,179,700	8,701,791 4,179,700	40 55	3,480,716 2,298,835
Maine total						13,911,981
MARYLAND						
Consolidated Gas & Electric Light & Power Co., Baltimore, Md.	Electric generating station, Riverside generating plant, Turner, Md.	75,000	10,318,751	10,255,113	20	2,051,023
Do	Substation addition		49,738	49,738	20	9,948
Do	Reinforcement of existing 110 kilovolt		5,075,807	4,613,857	20	922,771
Do	Gould St. steam electric station, Gould St., Baltimore, Md.	100,000	13,907,039	13,907,039	35	4,867,464
Do	Construction of Harford substation near Aberdeen, Md.		905,000	905,000	30	271,500
Do	Reinforcement of underground circuits between Westport and south Baltimore substations.		79,008	74,290	20	14,858
Do	Riverside steam electric station, Turner 22, Md. (extension to).	75,000	14,525,000	14,480,550	40	5,792,220
Do	Herbert A. Wagner steam electric station, Stony Creek Rd., Anne Arundel County, Md., 1st unit.	125,000	24,465,000	24,465,000	45	11,009,250
Potomac Edison Co., Frederick, Md	Transmission line from Williamsport, Md., to West Virginia State line.		18,730	18,730	20	3,746
Do	Transmission facilities to Fairchild Aircraft Division plant 1, Hagerstown, Md.		39,715	39,715	25	9,929
Do	Transmission line from Williamsport to Reid, Md		489,050	484,050	25	121,013
Maryland total						25,073,722
MASSACHUSETTS						
Boston Edison Co., Boston, Mass	Transmission line, Braintree to Walpole and substation extension at Weymouth, Mass.		1,021,940	1,021,940	35	357,679
Do	Transmission line, Braintree to Whitman, Mass		301,344	301,344	30	90,403
Do	Transmission facilities, Massachusetts, Middlesex County, Woburn, Burlington, Lexington, and Waltham.		532,300	532,300	30	159,690
Do	Extension to existing Edgar generating station No. 75, North Weymouth, Mass.	81,250	16,613,400	16,613,400	35	5,814,690
Do	Substation facilities at West Medway, Mass		268,000	238,770	30	71,631
Do	Substation and transmission facilities, Edgar station and Edgar station to Walpole substation, Massachusetts, Norfolk County.		3,626,100	3,626,100	30	1,087,830
Do	Extension to Edgar steam electric station No. 75, North Weymouth, Mass.	81,250	14,100,000	14,100,000	30	4,230,000
Western Massachusetts Electric Co., Greenfield, Mass.	West Springfield station, West Springfield, Mass	40,000	7,257,545	7,257,545	40	2,903,018
Massachusetts total						14,714,941
MICHIGAN						
Consumers Power Co., Jackson, Mich	Justin R. Whiting powerplant and transmission facilities on Lake Erie.	106,000	17,275,000	17,275,000	40	6,910,000
Do	Dort transmission substation, north of Flint, Mich		492,600	430,500	20	86,100
Do	Justin R. Whiting powerplant and transmission lines, Lake Erie.	[2] 170,000	31,095,000	31,086,000	35	10,880,100
Do	Construction at Hemphill substation to serve power to Chevrolet motors division at Flint, Mich.		192,700	165,739	40	66,296
Do	Transmission facilities, Flint, Mich. (Genesee County).		62,400	62,400	40	24,960
Consumers Power Co., West Jackson, Mich	Power supply to Corboloy department of General Electric Co. at Edmore, Mich., transmission facilities.		200,822	191,902	35	67,166

[2] Units 1 and 2 85,000 each.

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
MICHIGAN—continued						
Consumers Power Co., Jackson, Mich.	Substation at Continental Motors and supplying transmission line in Muskegon, Mich.		$117,191	$117,191	30	$35,157
Do.	Installation of circuit breakers and metering equipment, Flint, Mich.		60,000	60,000	30	18,000
Do.	Transmission facilities, Adrian-Beecher substation, Adrian, Mich.		565,000	565,000	40	226,000
Do.	Transmission line, Flint, Mich.		505,600	505,600	30	151,680
Do.	Transmission facilities, Pontiac, Mich.		320,000	320,000	25	80,000
Do.	Transmission facilities, Edmore, Mich.		34,993	34,993	30	10,498
Do.	Powerplant extension, John C. Weadock plant, unit No. 7, Bay County, Mich.	135,000	27,838,559	27,838,559	35	9,743,496
Do.	Floodlighting equipment at 4 principal generating stations, B. C. Cobb plant, Muskegon, Mich.; B. E. Morrow plant, Kalamazoo, Saginaw River plant, Saginaw and J. C. Weadock plant, Essexville, Mich.		44,900	44,900	55	24,695
Do.	Transmission facilities, Adrian, Mich.		75,000	75,000	20	15,000
Detroit Edison Co., Detroit, Mich.	St. Clair powerplant unit No. 4, East China Township, St. Clair County, Mich.	125,000	33,450,000	33,450,000	35	11,707,500
Do.	Connors Creek No. 15 and No. 16	200,000	42,798,750	42,798,750	25	10,699,688
Do.	St. Clair No. 1	125,000	39,040,600	39,040,600	45	17,568,270
Do.	St. Clair No. 2	125,000	20,448,550	20,448,550	65	13,291,558
Do.	St. Clair No. 3	125,000	18,867,450	18,867,450	65	12,263,843
Dow Chemical Co., Midland, Mich.	Steam electric plant at Midland	30,000	9,905,000	9,905,000	50	4,952,500
Ford Motor Co., Dearborn, Mich.	Ford powerhouse No. 1		485,000	463,238	65	301,105
Indiana & Michigan Electric Co., care of American Gas & Electric Service Corp., New York, N. Y.	Transmission lines and facilities in the Sturgis-Niles area, Pokagon, Mich.		601,102	601,102	40	240,441
Do.	Hickory Creek substation, 2½ miles south of St. Joseph, Mich.		598,507	594,757	40	237,903
Lake Superior District Power Co.	Substation and transmission facilities, Ironwood, Mich.		473,000	437,545	40	175,018
Michigan Gas & Electric Co., Three Rivers, Mich.	Substation at Cassopolis, Mich.		72,173	72,173	20	14,435
Upper Peninsula Power Co., Houghton, Mich.	Transmission and associated facilities, Ontonagen County, Mich.		261,884	136,290	55	74,960
Wisconsin Michigan Power Co., Milwaukee, Wis.	Lower Paint Dam hydroelectric station, approximately 7 miles southeast of Crystal Falls, Mich.	100	487,820	487,820	35	170,737
Do.	Hemlock Falls hydroelectric station on the Michigamme River, Iron County, Mich.	2,800	976,040	976,040	40	390,416
Do.	Michigamme Falls hydroelectric station on the Michigamme River, Iron County, Mich.	4,800	2,064,100	2,064,100	40	825,640
Michigan total						101,253,162
MINNESOTA						
Minnesota Power & Light Co., Duluth, Minn.	Aurora steam electric station units Nos. 1 and 2, transmission facilities.	44,000 44,000	13,703,000	13,703,000	55	7,536,650
Do.	Extension to steam electric station (M. L. Hibbard, unit No. 4).	33,000	4,350,000	3,955,000	35	1,384,250
Northern States Power Co., Minneapolis, Minn.	Minnesota Valley steam plant, unit No. 3, Granite Falls, Minn.	40,000	7,926,600	7,926,600	40	3,170,640
Do.	Coon Rapids to St. Cloud, Minn., transmission line		904,500	904,500	40	361,800
Do.	Black Dog steam electric station, unit No. 3, Nicols, Minn.	90,000	13,495,000	13,495,000	40	5,398,000
Do.	Steam electric station, Black Dog No. 1 (6 miles south of Minneapolis).	50,000	9,673,400	9,673,400	40	3,869,360
Do.	Transmission line, Granite Falls, Minn., to Sioux Falls, S. Dak.		2,271,950	2,203,220	40	881,288
Do.	Extension to power station, Mankato, Minn.	12,500	1,662,350	1,662,350	25	415,588
Do.	Transmission line, Black Dog-Minnesota Valley, Nicols, Minn.		3,741,250	3,741,250	40	1,496,500
Do.	Extension to steam-generating plant, Black Dog steam electric station, unit 2, Nicols, Minn.	90,000	14,518,000	14,518,000	40	5,807,200
Minnesota total						30,321,276
MISSISSIPPI						
Mississippi Power & Light Co., Jackson, Miss.	Generating station at Natchez, Miss.	60,000	7,622,123	7,587,123	45	3,414,205
Do.	Microwave system, various locations in western Mississippi.		180,000	160,000	65	104,000
Do.	Delta power station, units Nos. 1 and 2, Cleveland, Miss.	200,000	23,545,000	23,265,000	55	12,795,750
Do.	Generating plant, Rex Brown steam electric station, unit No. 3.	60,000	6,244,435	6,156,935	45	2,770,621
Do.	Transmission line from Rex Brown steam electric station, Jackson, Miss., to Grenada.		1,942,500	1,930,000	45	868,500
Do.	Supervisory control facilities at Tunica, Batesville, and Winona, Miss. substations.		81,600	81,600	30	24,480
Mississippi Power Co., Gulfport, Miss.	Transmission line, Collins, Magee, Miss.		284,500	281,500	55	154,825
Do.	Transmission facilities from Alabama-Mississippi State line to Lucedale, southeast Mississippi.		535,000	535,000	55	294,250
Do.	Transmission facilities Biloxi, Miss.		422,690	422,690	45	190,211
Do.	Sweatt plant, new 2-unit plant and transmission connections.	40,000 40,000	11,696,000	6,060,000 [3] 5,596,000	25 65	1,515,000 3,637,400
Do.	Tie-in substation between 100 kilovolt transmission systems, primarily for Biloxi Air Base.		465,947	461,007	25	115,252
Mississippi total						25,884,494
MISSOURI						
Arkansas-Missouri Power Co., Blytheville, Ark.	Transmission line, Potosi and Troutt, Mo.		72,201	72,201	30	21,660
Do.	Transmission facilities Washington County, Mo.		138,855	138,855	35	48,599
Kansas City Power & Light Co., Kansas City, Mo.	Hawthorn steam-electric station unit No. 3, Kansas City, Mo.	90,000	13,700,000	13,700,000	55	7,535,000
Missouri Public Service Co., Warrenburg, Mo.	Pleasant Hill steam electric station unit No. 1	24,500	3,240,000	3,240,000	45	1,458,000
Union Electric Co. of Missouri, St. Louis, Mo.	Metering equipment at Moberly substation, Moberly, Mo.		66,143	66,143	50	33,072
Do.	Venice-Mound underground transmission circuit (with terminal facilities at Mounds plant).		208,218	208,218	55	114,520

[3] 40,000 excluded for land in fee.

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
MISSOURI—continued						
Union Electric Co., of Missouri, St. Louis, Mo.	Keokuk-Page Ave. transmission line, from St. Louis to Keokuk, Iowa (Missouri portion).		$172,885	$172,885	55	$95,087
Do	Electric substation, Washington County, Mo.		365,500	364,500	35	127,575
Do	Meramec steam electric station unit No. 1, St. Louis County.	110,000	23,875,000	23,735,015	50	11,867,508
Do	Meramec plant unit No. 2, St. Louis County	110,000	18,132,700	16,155,363	55	8,885,450
Do	Osage substation to provide power supply to Moberly, Mo.		998,750	919,690	50	459,845
Do	Transmission line, Meramec to Cahokia, Watson line		843,250	808,250	50	404,125
Do	Transmission line, Meramec Rivermines substation		1,374,900	1,324,900	50	662,450
Do	Osage-Moberly transmission line, to connect with system of Kansas City Power & Light Co.		2,137,000	2,035,800	50	1,017,900
Do	Osage hydroelectric station units 7 and 8, St. Louis, Mo.	45,000	3,891,300	3,711,300	55	2,041,215
Do	Venice-Mound underground transmission circuit (from Venice powerplant to Mississippi River) with terminal facilities at Venice plant.		59,085	59,085	55	32,497
Do	Keokuk-Page Ave. (St. Louis) transmission line (conversion of 1 circuit of the double circuit). (From Hamilton to Keokuk.)		640,650	640,650	55	352,358
Missouri total						35,156,861
MONTANA						
Montana Power Co., Butte, Mont.	Frank Bird steam electric station near Billings, Mont.	60,000	5,444,630	5,410,000	25	1,352,500
Montana total						1,352,500
NEW HAMPSHIRE						
Public Service Co. of New Hampshire, Manchester, N. H.	Extension to Schiller generating station, Portsmouth, N. H.	80,000	8,505,497	8,457,737	45	3,805,982
Do	Transmission facilities		749,105	749,105	20	149,821
Do	Transmission and substation facilities, State of New Hampshire, Schiller substation and Gregg Falls substation.		1,289,984	112,109	25	28,027
Do	Schiller station in Portsmouth, N. H., transmission line to Bow with substations at Portsmouth and Bow.	40,000	1,310,320	1,310,320	45	589,644
			9,076,200	9,076,200	45	4,084,290
New Hampshire total						8,657,764
NEW JERSEY						
American Cyanamid Co., New York, N. Y.	Electric generating extension at Bound Brook, N. J.	4,000	2,164,800	2,164,800	40	865,920
Atlantic City Electric Co., Atlantic City, N. J.	Extension of Deepwater powerplant, Penns Grove, N. J.	60,000	13,871,000	13,871,000	45	6,241,950
Hercules Powder Co., Wilmington, Del.	Hercules Powder Co. plant, Parlin, N. J.	3,000	1,420,000	1,420,000	40	568,000
Public Service Electric and Gas Co., Newark, N. J.	New transmission substation, North Brunswick, N. J.		2,252,850	2,252,850	55	1,239,068
Do	Transmission line from the Sewaren steam electric station to United States Metals substation.		104,800	104,800	20	20,960
Do	Transmission connections from Burlington and Trenton, N. J., to Philadelphia Electric Co. system.		607,850	607,850	20	121,570
Do	Transmission line from Trenton switching station to Fernwood substation.		493,250	441,100	20	88,220
Do	Camden switching-Richmond generating station line (Public Service portion), transmission line to the Pennsylvania State line (Delaware River crossing).		635,000	635,000	20	127,000
Do	Construction at Marion, Kearney, Essex and Burlington generating stations, N. J.		142,000	142,000	55	78,100
Do	Transmission facilities to U. S. Navy Laboratory near Trenton, N. J.		881,000	721,000	15	108,150
Do	Transmission facilities to Studebaker plant, New Brunswick Township, N. J.		95,165	95,165	35	33,308
Do	Transmission facilities to Wright Aeronautical Corp., Garfield, N. J.		48,200	48,200	35	16,870
Do	No. 7 and No. 8 units at Kearney generating station, Newark, N. J.	290,000	21,000,125 24,998,555	20,883,293 24,837,692	55 45	11,485,811 11,176,961
Do	Transmission facilities to Fort Dix, Burlington County, N. J.		41,500	41,500	40	16,600
Do	Burlington generating plant, Burlington, N. J.	185,000	27,000,000	27,000,000	40	10,800,000
Do	Camden switching station, Camden, N. J.		823,704	823,704	45	370,667
New Jersey total						43,359,155
NEW MEXICO						
El Paso Electric Co., El Paso, Tex.	Transmission line from El Paso, Tex., to Las Cruces, N. Mex.		456,000	443,702	65	288,406
Do	Rio Grande power station, Dona Ana County, N. Mex.		1,591,254	1,575,000	20	315,000
Public Service Co. of New Mexico, Albuquerque, N. Mex.	Person steam electric station unit No. 3, Albuquerque, N. Mex.	30,000	4,626,278	4,626,278	55	2,544,453
Do	Person steam electric station units Nos. 1 and 2 and transmission facilities, Albuquerque, N. Mex.	40,000	6,044,923	3,175,292 2,856,471	55 65	1,746,411 1,856,706
Southwestern Public Service Co., Carlsbad, N. Mex.	Substation with transformer 15 miles east of Carlsbad, N. Mex.		58,000	58,000	20	11,600
Southwestern Public Service Co., Amarillo, Tex.	Eddy County generating plant, unit No. 1, Artesia, N. Mex.	50,000	7,127,700	7,092,700	55	3,900,985
Do	X plant to Tucco plant transmission line		555,810	555,810	55	305,696
Do	Plant X to Curry County interchange substation transmission lines.		698,400	698,400	55	384,120
Do	Transformer and transmission substation at Carlsbad steam electric plant, Carlsbad, N. Mex.		271,200	271,200	55	149,160
Do	Transformer and transmission substation at X steam electric plant.		1,209,100	1,209,100	55	665,005
Do	Carlsbad steam electric plant, Carlsbad, N. Mex.	18,700	3,333,850	3,333,850	55	1,833,618
New Mexico total						14,001,160

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
NEW YORK						
Allied Chemical & Dye Corp., Syracuse, N. Y.	Powerplant expansion near Syracuse, N. Y.	20,000	$2,600,000	$2,600,000	40	$1,040,000
Central Hudson Gas & Electric Corp., Poughkeepsie, N. Y.	Danskammer Point steam station, town of Newburgh, Orange County, N. Y.	60,000	10,961,575	10,961,575	40	4,384,630
Consolidated Edison Co. of New York, Inc.	2 generating units, Astoria generating station units Nos. 1 and 2.	160,000 160,000	54,990,000	54,990,000	45	24,745,500
Do.	2 generating units, East River generating station units Nos. 5 and 6.	125,000 133,000	45,800,000	45,800,000	20	9,160,000
Do.	Hudson Ave. generating station unit No. 10, pressure boiler and turbogenerator.	60,000	20,700,000	14,904,000	20	2,980,800
Do.	East River generating station unit No. 7, pressure boiler and turbine-generator.	160,000	31,600,000	31,600,000	45	14,220,000
Long Island Lighting Co., Mineola, Long Island, N. Y.	Extension to existing Glenwood Landing station, Nassau County, Long Island, N. Y.	90,000	16,075,000	15,575,000	55	8,566,250
Do.	Glenwood electric power station No. 3, Glenwood Landing, Long Island, N. Y.	90,000	17,894,500	17,894,500	45	8,052,525
Do.	Far Rockaway electric power station, Far Rockaway, Long Island, N. Y.	90,000	18,024,500	18,024,500	55	9,913,475
New York State Electric & Gas Corp., Binghamton, N. Y.	New turbine generator station (Milliken station near Heddens, N. Y., on the east shore of Cayuga Lake) and transmission facilities.	108,000	25,342,200	25,287,200	45	11,379,240
Do.	Power supply line to Village of Horseheads, Chemung County, State of New York.		64,195	64,195	30	19,259
Do.	Transmission reinforcement in northeast New York State (Nicholville, Lyon Mountain, Brainardsville, and Kents Falls).		1,846,800	1,836,868	45	826,591
Do.	Goudey station extension near Binghamton, N. Y.	60,000	8,121,359	8,121,359	20	1,624,272
Do.	Transmission tap from East Springfield on the Colliers-Inghams line to Richfield Springs, N. Y. (10.0 miles).		227,959	227,959	20	45,592
Do.	Beaverkill-West Woodbourne, 114 kilovolt transmission line (extension of existing Delhi Beaverkill to West Woodbourne), Liberty, N. Y. area.		974,994	974,994	20	194,999
Do.	Extension to Greenidge electric generating station unit No. 4, Dresden, N. Y.	80,000	17,142,300	17,142,300	45	7,714,035
Do.	Extension at East Corning, N. Y., Hickling station and 114 kilovolt transmission line.	40,000	7,836,155	7,823,439	35	2,738,204
Niagara Mohawk Power Corp., Syracuse, N. Y.	Albany steam station and transmission line in New York State.	80,000	15,328,000	15,278,000	30	4,583,400
Do.	Transmission line, Olean Nile, N. Y.		330,000	330,000	40	132,000
Do.	Transmission facilities, Tonawanda, N. Y.		76,454	55,454	40	22,182
Do.	Transmission facilities near Watervliet, N. Y.		279,722	194,077	40	77,631
Do.	South Colton hydro development, South Colton, St. Lawrence Co., N. Y.	19,350	3,964,000	3,962,000	30	1,188,600
Do.	Transmission facilities, East Syracuse, N. Y.		140,100	94,600	40	37,840
Do.	Transmission extension near Utica, N. Y.		100,700	99,900	40	39,960
Do.	New automatic hydro plant, Five Falls, St. Lawrence Co., N. Y.	22,000	4,275,000	4,274,700	30	1,282,410
Do.	Transmission facilities, New Hartford, N. Y.		92,150	92,150	40	36,860
Do.	Transmission facilities, Medina, N. Y.		77,710	77,710	40	31,084
Do.	Albany steam electric station, Albany, N. Y.	80,000	12,000,000	11,609,000	40	4,643,600
Do.	Carry Falls Reservoir, on the Racquette River, town of Colton, St. Lawrence County, N. Y.	8,300	2,631,000	2,631,000	30	789,300
Do.	New steam electric station and transmission facilities.	80,000 80,000	28,500,000	28,333,320	30	8,499,996
Do.	Turbine generator including boiler and auxiliaries.	80,000	10,572,378	10,572,378	20	2,114,476
Do.	Steam electric station, Buffalo, N. Y.	160,000	25,200,000	25,200,000	40	10,080,000
Do.	Stewart's Bridge hydro development, Hadley, N. Y.	30,000	4,929,780	4,927,135	20	985,427
Rockland Light & Power Co., Nyack, N. Y.	Interconnection facilities at Sugar Loaf, N. Y.		555,000	555,000	40	222,000
Do.	Transmission facilities between Grahamsville, N. Y., and Shoemaker substation, Middletown, N. Y.		875,000	875,000	55	481,250
Do.	Hudson steam electric station, Tomkins Cove, N. Y.	60,000	13,500,000	13,500,000	55	7,425,000
Do.	Grahamsville hydroelectric plant, Grahamsville, N. Y.	18,000	2,330,000	2,326,948	55	1,279,821
New York total						151,558,209
NORTH CAROLINA						
Carolina Power & Light Co., Wilmington, N. C.	Steam generating unit, Wilmington, N. C.	100,000	17,436,000	17,416,000	65	11,320,400
Carolina Power & Light Co., Raleigh, N. C.	Wilmington steam electric station, Wilmington, N. C.	100,000	13,175,000	13,175,000	55	7,246,250
Carolina Power & Light Co.	Lumberton steam electric station, North Carolina unit No. 3.	70,000	9,250,000	9,250,000	55	5,087,500
Nantahala Power & Light, Pittsburgh, Pa.	Thorpe transformer station, Franklin, N. C.		171,500	171,500	65	111,475
Do.	Bear Creek power development, Jackson County, N. C.	9,000	2,730,303	2,562,111	65	1,665,372
Do.	Tuckasegee hydroelectric development, Jackson County, N. C.	3,000	885,758	218,292	55	120,061
Do.	Cedar Cliff hydroelectric development, Jackson County, N. C.	6,375	1,224,848	1,109,509	65	721,181
North Carolina total						26,272,239
OHIO						
Appalachian Electric Power Co., Roanoke, Va.	Phillipsburg No. 3, Graham, Ohio, extension to steam-electric generating plant and connecting transmission line.	150,000	16,210,450	16,210,450	25	4,052,613
Cincinnati Gas & Electric Co., Cincinnati, Ohio	Clermont power station unit No. 3, Cincinnati, Ohio	125,000	20,419,600	20,384,600	65	13,249,990
Do.	Clermont power station unit No. 1	100,000	24,842,866	24,736,316	35	8,657,711
Do.	Clermont power station unit No. 2	100,000	15,025,335	15,025,335	50	7,512,668
Do.	Transmission line to serve AEC plant, Fernald, Ohio		2,118,666	2,118,666	65	1,377,133
Do.	Transmission facilities, Lockland, Ohio		118,284	118,284	40	47,314
Cleveland Electric Illuminating Co., Cleveland, Ohio.	Industrial service connection in Cleveland		235,332	235,332	40	94,133
Do.	Lake shore switch house to East Cleveland area		554,035	554,035	20	110,807
Do.	Substation to serve Electric Products Co., Cleveland, Ohio.		22,743	22,743	20	4,549
Do.	Transmission line and substation facilities, Ashtabula County, Ohio.		72,595	72,595	20	14,519
Do.	Transmission line to General Motors Corp., Brook Park Village, Ohio.		64,620	64,620	30	19,386
Do.	Transmission facilities to the Murray Ohio Manufacturing Co., Cleveland, Ohio.		34,512	34,512	25	8,628

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
OHIO—continued						
Cleveland Electric Illuminating Co., Cleveland, Ohio.	Installation of facilities—Lake Shore plant to Newburgh substation, Cleveland, Ohio.		$509,595	$509,595	20	$101,919
Do	East Lake powerplant unit No. 4, Eastlake Village, Ohio.	150,000	26,868,000	26,265,365	65	17,072,487
Do	Lakeshore power station units 16 and 17, Cleveland, Ohio.	160,000	19,619,495	19,619,495	25	4,904,874
Do	Transmission facilities, Cleveland, Ohio		43,859	43,859	35	15,351
Do	Transmission facilities, Cleveland (Newburgh Heights), Ohio.		881,700	750,150	35	262,553
Do	Transmission facilities, Bedford, Ohio		32,045	32,045	35	11,216
Do	Eastlake powerplant units 1, 2, and 3 Erie Rd. and Lake Erie, Eastlake Village, Ohio.	300,000	55,539,000	19,071,000 36,053,000	40 50	7,628,400 18,026,500
Factory Power Co., Cincinnati, Ohio	Water-treating facilities for boiler plant, Cincinnati, Ohio.		107,000	107,000	45	48,150
Indiana-Michigan Electric Co., care of American Gas & Electric Service Corp., New York, N. Y.	Switching facilities for service to AEC project near Portsmouth, Ohio, at Tanners Creek plant.		987,000	987,000	65	641,550
Marietta Electric Co., Marietta, Ohio	Transmission interconnection		177,282	177,282	25	44,321
Ohio Edison Co., Akron, Ohio	Substation and transmission line, Newton Falls, Warren and Niles, Ohio.		764,000	751,000	30	225,300
Do	Transmission facilities, Mansfield, Ohio		170,000	150,000	40	60,000
Do	Transmission facilities, Marion to Springfield, Ohio		2,061,000	2,048,000	30	614,400
Do	Transmission facilities, vicinity of Youngstown, Ohio		60,000	60,000	55	33,000
Do	Niles power station units Nos. 1 and 2 (steam electric generation station) on Mahoning River in Trumbull County, Ohio.	212,000	31,878,818	31,878,818	35	11,157,586
Do	Extension to R. E. Burger power station, Belmont County, Ohio.	270,000	47,740,000	47,543,000	60	28,525,800
Ohio Power Co., care of American Gas & Electric Service Corp., New York, N. Y.	Transmission facilities, Sterling condenser project, 2½ miles south of Lima, Ohio.		316,000	316,000	40	126,400
Do	Transmission facilities, Canton, Ohio		110,095	110,095	35	38,533
Do	Substations and transmission lines near West Malta, Ohio.		601,725	581,425	40	232,570
Do	Canton, Ohio, Wagenhals condenser project		344,210	344,210	55	189,316
Do	South Tiffin substation 3 miles southwest of Tiffin, Ohio.		290,730	290,730	40	116,292
Do	Transmission facilities, Canton, Ohio		716,245	620,880	35	217,308
Do	Philo generating station, Ohio		560,800	80,540	40	32,216
Do	Transmission facilities in vicinity of Lima, Ohio		424,080	330,080	40	132,032
Do	Subtransmission and distribution facilities near Portsmouth, Ohio.		947,533	809,728	55	445,350
Do	Transmission line near Ironton, Ohio, and thence to Kentucky State line.		182,850	182,850	40	73,140
Do	Transmission line, Lucasville to AEC, Portsmouth area, Ohio.		356,550	344,700	65	224,055
Do	8 transmission substations in eastern and central Ohio.		709,885	709,885	55	390,437
Do	Transmission facilities to Brilliant, Ohio		61,110	61,110	35	21,389
Do	Substation to serve Timken Roller Bearing Co., Bucyrus, Ohio.		62,520	61,270	30	18,381
Do	Transmission line and substation for Detroit Steel Corp., Portsmouth, Ohio.		207,725	207,725	25	51,931
Do	Portable transformer for use in Ohio and West Virginia		244,600	244,600	55	134,530
Ohio Power Co., Canton, Ohio	Transmission line, Muskingum-Lima, Ohio		12,089,925	12,074,925	65	7,848,701
Do	Phillip Sporn No. 4, Graham, Ohio, extension to steam-electric generating plant and connecting transmission line.	150,000	19,197,630	19,197,630	25	4,799,408
Do	Muskingum Nos. 1 and 2, Ohio, new steam-electric generating plant and connecting transmission line.	200,000 200,000	55,608,275	55,534,275	65	36,097,279
Do	Transmission line and substations, West Lancaster to Sterling, Ohio.		4,652,450	4,639,950	45	2,087,978
Union Carbon & Carbide Co., New York, N. Y.	Powerplant near Marietta, Ohio	160,000	33,200,000	33,200,000	65	21,580,000
Ohio total						199,380,104
OKLAHOMA						
Oklahoma Gas & Electric Co., Oklahoma City, Okla.	Mustang steam-electric generating station, unit No. 3, Canadian County, Okla.	105,000	11,982,000	11,982,000	65	7,788,300
Public Service Co. of Oklahoma, Tulsa, Okla	Southwestern steam-electric station, unit No. 2, Washita, Okla., and associated transmission facilities.	60,000	9,008,025	8,973,575	55	4,935,466
Do	Southwestern steam-electric station, unit No. 1, and transmission facilities, Carnegie, Okla.	60,000	12,000,000	11,750,729	55	6,462,901
Oklahoma total						19,186,667
OREGON						
Bohemia Lumber Co., Culp Creek, Oreg	Steam and power installation		225,000	219,000	55	120,450
California-Oregon Power Co., Medford, Oreg	Power plants and transmission facilities, Soda Springs, Fish Creek, Clearwater No. 1 and No. 2, Lemolo No. 1 and No. 2, Crescent City and Big Bend No. 2.	193,000	38,210,420	30,036,540	65	19,523,751
Portland General Electric, Portland, Oreg	Clackamas River, Oreg., facilities to increase output of existing hydroelectric plants.		4,800,000	4,294,000	65	2,791,100
Do	Pelton hydroelectric plant	108,000	22,320,000	22,260,000	65	14,469,000
Do	Station "B" hydroelectric development	15,000	2,300,000	2,300,000	50	1,150,000
Weyerhauser Timber Co., Tacoma, Wash	Industrial powerplant, Springfield, Oreg	12,500	1,492,000	1,492,000	50	746,000
Woodward Lumber Co., Cottage Grove, Oreg	Powerplant extension at Cottage Grove	4,000	523,091	523,091	55	287,700
Oregon total						39,088,001
PENNSYLVANIA						
Ohio Edison Co., Akron, Ohio	Transmission facilities near Sharon, Pa		31,400	31,400	40	12,560
Pennsylvania Electric Co., Johnstown, Pa	Shawville steam electric station, Shawville, Pa., units Nos. 1 and 2.	125,000 125,000	25,835,774 13,939,926	25,835,774 13,939,926	55 45	14,209,676 6,272,967
Do	Transmission facilities from Shawville to Montevello via Lewistown.		7,175,181	5,515,884 1,634,000	55 45	3,033,736 735,300
Pennsylvania Power Co., New Castle, Pa	Greenville substation, Greenville, Pa		58,000	58,000	30	17,400
Do	Transmission line and customer substation at Ellwood, Pa.		79,500	79,500	25	19,875
Do	New Castle steam electric station, unit No. 3	85,000	13,206,500	13,206,500	35	4,622,275
Do	Transmission facilities near Sharon, Pa		28,820	28,820	40	11,528
Do	Transmission line, Mercer County, Pa., to supply Sharon Steel Corp.		31,000	31,000	35	10,850
Do	Transmission line, Mercer County, Pa		33,100	31,849	35	11,147

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
PENNSYLVANIA—continued						
Pennsylvania Power & Light Co., Allentown, Pa.	East Lancaster, South Akron-Earl-Grace mine transmission line.		$1,184,940	$1,184,940	35	$414,729
Do	Sunbury steam electric station, unit No. 3	100,000	24,598,850	24,598,850	25	6,149,713
Do	Martins Creek steam electric station near Martins Creek, Pa.	132,500	32,209,550	31,962,100	45	14,382,945
Do	Extension to Sunbury steam electric station, unit No. 4; Shamokin Dam west side of Susquehanna River, about 2 miles south of Sunbury, Pa.	125,000	36,907,000	36,907,000	55	20,298,850
Pennsylvania Water & Power Co., Baltimore, Md.	Extension to existing Holtwood station, Holtwood, Pa.	60,000	13,591,000	13,591,000	45	6,115,950
Do	Coal recovery plant near Safe Harbor, Pa.		6,000,000	6,000,000	40	2,400,000
Do	Transmission line between Manor and Hummelstown substations in Pennsylvania.		1,193,000	1,193,000	55	656,150
Philadelphia Electric Co., Philadelphia, Pa.	Transmission facilities, Camden switching station, Richmond generating station line (Philadelphia Electric portion).		899,500	989,500	20	179,900
Do	Extension to Delaware steam electric station, 1401 Beach St., Philadelphia, Pa., units 7 and 8.	250,000	45,000,000	44,200,000	55	24,310,000
Do	Structures and improvements, station equipment, Island Road, 78th and Eastwick Sts., Philadelphia, Pa.	250,000	2,860,000	2,860,000	55	1,573,000
Do	Transmission facilities from Emilie substation to Burlington.		1,610,000	1,610,000	20	322,000
	Transmission facilities to supply new Fairless plant, United States Steel.		910,500	910,500	30	273,150
Do	Cromby steam electric station, Cromby, Pa.	150,000	27,000,000	27,000,000	55	14,850,000
Do	Cromby steam electric station, Cromby, Pa., unit No. 2.	200,000	30,500,000	30,207,090	30	9,062,127
Pittsburgh Coke & Chemical Co., Pittsburgh, Pa.	Steam boiler installation at Neville Island	11,400	1,836,000	1,836,000	60	1,101,600
St. Lawrence River Power Co. (St. Lawrence plant), Pittsburgh, Pa.	Synchronous condenser and accessory switching facilities, miscellaneous water facilities.		367,800	367,800	85	312,630
West Pennsylvania Power Co., Pittsburgh, Pa.	Transmission facilities, Albright to Lake Lynn		233,670	233,670	40	93,468
Do	Springdale power station, unit No. 8, Sprindale, Pa.	125,000	20,332,000	19,023,258	50	9,511,629
Do	Transmission lines in southwest Pennsylvania		1,491,110	1,491,110	45	671,000
Do	Transmission line from a point near Washington, Pa., to a point near Waynesburg, Pa.		669,293	664,293	40	265,717
Do	Transmission facilities, Allenport, Pa.		557,755	557,755	35	195,214
United States Steel Co., Pittsburgh, Pa.	Extension to boiler plant, Clairton Byproduct Coke Works, Clairton, Pa.		2,430,000	2,430,000	45	1,093,500
Pennsylvania total						143,190,586
SOUTH CAROLINA						
South Carolina Electric & Gas Co., Columbia, S. C.	Transmission line in Aiken County, S. C.		225,000	225,000	45	101,250
Do	Transmission line, Accabee substation to Hagood steam plant, Charleston County, S. C.		104,855	85,276	20	17,055
Do	Transmission line near Aiken, S. C.		104,463	103,963	20	20,793
Do	Transmission line, Allendale-Barnwell, S. C.		165,100	165,100	20	33,020
Do	Transmission line to AEC plant, Aiken County, S. C.		190,000	190,000	50	95,000
Do	Transmission circuit in Charleston, S. C., area		44,500	44,500	45	20,025
Do	Service extension to Air Force Base near Charleston, S. C.		33,150	33,150	45	14,918
Do	Service extension to Air Force plant, near Charleston, S. C.		26,000	26,000	40	10,400
Do	Extension of steam electric station, Hagood plant, Charleston, S. C.	40,000	8,371,150	5,667,064	20	1,133,413
Do	Substation enlargement, Charleston, S. C.		260,000	260,000	20	52,000
Do	Transmission line and substation facilities between Yemassee and Graniteville, S. C.		1,253,000	1,253,940	20	250,788
South Carolina Generating Co., Columbia, S. C.	Urquhart steam electric station, units 1 and 2, Beech Island, Aiken County, S. C.	150,000	24,102,900	24,048,500	45	10,821,825
South Carolina total						12,570,487
SOUTH DAKOTA						
Black Hills Power & Light Co., Rapid City, S. Dak.	Transmission facilities from Rapid City, S. Dak., to Rapid City Air Base and substation at air base.		142,000	126,367	55	69,502
Northern States Power Co., Minneapolis, Minn.	Extension to power station, Sioux Falls, S. Dak.	20,000	3,320,100	3,320,100	25	830,025
South Dakota total						899,527
TENNESSEE						
Appalachian Electric Power Co., Roanoke, Va.	Transmission line, Holston-Boone Dam, Tenn.		212,300	212,300	25	53,075
Knoxville Power Co., Pittsburgh, Pa.	Transmission line, Calderwood to Alcoa, Blount County, Tenn.		940,900	938,700	65	610,155
Nantahala Power & Light Co., Pittsburgh, Pa.	Tennessee Creek hydro-electric development, Jackson County, Tenn.	9,000	3,980,000	3,897,050	65	2,533,083
Tennessee total						3,196,313
TEXAS						
Central Power & Light Co., Corpus Christi, Tex.	Transmission line and associated substations, Laredo to Falfurrias to Edinburg, Tex.		1,528,563	1,446,536	40	578,614
Do	Transmission line near Corpus Christi, Tex.		185,700	184,575	55	101,516
Do	do		230,704	230,704	35	80,746
Do	Victoria steam electric station, unit No. 3, Victoria, Tex.	30,000	5,231,180	5,231,180	40	2,092,472
Do	Lon C. Hill steam electric-generating station, unit No. 1, Calallen, Tex.	60,000	8,159,288	8,046,969	45	3,621,136
Do	Transmission line and terminal facilities, Victoria to Calallen to Falfurrias, Tex.		3,274,000	3,187,325	40	1,274,930
Citizens Utility Co., Nogales, Tex.	Valencia gas-diesel engine near Nogales, Tex.	1,250	418,000	418,000	45	188,100
Dallas Power & Light Co., Dallas, Tex.	Parkdale steam electric generating unit No. 2, Dallas, Tex.	115,000	11,100,000	11,100,000	65	7,215,000
Do	Addition to Dallas steam electric station unit No. 3, Dallas, Tex.	60,000	8,860,000	8,860,000	65	5,759,000
Dow Chemical Co., Freeport, Tex.	Extension to boiler plant, Freeport, Tex.		640,630	640,630	50	320,318
Do	Extensions to power stations, Freeport, Tex.	75,000	11,500,000	11,500,000	50	5,750,000
Dow Chemical Co., Midland, Mich.	Industrial power installations at plant B and plant A, Freeport, Tex.	60,000	15,833,300	15,833,300	40	6,333,320
Do	Industrial powerplant A at Freeport, Tex.	40,000	10,675,000	10,675,000	40	4,270,000

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
TEXAS—continued						
Gulf States Utilities Co., Beaumont, Tex.	Transmission facilities, Orange, Tex.		$404,100	$404,100	35	$141,435
Houston Lighting & Power Co., Houston, Tex.	Webster steam electric station units Nos. 1 and 2, 25 miles northeast of Houston, Tex.	200,000	22,624,000	12,175,000	55	6,696,250
				10,172,000	65	6,611,800
Do.	Deepwater steam electric station No. 7 unit, Pasadena, Tex.	125,000	16,300,000	16,069,880	65	10,445,422
Southwestern Gas & Electric Co., Shreveport, La.	Knox Lee steam electric generation station unit No. 4, Longview, Tex., and associated transmission and substation facilities.	60,000	8,610,716	8,610,716	50	4,305,358
Do.	Lone Star steam electric station, unit No. 1, Longview, Tex.	40,000	6,886,769	6,883,769	55	3,786,073
Southwestern Public Service Co., Amarillo, Tex.	Moore County generating unit, near Sunray, Tex.	50,000	7,050,000	7,030,000	55	3,866,500
Do.	Amherst steam electric plant, units No. 1 and No. 2 near Littlefield, Tex.	50,000 100,000	16,778,642	16,510,642	55	9,080,853
Do.	Extension to power station, Amarillo, Tex.	37,500	4,394,169	4,394,169	25	1,098,542
Do.	Stepup substation, Amarillo, Tex.		263,568	263,568	25	65,892
Do.	Transmission line, Amarillo to Canyon Corner, Tex.		216,670	216,670	25	54,168
Do.	Plant "X", Hale County transmission line and substation.		755,600	755,600	55	415,580
Do.	Substation and line facilities near Borger, Tex.		713,436	678,132	35	237,346
Do.	Plant "X" electric generating station, unit No. 3, Lamb County, Littlefield, Tex.	110,000	12,849,915	12,849,915	55	7,067,453
Do.	Transformer bank at Moore County plant, Texas.		485,070	485,070	55	266,789
Do.	Transformer bank at Denver City plant, Denver City, Tex.		370,740	370,740	55	203,907
Texas Electric Service Co., Fort Worth, Tex.	Morgan Creek electric station, unit No. 4, Colorado City, Tex.	60,000	7,500,000	7,500,000	65	4,875,000
Do.	Tarrant County (Eagle Mountain) electric station, Fort Worth, Tex.	100,000	12,000,000	11,279,145	65	7,331,444
Texas Power & Light Co., Dallas, Tex.	Transmission facilities between Whitney, Lake Creek, Waco and Temple, Tex.		2,599,000	2,599,000	45	1,169,550
Do.	River Crest electric station No. 1, Paris, Tex.	100,000	12,650,000	12,650,000	65	8,222,500
Do.	Transmission lines between Franklin and Paris, Franklin and Sulphur Springs, Commerce and Sulphur Springs.		3,912,000	3,912,000	65	2,542,800
Do.	Lake Creek electric station, unit No. 1, Waco, Tex.	60,000	11,000,000	11,000,000	55	6,050,000
Do.	Initial unit of Collins County steam electric station of Prosper, Tex.	145,000	17,500,000	17,500,000	65	11,375,000
Do.	Transmission line, substation, and terminal facilities for Collins County steam electric generating station, Tex.		2,360,000	2,196,100	65	1,427,465
West Texas Utilities Co., Abilene, Tex.	Steam-electric generating station No. 2 unit, Paint Creek plant and substation, Stamford, Tex.	30,000	3,945,370	3,945,370	45	1,775,417
Do.	Transmission line, Paint Creek generating plant to Stamford line.		100,790	100,790	40	40,316
Do.	Transmission line, Paint Creek generating plant to Abilene generating plant.		426,917	426,917	55	234,804
West Texas Utilities Co., Stamford, Tex.	Transmission line, Paint Creek generating plant, Haskell line.		72,637	72,637	55	39,950
West Texas Utilities Co., Abilene, Tex.	Transmission facilities, Hamlin, Tex.		143,057	117,857	25	29,464
Do.	Transmission line near Eldorado, Tex.		141,186	141,186	20	28,237
Do.	Transmission line near Sterling City, Tex.		107,796	107,796	20	21,559
Do.	Paint Creek steam electric station No. 1 unit, near Stamford, Tex.	30,000	4,400,000	4,375,000	55	2,406,250
Do.	Concho steam electric station, unit No. 2, San Angelo, Tex.	30,000	3,954,400	3,954,400	55	2,174,920
Do.	Ballinger gas turbine electric station near Fort Stockton, Tex.	5,000	770,679	767,579	40	307,032
Texas total						141,980,225
UTAH						
Utah Power & Light Co., Salt Lake City, Utah	Tooele-Dugway transmission line at Tooele, Utah		170,670	170,670	40	68,268
Utah total						68,268
VERMONT						
Central Vermont Public Service Corp., Rutland, Vt.	Gas turbine and hydro redevelopment, Rutland and Weybridge.	9,750	2,122,610	1,987,610	25	496,903
Do.	Rutland gas turbine, units Nos. 2 and 3, Rutland, Vt.	10,000	2,300,000	2,300,000	30	690,000
Vermont total						1,186,903
VIRGINIA						
Appalachian Electric Power Co., Roanoke, Va.	Transmission lines Glen Lyn-Roanoke-Salem, Va.		2,743,240	2,743,240	25	685,810
Do.	Transmission line, Saltville, Va., Kingsport, Tenn.		774,030	774,030	25	193,508
Appalachian Electric Power Co., care of American Gas & Electric Service Corp., New York, N. Y.	Electric power supply to Foote Minerals Co., Sunbright, Va.		208,510	208,510	40	83,404
Do.	Fieldale substation addition, Fieldale, Va.		601,130	507,630	20	101,526
Do.	Transmission line and substation near Mount Union, Va., Lone Star project.		931,920	931,920	30	279,576
Do.	Transmission lines to Saltville, Smyth County, Va.		431,290	335,500	25	88,875
Do.	Transmission facilities Roanoke, Va.		238,920	238,920	20	47,784
Potomac Electric Power Co., Washington, D. C.	Potomac River plant, Alexandria, Va.	90,000	16,000,000	16,000,000	40	6,400,000
Virginia Electric & Power Co., Richmond, Va.	Addition to Portsmouth, Va., power station.	90,000	14,500,000	14,500,000	35	5,075,000
Do.	Transmission line extension to Fort Eustis, Va.		60,000	60,000	55	33,000
Do.	Transmission line extension near Norfolk, Va.		170,000	170,000	45	76,500
Do.	Transmission line and substation, near Norfolk, Va.		1,200,000	1,188,000	45	534,600
Do.	Transmission line, Suffolk to Newport News and substation at Langley Field, Va.		4,195,000	4,185,000	55	2,301,750
Do.	Reeves Ave. steam plant unit No. 7	40,000	3,000,000	3,000,000	25	750,000
Do.	Rossum Point steam plant unit No. 2	60,000	9,862,000	9,200,000	25	2,300,000
Do.	Chesterfield steam plant unit No. 3	90,000	14,390,000	13,600,000	55	7,480,000
Do.	Gilmerton steam plant, new	90,000	17,500,000	17,100,000	55	9,405,000
Do.	Possum Point-Chesterfield, 110-kilovolt transmission line.		2,965,000	2,955,000	25	738,750
Do.	Buggs Island-Chase City, 110-kilovolt transmission line and 110-kilovolt/66-kilovolt substation.		825,000	823,000	25	205,750
Do.	Chesterfield-Hosier Rd., 110-kilovolt transmission line.		2,650,000	2,650,000	25	662,500
Do.	Chesterfield-Newport News, 110-kilovolt transmission line.		2,200,000	2,200,000	55	1,210,000
Do.	Transmission line, Portsmouth power station, Portsmouth, Va.		440,000	440,000	45	198,000

Electric power projects approved for tax certificates—Continued

Name of applicant	Location and type of facility	Rated capacity (kilowatts)	Amount of application	Amount eligible	Recommended percent	Amount certified for accelerated amortization
VIRGINIA—continued						
Virginia Electric & Power Co., Richmond, Va.	Transmission lines, southwest of Richmond, Va., near the North Carolina-Virginia border.		$1,300,000	$1,300,000	45	$585,000
Do	Transmission line near Norfolk, Va.		180,000	180,000	45	81,000
Virginia total						39,517,333
WASHINGTON						
J. Neils Lumber Co., Portland, Oreg.	Powerplant at Klickitat, Wash.	3,000	125,000	95,000	55	52,250
Pacific Power & Light Co., Portland, Oreg.	Yale hydroelectric project, Lewis River, Wash.	100,000	26,450,000	26,170,000	75	19,627,500
Washington Veneer Corp., Olympia, Wash.	Alterations to boilerhouse	6,000	248,500	248,500	55	136,675
Washington Water Power Co., Spokane, Wash.	Cabinet Gorge hydroelectric plant	200,000	35,000,000	34,425,000	65	22,376,250
Do	Transmission line and substation to serve Van Stone mine near Aladin, Stevens County, Wash.		155,240	142,990	35	50,047
Washington total						42,242,722
WEST VIRGINIA						
Appalachian Electric Power Co., Charleston, W. Va.	Transmission line		133,850	133,850	65	87,003
Appalachian Electric Power Co., New York, N. Y.	Transmission facilities, Huntington, W. Va.		184,470	184,470	35	64,565
Appalachian Electric Power Co., care of American Gas and Electric Service Corp., New York, N. Y.	Portable transformer for use in West Virginia and adjacent States.		244,600	244,600	55	134,530
Do	Substations at Logan and Becco, W. Va.		173,700	173,700	40	69,480
Do	Transmission facilities vicinity Graham Station, West Virginia.		74,690	74,960	40	29,984
Appalachian Electric Power Co., New York, N. Y.	Substation and transmission expansion, Charleston, W. Va.		1,121,745	1,073,745	40	429,498
Appalachian Electric Power Co., care of American Gas & Electric Service Corp., New York, N. Y.	Improvements at Cabin Creek steam-electric generating plant, southeast of Charleston, W. Va.		89,400	89,400	20	17,880
Do	Bradley substation addition, Price Hill, W. Va.		118,810	118,810	20	23,762
Do	Transmission facilities vicinity of Charleston, W. Va., Glen Lyn, Radford, Switchback and North Bristol, Va.; Kingsport, and Canney Branch, Tenn.; and Crestmont, N. C.		68,393	59,543	40	23,817
Appalachian Electric Power Co., Roanoke, Va.	Transmission line Glasgow-Balleysville, W. Va.		1,873,700	1,873,700	45	843,165
Do	Kanawha Nos. 1 and 2, West Virginia	200,000	47,939,310	31,826,206	45	14,321,793
Do	New steam electric generating plant and connecting transmission line.	200,000		[4] 15,913,104	65	10,343,518
Monongahela Power Co., Fairmont, W. Va.	Transmission interconnection to Marietta, Ohio		34,504	34,504	25	8,626
Do	Albright power station unit No. 2 and transmission line near Clarksburg, W. Va.	60,000	14,022,497	13,952,297	40	5,580,919
Do	Line extension to Fairview, W. Va.		47,790	47,790	25	11,948
Do	Rivesville power station unit No. 6, Rivesville, W. Va.	74,750	12,097,800	12,097,800	25	3,024,450
Do	Line extension and substation, Hastings, W. Va.		185,000	185,000	35	64,750
Do	Transmission facilities, Vienna, W. Va.		128,200	124,700	40	49,880
Do	Transmission facilities, Weirton, W. Va.		42,800	42,300	40	16,920
Do	Albright generating station, Albright, W. Va.	125,000	17,082,500	16,682,500	45	7,507,125
Northern Virginia Power Co., Frederick, Md.	Transmission line from Millville, W. Va., to double toll gate, Virginia.		384,230	318,880	20	63,776
The Potomac Edison Co., Frederick, Md.	Transmission line from Ridgeley, W. Va., to Marlowe, W. Va., portion of the line in Maryland.		361,960	126,360	50	63,180
Do	Albright power station unit No. 1 and transmission line, Ridgeley, W. Va.	60,000	13,397,710	13,337,310	40	5,334,924
Potomac Light & Power Co., Frederick, Md.	Transmission line and substation, Ridgeley, W. Va., to Marlowe, W. Va.		1,645,770	1,222,730	50	611,365
Do	Transmission line from Maryland stateline to Millville, W. Va.		53,510	25,510	20	5,102
Wheeling Electric Co., Charleston, W. Va.	Transmission line		223,105	223,105	65	145,018
Wheeling Electric Co., New York, N. Y., care of American Gas & Electric Service Corp.	Substation expansion, Natrium, Marshall County, W. Va.		96,880	91,880	35	32,158
Wheeling Electric Co., care of American Gas & Electric Service Corp., New York, N. Y.	Transmission service facilities, Round Bottom, W. Va.		471,616	466,446	35	163,256
Do	Transmission facilities to supply munitions plant		74,033	63,766	35	22,318
West Virginia total						49,094,710
WISCONSIN						
Lake Superior District Power Co., Ashland, Wis.	Addition to steam electric station, Bay Front steam-electric station, unit No. 5, Ashland, Wis.	20,000	3,342,000	3,244,799	30	973,440
Northern State Power Co., Eau Claire, Wis.	Extension line in Eau Claire to LaCrosse, Wis.		1,565,000	1,565,000	40	626,000
Thilmany Pulp & Paper Co., Kaukana, Wis.	Expansion to steam and power installation, Kaukana, Wis.	7,500	1,581,461	1,581,461	35	553,511
Wisconsin Electric Power Co.	Oak Creek steam-electric station, unit No. 1 (on shore of Lake Michigan, 10 miles south of city limits of Milwaukee, Wis.).	120,000	25,142,500	25,142,500	35	8,799,875
Wisconsin Electric Power Co., Milwaukee, Wis.	Oak Creek steam-electric plant No. 2 (on shore of Lake Michigan), approximately 10 miles south of city limits of Milwaukee, Wis.	120,000	21,268,400	20,393,400	40	8,157,360
Wisconsin Power & Light Co., Madison, Wis.	Rock River steam electric station, unit No. 2, 4 miles north of city of Beloit, Wis., on Rock River.	60,000	11,000,000	11,000,000	55	6,050,000
Do	Transmission lines out of Rock River generating station and substations at Fond du Lac, Randolph, Beaver Dam, Darlington, Turtle and Lake Geneva.		3,802,005	3,794,505	55	2,086,978
Do	Rock river steam electric station, unit No. 1, Rock County, Wis.	60,000	13,296,850	13,246,850	55	7,285,768
Wisconsin total						34,532,952

[4] $200,000 excluded for land fee.

Mr. GAVIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. JONAS of North Carolina. Is it not true the Government pays the TVA for all the power it uses?

Mr. GAVIN. There is no question about that.

Mr. Chairman, yesterday I spoke from the Democratic side, but from the hostile attitude exhibited toward me I thought it would be better to come back on the Republican side today.

Before the gentleman from Mississippi [Mr. ABERNETHY] gets a chance to get on his feet, I might advise him that I do not know whether the policy adopted by the Appropriations Committee on TVA is the program of the President or not.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. However, if I had my way, it would be.

Now, President Eisenhower is one of the great Presidents of all time.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I decline to yield to my good friend from Mississippi.

Mr. Chairman, President Eisenhower is one of the greatest Presidents of all times. He is turning in a magnificent performance of which the Nation is proud.

Just a few short months ago, the Democrats were admonishing the Republicans and saying they were supporting the Eisenhower program to a greater extent than were the Republicans. Well, only time will tell.

I might say though to my Democratic friends that they might as well get used to President Eisenhower and his programs as we are going to have him for 6 more years.

Yesterday it was called to the attention of the House that in the past 20 years $1.750 billion have been put into the TVA by the American taxpayers. Believe me, this is no small sum. And yet, we hear cries from the valley complaining that the Federal Government is letting them down. This is gratitude.

Now my State, the great State of Pennsylvania, is making the fight of its life for its industrial existence and we pay from 8 percent to 10 percent for all Federal projects. I figure that Pennsylvania has put about $175 million into the TVA.

Each Member of the House can figure the approximate percentage of the money his State pays into the Federal Treasury, and you can figure how much your State has invested in the TVA.

I am of the opinion that we have been rather generous—overgenerous—to the TVA; particularly when it is giving the Tennessee Valley preferential status over other States to attract industries into the area and crucifies the economic and industrial life of other States.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I decline to yield.

I might point out that the Aluminum Co. of America started in Allegheny County in my State, but when they decided to expand, do you think they located in Pensylvania? No; they go down to the Tennessee Valley where there is cheap hydroelectric power, federally subsidized, tax-exempt.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I decline to yield, and ask that the Chair permit no further interruptions.

You will find all big industrial corporations located there, not because it is any more attractive than any other section of country but because it is more profitably attractive. They can get low power rates and they are in business to make a profit. Other States cannot meet this subsidized competition.

The greatly increased demand for power and the potentials of the valley have been pointed out. I am pleased such a condition exists, but there certainly is no reason why they cannot develop their own steam powerplants with their own money without assessing other States in the Nation to create industrial prosperity for the Tennessee Valley.

I would like to have the $175 million that Pennsylvania put into the TVA right now to be used for the distressed coal areas in my State.

Certainly it is time for the TVA to stand on its own feet and develop its own power in competition with the other States in the Nation.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may have 1 additional minute.

Mr. PHILLIPS. Mr. Chairman, I object.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

Mr. GAVIN. One will be sufficient.

The CHAIRMAN. Objection is heard.

Mr. EVINS. I offered to give it to you.

Mr. GAVIN. I thank the gentleman.

Mr. PRIEST. Mr. Chairman, I move to strike out the last word.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Tennessee.

Mr. BAKER. Will the gentleman from Tennessee state if it is not true that the Aluminum Co. of America was located at Alcoa, in the district that I represent, many, many years before TVA came to Tennessee?

Mr. PRIEST. I certainly will state that at least 10 years before TVA ever came to Tennessee the Aluminum Co. of America plant was located at Alcoa, in the district represented by the distinguished gentleman from Tennessee [Mr. BAKER].

Mr. Chairman, I rise in support of the pending amendment, and I hope for just a few minutes, if I may, to discuss the amendment, because it presents to us a very real and present problem. I hope we can all get out of our minds the various tags and labels that have been pinned on one of the greatest agencies of the Federal Government and get down to the basic problem presented by the pending amendment.

I like to agree with my adversary as far as I can. I think it was Shakespeare who admonished us to do that. I agree with the gentleman from North Carolina [Mr. JONAS] in two respects.

The gentleman from North Carolina said that there is not currently a power shortage in the Tennessee Valley. With that I agree.

The gentleman from North Carolina said further that this was not a budget request. With that I agree.

Yet, Mr. Chairman, unless the House adopts this amendment today, I predict on what I believe to be very sound authority that within less than 60 days the Bureau of the Budget will be here requesting an additional appropriation so that some of these steam units may be constructed. Why do I make that prediction? I base it on some correspondence I have had with the Atomic Energy Commission, and I shall ask permission later in the House to insert this correspondence in the RECORD.

Now, why is there not a budget request for this $85 million? Because, of the 1,205,000,000 kilowatts of energy now being supplied the Paducah plant, the Budget recommended that about 600,000 kilowatts of that power be transferred to private utilities. Subsequently the Atomic Energy Commission had an offer. They are now discussing that offer with the Bureau of the Budget. That offer was from a private group which said in effect that they would also have to build a steam plant in order to furnish the power, and that it would cost the taxpayers, if you please, $4 million a year more than they are now paying for the same amount of energy from TVA.

Subsequent to that situation the Atomic Energy Commission has requested, within the last month, 200,000 additional kilowatts for the Oak Ridge plant. They have asked TVA to submit a proposal for supplying that amount of energy.

Mr. Chairman, there is a clear question here of about 800,000 kilowatts of power. The people in the Valley, I am sure, will not be greatly concerned so long as they know they are going to have adequate power for their own needs. The Bureau of the Budget, in seeking to relieve TVA of 600,000 kilowatts, admitted by that action that there will be a shortage by 1957, a shortage in which that much power will be needed for the normal demands of the area.

Mr. Chairman, we know that the Atomic Energy Commission will get what they need. If they need 800,000 kilowatts they are going to get it. We are certain of that, but we face the situation wherein, if that comes from the TVA supply somebody in the Valley may suffer. The Andrews' amendment would permit the beginning of some steam-plant construction which may be completed in 3 years and will take care of the new demand that has been made, and the growing normal demand. I believe that within less than 60 days there will be a request for still more than 200,000 additional kilowatts at Oak Ridge. I have very good reason for believing that that will happen.

Mr. Chairman, I repeat that we face here today a very real and practical problem with which this Congress must come to grips and I believe come to grips with very speedily. We can do that, Mr. Chairman, by adopting the Andrews' amendment.

Mr. Chairman, I cannot too strongly urge the House to consider these pertinent facts as they apply to the question of whether TVA power is subsidized or whether, instead, it pays its way and more.

It is true that a portion of the funds invested in TVA power operations has come from congressional appropriations. But let us look a bit further.

In order to finance power facilities Congress has provided TVA with $722,-

930,576. However, TVA has repaid $81,-131,519 of that amount, leaving the net investment of Government money in the power program at the end of June 1953 of $641,799,057. Now, the remaining amount of $214,280,092 represents the earnings of the power system reinvested in power facilities.

Now it may be seen that through June 30, 1953, one-fourth of TVA's investment in power facilities came from the people of the Tennessee Valley through the bills they pay for electricity.

Under the law what has been advanced from the Federal Treasury must be repaid over a 40-year period. When these funds are repaid the Government will own the facilities, as it does today, and they will continue to be income-producing sources.

I emphasize, Mr. Chairman, that if there is any subsidy in a plan under which the users of electricity repay the cost of power facilities, it is extremely difficult for me to find it.

It appears clearly evident that the rates, revenues, and earnings are more than ample to cover all operating and maintenance costs, depreciation, interest, tax payments to State and local governments, and still leave a generous margin of income for the Federal Government.

I want to point out further, Mr. Chairman, that Congress did not establish the TVA power program as a source of income-tax revenue for the Federal Government. A great deal has been said as to why TVA and the municipal power systems do not pay Federal income taxes.

Let me emphasize again, as I have emphasized ever since I became a Member of the House, that all of TVA's net income goes to the Federal Government, to be used either for general purposes or for reinvestment in the TVA power system.

Congress gave TVA specific direction to charge the lowest possible rates consistent with making the power program self-supporting and self-liquidating.

It is a matter of fact that the income which the Federal Government receives from TVA's power operations exceeds the income taxes which a private utility would pay if it owned and operated the system.

I hope, Mr. Chairman, that Members of the House will give very earnest study to this question. The TVA is a great and tremendously important national asset. It was created by the Congress and told to do a specific job. How well it has done that job the record of the last two decades will testify.

It would seem to me that the basic facts in connection with this Government corporation should be studied most carefully particularly by all Members of the House, to the end that we shall not continue to face each year a situation in which so much apparent misunderstanding of the facts appears. There is a deal of difference between a philosophy with reference to public power and the facts and figures in the TVA operation.

The following correspondence, I believe, will be of interest to the House:

FEBRUARY 11, 1954.

Mr. LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: In disapproving a request by the Tennessee Valley Authority for funds to begin construction of the proposed Fulton steam plant, the Bureau of the Budget suggested as an alternative that TVA be relieved of its commitment of around 600,000 kilowatts of the load being made available to the Atomic Energy Commission. Under this proposal private utilities would build plants to make up this deficit to the AEC.

As you may well understand, this is a matter in which the power consumers of the Tennessee Valley region are intensely interested since it involves the question of an adequate power supply for that area.

It is one also in which all the American people have a vital interest because it appears that such an arrangement inevitably will cost the Government considerably more in the long run.

As you know, a minimum of approximately 3 years is required to construct and place into operation a steam generating plant.

I have not yet been successful in efforts to obtain any definite information about any negotiations entered into or contemplated for carrying out the suggestion of the Bureau of the Budget that AEC depend on private utilities for a half million kilowatts now being supplied or to be supplied by TVA. Appropriations for the next fiscal year will be approved within the next few months.

In view of these circumstances, and because this is a matter of the most urgent importance to the whole economy of the Tennessee Valley region, I believe we should know at this time just what the status of negotiations, if any, may be insofar as putting into effect the recommendations of the Bureau of the Budget.

Has the Atomic Energy Commission reached such a point in any negotiations that you feel confident that, as of any certain date, you will be able to obtain from privately built steam plants the amount of electric energy you will require?

Are you in a position to give to the Congress estimates on the cost to AEC of 600,000 kilowatts obtained from privately built steam plants, and a comparison of that cost with the present cost of TVA power?

I hope you will understand, Mr. Chairman, that I am seeking this information because I believe it to be necessary before the Congress can act wisely on appropriation bills for fiscal year 1955.

As I see it, your own appropriation as well as that of TVA is involved here. Unquestionably the AEC appropriation, now or in the near future, must of necessity contain funds for the purchase of this private power if the administration's policy as set forth in the budget is to be made effective.

In my own opinion we should not take an unnecessary risk at this time, a risk that involves not only a large load of power needed by the Atomic Energy Commission, but power necessary for the normal needs of the Tennessee Valley area.

Unless there are presently some more specific plans for supplying the Atomic Energy Commission's power needs than have been made public or given to the Congress, then I believe we will be taking a great risk if we do not proceed with the construction of the Fulton plant.

I shall deeply appreciate whatever information you may give me on this extremely important question.

With best wishes, I am
Sincerely yours,

——— ———.

MARCH 19, 1954.

Mr. LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: With further reference to my letter of February 11, 1954, and your reply thereto, I feel that it is now more imperative than ever that the exact situation with reference to the budget proposal to relieve the Tennessee Valley Authority of its commitment of 600,000 kilowatts to the Atomic Energy Commission be clarified.

My reason for taking this position is the information I have received in the last few days that the Atomic Energy Commission has requested that the Tennessee Valley Authority supply an additional 20,000 kilowatts of power for use at the Oak Ridge plant.

You explained in your letter that an offer had been made to the Commission with reference to the 600,000 kilowatts and that it was being considered as the basis of further discussions with the Bureau of the Budget and that you would let me have the detailed information as soon as it was available.

The Subcommittee on Appropriations, as I understand it, is now in the process of marking up the independent offices appropriation bill for the next fiscal year. Very shortly that bill will be reported to the House of Representatives for consideration.

Under the circumstances it appears to me that Members of the House from all parts of the country, and particularly from the Tennessee Valley area, will be placed in an extremely uncertain and difficult situation unless at that time we can have some assurance that the power needs, both of the Atomic Energy Commission and the private consumers in the Tennessee Valley area, are to be met adequately and economically.

If there is not some reasonable assurance that the load of 600,000 kilowatts plus the new request for 200,000 kilowatts can be made available without a very serious consequence to the economy of that area, then the Congress should have that assurance before consideration of the appropriation bill.

If the cost of private power under the terms of the offer that has been made to the Commission will be greatly in excess of TVA power, then certainly the Congress should have that information.

Without any desire or intention of appearing to be impatient in this matter, I do feel that the Congress needs a very clear picture of the present and contemplated future circumstances in connection with this entire matter if the Congress is to act wisely and in the public interest.

With best wishes, I am,
Sincerely yours,

——— ———.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., March 26, 1954.

Hon. J. PERCY PRIEST,
House of Representatives.

DEAR MR. PRIEST: In response to your letter of March 19, 1954, the discussions with the Bureau of the Budget on 600,000 kilowatts of power covered in our previous letters of March 5, 1954 and March 22, 1954, concerned the possibility of relieving TVA of this amount from their present contract commitment to furnish 1,205,000 kilowatts for the gaseous diffusion project at Paducah, Ky.

The AEC contracts with TVA for the Oak Ridge area now provide for the power required to operate the major production facilities including the expansion authorized by the Supplemental Appropriations Act of 1953.

Recently, to provide for additional new load at Oak Ridge in the amount of 200,000 kilowatts, the TVA was requested to submit a proposal for the supply of this additional power. This power will be used to operate new facilities now under contruction for which funds were provided in the Appropriation Act of 1954, and for facilities for which funds are being requested in the 1955 Budget Estimates, now before the Congress.

The Bureau of the Budget is considering both problems together. Recent discussions with them indicate their appreciation of your concern and their plan to draw the studies to a conclusion as rapidly as possible.

They have pointed out to us the President's budget message indicated that, in the event

negotiations for furnishing these load requirements for the Atomic Energy Commission from other sources are not consummated as contemplated, or new defense loads develop, the question of starting additional generating units by the Tennessee Valley Authority will be reconsidered. Representatives of the Bureau of the Budget have stated that, if under these circumstances, it becomes necessary to reexamine the question, this will be done in time to allow TVA to submit a supplemental request for consideration by Congress during this session.

Sincerely yours,

K. D. NICHOLS,
General Manager.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise at this time in order to clarify, if I can, the misunderstanding that seems to prevail with respect to the point of order which I made yesterday in regard to public housing. I would like to put in the RECORD just what the situation is.

In the bill of last year the following language was contained:

The Administrator shall not "after the date of the approval of this act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so."

Now, that effectively put an end to public housing. That is the law today. No public housing except that already contracted for.

Now, the bill on yesterday contained this provision:

Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, authorize during the fiscal year 1955 the commencement of construction of in excess of 20,000 dwelling units.

It was contended that this 20,000 was put in there because they were houses that were not new, that were already contracted for when we passed last year's act. That may or may not be correct. But, this language was such that it was feared that it affected or repealed or modified the language of the previous year.

What I was seeking to do and what we did do by obtaining the elimination of this language was to see that existing law remains as is. Last year we put a stop to public housing after the completion of the contracted units. By that amendment which was in the bill yesterday, the provision that was stricken out, it was uncertain whether or not that would revive the authorization of public housing, so the purpose of my point of order was to see that the law remained intact. Now, if we are obligated to build 35,000 units, I do not care whether we build them this year or next year. What I am seeking to do is to keep the door closed on the thing we did last year to definitely and finally end public housing. It was quite clear from the debate last year as to what happened and what Congress intended. It was the positive understanding of this House that there was an end to public housing by the language which was reported in the independent offices bill of last year.

And, I want to quote from some of the members of the committee who wrote that language. I quote from one member of the committee who wrote that language:

We have cut out what is described by the gentleman from Virginia, in essence, as socialized housing, which is expensive, uneconomical, and political. The testimony before the committee indicates that public housing is expensive, that the average cost of a house is $14,000, and they can be built better, as a rule, by private builders for less money. It is uneconomical; it is highly political.

And, may I add, is still highly political.

I quote from another member of the committee who helped draft that language:

I do not want any misunderstanding. It was our intent, and so far as I am concerned, it is my earnest desire that we meet this issue foursquare. I hope that by that language we are terminating public housing, as such, forever and through all eternity, because I believe it is the most monstrous, un-American, uneconomical, socialistic, and expensive legislation ever written by any Congress in all our history.

Now, that is language of members of the committee who wrote it, and it was the clear intention of Congress that the act of last year close the door and completely do away with public housing, with the exception of the houses that were already contracted for. Now, if you contracted for 35,000, I do not care whether you build them this year or next year, just so this door remains closed, and it does remain closed by the action of the House on yesterday in striking out the clause which would have changed the law.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from California.

Mr. PHILLIPS. Can we agree on a limitation of time on this amendment only? Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes, the last 3 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. SUTTON. I object, Mr. Chairman.

Mr. CANFIELD. Mr. Chairman, I rise at this time to read to the Committee a United Press dispatch that I have just culled from the wires of the teletype machine in the lobby:

Speaker MARTIN said he expects Congress to give the administration a go-ahead on commitments for the construction of about 70,000 public housing units in the next 2 years.

This would be in line with President Eisenhower's request for a 4-year program of 140,000 public housing units.

MARTIN told reporters he saw no confusion in what the House did yesterday on public housing. A proposal to limit public housing commitments to 20,000 in the next fiscal year starting July 1, was stricken from an appropriations bill.

MARTIN said the effect of this was to give the administration authority to commit the Government to the subsidizing of 35,000 additional units next year.

The 35,000 units for the following year will be authorized, MARTIN continued, in a general housing bill which the House planned to take up later today.

The general housing bill, as presented to the House, contained no provision for additional public housing commitments. MARTIN said the Republicans would support an amendment providing for the additional 35,000 units.

Mr. PHILLIPS. Mr. Chairman, will the gentleman from New Jersey [Mr. CANFIELD] yield for a unanimous-consent request?

Mr. CANFIELD. I yield.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes, the last 4 minutes to be reserved to the committee. That would bring us to 2 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. PHILLIPS]?

Mr. COOPER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COOPER. As I understand it, the request refers to the pending amendment and any amendments thereto.

Mr. PHILLIPS. That is correct, the last 4 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. PHILLIPS]?

There was no objection.

(By unanimous consent, Mr. PATMAN yielded his time to the gentleman from Tennessee [Mr. EVINS].)

(By unanimous consent, Mr. BOLLING yielded his time to Mr. YATES.)

(By unanimous consent, Mr. KRUEGER yielded his time to Mr. JONAS of North Carolina.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I should like to say that I agree with the gentleman from Virginia [Mr. SMITH]. I think his interpretation of the existing law is correct. The language that went into the appropriation bill last year, in my judgment, terminated authority for construction of new units. It was never the intention of our committee at any time to prevent the construction of any units which were the subject of firm contract previously entered into between the Government of the United States and various housing authorities. The committee recognized the validity of such contracts at all times. I pointed this out to the House yesterday when I argued the point of order, and subsequently, the majority leader agreed with me.

With respect to what my good friend from New Jersey [Mr. CANFIELD] has said regarding the statement of Speaker MARTIN appearing on the teletype, let me say that I am glad to see that Speaker MARTIN has approved the construction of 35,000 housing units. But remember, Mr. Chairman, these are units that were authorized during a Democratic administration; as of the present date, there is no authority for the construction of

new housing units. There will be none, apparently, unless it is inserted in the new housing bill. It will be interesting to see whether the President's party will vote for such authority. Certainly, they never voted for appropriations for the purpose.

I certainly hope that when the housing bill is brought to the floor, appropriate authority will be voted for the construction of sufficient units in accordance with the President's program. What has happened to that program? I do not know how Speaker MARTIN obtains the impression that 70,000 units are going to be constructed this year. As the law now stands, only 35,000 are provided for. If the Speaker proposes an additional 35,000 he will be opposing the President's recommendation, for the President asked for 140,000 new units, not 35,000 new units. He did not include in his program units which had been authorized by the Democratic administration over 2 years ago.

That is the housing picture at this time. It seems that the gentleman from Virginia [Mr. SMITH] and I are in agreement as to what the picture is, even though yesterday it appeared we were at opposite ends. In effect, we are now completing the liquidation of the public housing program which began last year.

Under existing law, under a decision of the Comptroller General of the United States, the Public Housing Authority can proceed to the construction of 35,000 housing units. I certainly hope and trust that the Public Housing Authority will not go back on its agreements with the various municipal housing authorities but will continue to respect its commitments, and that that number of units will be constructed.

Mr. RAINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Chairman, the Appropriations Committee, dominated and controlled, of course, by the Republicans, seek by unreasonable cuts in appropriations to strangle TVA, to "let it die on the vine."

The paralyzing effects of the committee's action is seen in the effort to reduce the appropriations by $38,218,000, and yet at the same time directing the Tennessee Valley Authority to make total expenditures in accordance with the President's budget, with the exception of a $600,000 reduction in the resources development activities.

Of the total corporate funds to be used, instead of appropriations, approximately $37 million, would come out of power proceeds, thus denying to TVA sufficient operating capital. Clearly this is aimed at only one objective, force up rates of TVA on the users of electric power in the TVA area. Of course, the attendant result will be an immediate increase of rates of all private power utilities as soon as the TVA "yardstick" is broken. The amount of $40 million, which the TVA by its budget hopes to reserve for possible emergencies and contingencies which may arise in connection with the TVA program, is not large, for the operation of a power system with a capital investment of over a billion dollars, and whose gross revenues for the years 1954 and 1955 is expected to be approximately $335 million, and whose direct expenditures estimated to be above $260 million.

Without adequate working capital, no business could long operate profitably. Normal business operations require fast adjustments to frequent changes in operating conditions, cash must be in hand to meet contingencies and to grasp opportunities. The world's largest automobile manufacturer maintains liquid assets ranging up to $312 million, or 8 percent of the total assets. The world's largest steel company has had liquid assets of $322 million or 11 percent of total assets, and the world's largest chemical company has had liquid assets of $266 million or 15 percent of total assets. In the electric utility field, the Detroit Edison Co. has found it desirable to have liquid assets of about 9 percent of its total assets, the Arkansas Power & Light Co.'s liquid assets have exceeded 8 percent of total assets, and up to 10 percent of the assets of the Cleveland Electric Illuminating Co. have been in liquid form.

The drastic action of the House Appropriations Committee would reduce the working capital of TVA power program to only $3 million, less than one-half of 1 percent of total power assets. No private power utility would think of attempting to operate on such low percentage of working capital. What is the purpose of this drastic action on the part of the Appropriations Committee? It is apparent that the end sought is not more efficient operation of TVA, because not even TVA's worst enemy can charge inefficiency. This, in my judgment, is a deliberate effort to hamper and hamstring the TVA in carrying out the basic act of TVA, and is aimed to bring about an upward trend in all utility rates.

The bill, as reported by the Appropriations Committee, and as presented to the Rules Committee, had, contrary to the rules of Congress, several items of legislation, all of which would have been greatly injurious to TVA. Thanks to the action of the Rules Committee in not granting a rule waiving points of order on these legislative riders, we have been able to eliminate from this bill these drastic provisions relating to interest and resale rates. But the subcommittee shows its hand and its feeling with reference to TVA, by incorporating these legislative riders in the bill. What are they, and what will they do to TVA?

The bill requires TVA each year to pay interest upon the investment in the TVA power system derived from appropriations, including construction in progress, or from transfers of property by other agencies. The interest rate is to be the Government's average interest cost on the public debt. The interest requirement is to be superimposed upon the existing requirements under the Government Corporations Appropriation Act, 1948, for the amortization of the appropriation financed investment in power facilities. This requirement is wrong in principle, subversive of good management and sound business, and deprives consumers in the Tennessee Valley area of the assurance of adequate electric service.

Even though referred to as a requirement for payment of interest, actually the payments would be in the nature of dividends. TVA is wholly owned by the Federal Government, all of its earnings belong to the United States, and any payments—other than for the return of capital, for which provision is already made in the 1948 act—are really dividends, whatever they may be called. Charging interest might be appropriate if the owner of TVA was content with the role of creditor and exercised some of the prerogatives of ownership. But TVA is under continuous congressional supervision, and congressional control is frequently exercised in ways having substantial effect upon costs.

In any well managed organization, dividends are paid when earnings are available in excess of those required for the successful and profitable operation of the enterprise including such working capital and contingency reserves as prudent operation of the particular business requires. The effect of the bill, therefore, is not merely to attempt to legislate a level of profits but also to require those profits to be paid each year irrespective of fluctuations in business conditions, earnings, or of the requirements for the operation of the business.

TVA, like any electric utility company, has a public service obligation which should transcend every other consideration. The continuous availability of an adequate supply of power is essential in our modern economy. Five million people in the TVA area are wholly dependent upon TVA as the source of their power supply. This public service obligation requires large outlays for transmission and substation facilities quite aside from the requirements for generating units which are financed entirely from appropriations. Such outlays should be a first charge upon net revenues.

Paradoxically, the proposal for imposition of a minimum dividend requirement comes at a time when no funds are provided for new starts on electric generating capacity. As a result, TVA would be required in future years to make greater use of its higher cost steam plants than would otherwise be the case with a resultant adverse effect on profits.

It may be noted that the so-called interest requirement stipulates a formula for determining the applicable rate of interest which goes beyond the announced purpose "to repay the taxpayers of the country the amount the taxpayers must pay in interest on the money to finance the TVA power program." The standard is to be the interest cost on the public debt which includes nonmarketable issues, the interest rates on which are entirely arbitrary.

The power supply contract under which TVA sells and locally owned distribution systems by electric power includes an agreement by the distributor as to the rates which the distributor will charge in reselling the power to the ultimate consumer. This provision is included in the TVA contract in order to

carry out the stated objective of the TVA Act that the benefits of the Federal investment in TVA's power system shall be spread as widely as possible in the area in which TVA operates. The basic act directs that TVA projects be considered primarily as for the benefit of the people of the section as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and that sales to industry be a secondary purpose. Section 10 of the act specifically provides for the inclusion of resale rate schedules in power contracts. The effect of the proposal of the Appropriations Committee is both to amend the act and to defeat its purpose.

The committee report, in the single sentence devoted to this matter, says merely that the committee does not believe it is good policy for the TVA to interfere in the business of municipalities and local units of government. This assumes that the Federal Government has no interest in the level of rates charged the ultimate consumers for power produced at Government projects. It implies also that the people of the area regard resale rate agreements as interference. Neither of these implications are true.

The broad purpose of the TVA-power program is to promote the prosperity of the Tennessee Valley region. Without such a contract provision the benefits of the Federal investment in the TVA dams and steam plants might never reach the people or help to build a stronger and more prosperous economy.

Without such agreements each local community would be subjected to great pressures both to divert the benefits of the TVA-power program to some limited group or interests and to compete with every other community in the region and elsewhere for industrial customers by making discriminatory rate concessions either to industries as a class or to specific industrial customers. Such concessions would be at the expense of small consumers, householders, farmers, and small-business men. If even a few of the 148 distributors should be forced to yield to such pressures the others would be under almost irresistible compulsion to do the same.

Every State in which TVA sells large amounts of power has adopted legislation specifically authorizing municipalities, cooperatives, or both, to enter into contracts containing resale rate schedules. The establishment of the prevailing rates to consumers by an agreement with TVA is a part of the public policy of the valley States. The distributors and consumers of TVA power far from regarding such rate schedules as an interference consider it a necessary and stabilizing feature of the power supply arrangements of the Tennessee Valley area.

The power consumers of the whole country have a stake in the committee's proposal. The resale rate schedules have established a national pattern for increased consumption, higher load factors, and lower unit costs of generation and distribution. It is the universal opinion that the force of the example in the Tennessee Valley area has stimulated the utilities to increase their load building activities and to reduce their unit costs, with the result that electric rates in the Nation have not followed the inflationary spiral to nearly the same extent as other commodity prices, while at the same time electric company profits have been maintained and increased. The destruction of the TVA example would invite the electric utilities to abandon the progressive principles of operation which they are now beginning to put into practice.

Adoption of this proposal would deal a great blow to the small consumer of the Tennessee Valley area. He has been encouraged to increase his use of electricity to twice the national average because of his faith in the stability of the electric rate structure in the area. If Congress should set aside the resale rate provisions, there would be an immediate impact upon his willingness to purchase new appliances as well as his willingness or ability to continue to use those which he has already purchased.

In the face of the general satisfaction in the area with the prevailing method of establishing resale rates and the regional and national interest in preserving such rates, it is difficult to see any valid reason for the committee's prohibition with respect to resale rate schedules, and the committee report suggests none.

The committee would deny any appropriated funds for resource development and place a ceiling of $600,000 on corporate funds used for resource development. Last year the committee recommended complete elimination of this program. At that time TVA said:

> While this reduction in money represents only about 1 percent of the total amount approved, the action of the House, if sustained by the Senate, would destroy TVA's effectiveness as a regional development agency. * * * The activities eliminated by the action of the House establish an essential link between river control operations and the institutions and people of the Tennessee Valley—between engineering works and the people for whose use such works are built. * * * The methods by which these activities are carried on encourage State and local institutions to accept increasing responsibility for comprehensive work in regional development. * * * We are convinced that this furtherance of State and local activity in the resource development field is the key to lasting accomplishment in regional development.

Our conviction as to the worth of this program and its contribution to the effective development of the Tennessee Valley's resources has not changed.

This is not a new program; its methods have been thoroughly tested, and they have been productive in the past. Nor is it an expanding activity; it is the remainder of a program which required about $4 million of funds as late as 1947. Expenditures in the program since 1947 consistently have declined as State and local agencies have gained strength. But the timing of Federal assistance is critical, and a ceiling of $600,000 will, for all practical purposes cause the disappearance of this program as an effective instrument in the region. It will force the premature abandonment of partly completed experiments which are important not only to the region but for the Nation.

The repudiation by the House committee of TVA's resource-development program contradicts national policies which are receiving increasing endorsement and acceptance. It will set backward the development of adequate State and local resource programs in the region, it will terminate a small watershed program of great promise, and it will destroy the only Federal forestry program which emphasizes the potentialities of private ownership, rather than Federal ownership of forest land. As examples of TVA resource development, we believe that both the watershed program and forestry activities are worthy of the committee's reconsideration.

It is not the time to abandon the only well-established experiments and demonstrations in tributary watershed development in a region where farm income, erosion control, and rural depopulation are still serious problems, during a year when a State has first indicated that it will start such a program. Only 2 months ago the governor of one of the valley States wrote TVA:

> We are now prepared to assume a leading part in the rendering of technical and professional advice and assistance to local groups in such localized (watershed programs). * * * We will necessarily need to continue to look to TVA for substantial assistance in making such a program a success.

So far as is known this is the first time in the Nation that a State government has undertaken to set up its own watershed program; its initiative should be encouraged.

It makes no sense to abandon the TVA forestry program at this time. In a region in which 82 percent of the forest lands are privately owned, where useful forest growth could be trebled, at a time when large-scale wood-using industry is experimenting with plant location in the valley, activities directed toward reforestation, forest protection, and better forest management are of critical importance. As a Federal program directed exclusively toward assisting improvement of privately owned lands, which does not depend on Federal ownership, TVA's record is well known. To capitalize on past efforts, this program must be allowed to run its course rather than being brought now to an untimely end.

TVA is a boon and a blessing not only to the people of our area but to all America. It has been and is the strong right arm of our Nation in time of peril, a great and dynamic force for the development of our country.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. Mr. Chairman, no one has heard me criticize TVA or the people of the great State of Tennessee in this Chamber or elsewhere. All down through the years they have been loyal, patriotic, industrious, and courageous. I know of no greater people in the United States. May I add that one of the things that made them great is the fact that at one time they were citizens of the great State of North Caro-

lina. We were sorry to lose them. We would like to have them back.

I am not trying to do anything to TVA. I have taken the position simply that TVA is now a full-grown giant engaged in the business of distributing power—the biggest power system in the United States.

My attitude toward TVA is that of an indulgent parent that asks himself when his son reaches voting age, has a family, a booming business, and bank account, yet still comes back home for a big handout: "Won't that boy ever make his way by himself?"

I would say to TVA, "Since you have received $1¾ billion from the Public Treasury of the United States, and since you are the biggest power system in the United States with an income from the sale of power of more than $200 million per year, you ought to be able to finance your own future operations."

With respect to whether there will be a shortage several years hence, let me remind the committee of this fact, one that I pointed out last Monday: TVA this year is obtaining from 11 to 12 percent of all the power it distributes from private power companies operating around the periphery of the Tennessee Valley area. The record will show that three of those companies have proposed to furnish TVA all of the additional power TVA will need in 1957—at what kind of rate? At a rate which will be approved by the Federal Power Commission. What could be fairer than that?

Many speeches have been made on this floor, this year and last year, claiming that TVA is entitled to most of the credit for bringing electricity to the rural people of the Tennessee Valley.

I would not take away any credit from TVA that it deserves, but I think some of the proponents of expansion for TVA are giving that organization more credit than it is entitled to for development of rural electrification in the Tennessee Valley.

I invite their attention to the following facts with respect to rural electrification in the great State of North Carolina. Most of the people in our State are proud of the development of this program to bring electricity to the rural areas in our State. I am certainly a supporter of REA and expect to continue to advocate and support the expansion of that program. But listen to these facts:

On January 1, 1954, there were 154,000 farm family consumers of cooperative electricity in North Carolina. They represented some 600,000 individuals, and in addition, some 14,000 organizations such as churches, schools, rural stores, and rural industries were likewise being served to bring the total of connected consumers up to 168,000.

Nearly 40,000 miles of electric line has been erected to serve these consumers of the 300 million kilowatt-hours of power which they used in 1953. This power was used to operate 126,000 refrigerators, 120,000 washing machines, 50,000 water systems, 51,000 electric ranges, 33,000 water heaters, and 21,000 home freezers. In addition, many items of farm equipment were being operated by electricity. It is estimated that the consumers of this power in North Carolina have already invested over $200 million in electric appliances and equipment.

Today more than 94 percent of rural North Carolinians have electricity.

The REA organizations in North Carolina, of which there are 32, have accomplished these results by using $71 million in construction loans. They have repaid nearly $10 million of these loans and about $5 million in interest. All of them are either up to date or up to schedule in making principal and interest payments.

May I add, in conclusion, that all of this has been accomplished without any help from TVA and without any grants or subsidies from the Federal Government. The Federal Government has advanced money for the construction that was necessary in the program, but the consumers of REA electricity in North Carolina are repaying the borrowed money plus interest.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Mr. Chairman, I rise because of the suggestion made by my good friend from Tennessee [Mr. PRIEST] that if the atomic plant needed more power it would certainly get it but that the consumers in the Tennessee Valley who are now getting power would then lose it. I submit to my friend, if those companies are to lose that power, I would like to read the names of a few of those companies who are presently benefiting from the low cost power and our subsidies in the Tennessee Valley. Tennessee Eastman Corp., the Knox Forstmann Co., the Bemberg Rayon Co., Atlas Powder Co., Monsanto Chemical Co., Du Pont, National Carbon, B. F. Goodrich, Armour, Firestone, Continental Can, and so forth.

Mr. Chairman, it seems to me if the choice is between appropriating more taxpayers' money in order to provide these companies with low cost power or between requiring those companies to buy their power from private utilities at rates which private utilities can afford to sell, then the choice is easy for us.

The question of appropriating more and more federally collected tax money for expansion of the Tennessee Valley Authority has been argued on this floor and in committee rooms of the House many, many times in the past.

On most of those occasions the arguments have been pro and con on the theory of Government or publicly owned power versus privately owned power.

I prefer to leave the theory of the question for argument by those better qualified than I am to debate them. I would like to talk about another phase of this problem which is of prime importance to me as a Representative from Ohio, particularly from the Eleventh District of Ohio.

And I am sure that what I say is of equal importance to the gentlemen from Michigan, from Pennsylvania, from California, New York, all of the New England States, Illinois, Indiana, Texas— in fact I am sure of the importance of this to all the gentlemen from all of the States except perhaps Tennessee, itself, and to those from some districts of a half dozen other States which fall within the area of direct influence of TVA.

I want to discuss jobs—and I mean the jobs of the average American workingmen. I want to discuss the living standards of those workingmen and of their wives and children. I want to keep in mind the investments in homes and towns that those workingmen have made, and which we are duty bound to protect. I think about the taxes that those same workingmen have paid and are paying now, and about the taxes that they and their children will have to continue to pay as far into the future as any of us now can foresee.

I am concerned about the jobs, the taxes, and the living standards of the average American when I think about the TVA, and particularly so when I think about this Congress appropriating more money for one particular phase of TVA—I mean the appropriation of more money for the building of enormous, expensive coal-fired electric generating plants to make electricity with coal in the Tennessee Valley.

I am distressed and puzzled when I think of this Congress appropriating tax money collected from people across the entire country to build coal-operated electric plants in one locality, to build up that locality in such a fashion as to reduce opportunity for the workingmen of all other localities—the other localities being the principal source from which these same tax moneys were derived.

The Tennessee Valley Authority has today—and I am quoting His Excellency, the Governor of Tennessee—"a hydroelectric generating capacity of 3,291,435 kilowatts and 1,836,550 kilowatts of steam power."

That means that today more than one-third of the total power output of TVA is coal-generated. It means that some 35 to 36 percent of the generating capacity has nothing at all to do with dams or waterpower, but simply comes from coal-burning powerplants such as are built and operated throughout our land with the exception of those places where natural or manmade water impounding has made waterpower possible.

That means that Congress, in the past, has appropriated hundreds of millions of dollars for building steam generating plants and transmission lines to benefit one area of our country and to help that area to outstrip in industrial growth and in job opportunities other areas which are just as deserving and which should be given at least an equal opportunity with Tennessee.

I believe that the people of this country were in sympathy with that Congress of years ago which created the TVA, since the purposes of that creation, as we know and as most of the people know, were threefold:

First, to prevent disastrous flooding of the great Tennessee Valley; second, to improve navigation on the Tennessee River and its tributaries; and third, incidentally, to make use of such waterpower as the flood control and navigational improvements might make possible.

That is what the original congressional authorization provided.

But what do we have now?

We have an enormous Government-financed, Government-owned, and tax-subsidized power producer, tremendously enlarged by the type of generating plants that could as well be built in any part of the country, actively and insidiously engaged in wooing industry—and incidentally workingmen's jobs—away from every other part of the country to the Tennessee Valley Authority area.

Every city and town in Tennessee that has a chamber of commerce, or a board of trade, or an industrial council, or any kind of a committee for industrial expansion has become a militant TVA salesman to all industry—and I mean big industry and big business. These cities and towns are working in every way possible to get industry and business to Tennessee—either to move plants there from other localities, or to influence them to locate their plants there when expansion or enlargement programs are undertaken.

Now this program of selling TVA by the towns and cities of Tennessee is understandable, and from their viewpoint at least, extremely commendable. But what are the special inducements most generally offered by chamber of commerce salesmen of TVA areas? Certainly the great State of Tennessee has many advantages to offer, but there are two that seem to be going hand in hand, more and more. These two advantages are cheap power and cheap labor.

I have here a very fine example of what I am talking about. This happens to be the creation of the Governor's Industrial Council, Department of Conservation—and please note that "conservation"—of Nashville, Tenn.

I would like you to notice that in summing up the advantages of Tennessee as a haven for industry, this very excellent sales brochure has this to say:

> Because of central location, low-cost power, waterway access to gulf ports, available raw materials, ample loyal labor, etc., etc., possibly Tennessee is the place for your plant.

In the name of justice, is it not enough that the people of the rest of the country provide Tennessee with navigable streams, waterpower, flood control, and natural resources conservation, without also building coal-operated powerplants to enable them to sell cheap power to industry to do economic injury to the rest of the Nation?

Just about a year ago, out in Indiana, the town of Madison believed for a time that its natural advantages, plus its progressive citizens, its supply of excellent labor, and other progressive steps by the city itself had earned for it the location there of a sizable aluminum-producing plant. But what happened? This industry needed a great supply of power, since enormous amounts of electrical energy are used in reduction of aluminum ores. The plant, and the jobs, went to the TVA area because of cheap power.

Now I am in favor of cheap power, or cheap automobiles, or cheap porterhouse steak for all of the people. I am in favor of low-cost electricity for homes and factories. But I also am in favor of having electric bills paid by those who use the electricity, and that is not the case for the fortunate folks who live in the TVA area, or for those industries which have plants there.

I want to quote once more the Governor of Tennessee, Mr. Frank G. Clement, who, in a letter to the President of the United States, wrote proudly that—

> The average domestic (electric) consumer in the (TVA) region uses approximately twice as much electricity as the average for the entire Nation, and pays only half as much per kilowatt-hour.

That is all very fine for the average domestic consumer in Tennessee, but what the good governor did not say, is that the average domestic consumer of electricity in Ohio, Indiana, Illinois, Pennsylvania, New York, California and all of the other States pay in taxes for that other half of the Tennessee folks' electric bills.

I have no argument against the flood control, the navigational improvements, the hydroelectric features, or the conservation developments of TVA, but I do have plenty of argument with the idea of subsidizing one section of the country with tax money collected in the rest of the country. It becomes a form of economic self-destruction that we as Congressmen are wrongfully forcing our people to accept.

I cannot understand how our great labor unions can stand quietly by and see this Government-financed program of industry pirating, this shifting of jobs to cheap labor areas, go unchallenged by them.

I say that the people of the States most of us represent, pay the taxes that make TVA advantages possible for the people of Tennessee.

I maintain that if Tennessee is entitled to tax money to build coal-operated powerplants to serve industry at rates that amount to about one-half what industry could provide for itself, then the rest of the country is entitled to that kind of treatment, too.

But, if the other 47 States were to have public-power developments authorized by Congress that would be equal in each State to just the coal-operated power development in Tennessee—and in light of the TVA development why should they not?—we might as well put the Government in charge of all power production and let private enterprise die in that field.

If such a thing were done, however, our additional tax burden, together with our loss of tax revenue would be so staggering that even the most avid public-power exponent would tremble at the prospect.

Some of our past Congresses have sold the workingmen of my State down the Tennessee River.

And for the benefit of you gentlemen who sit on the other side, politically, I might add that these are a few of the concerns to which in the past you have voted taxpayers' subsidies in the form of tax-financed low-cost power:

Tennessee Eastman Corp., Knox Porcelain Co., Bemberg Rayon Co., Atlas Powder Co., Monsanto Chemical, E. I. du Pont, National Carbon, B. F. Goodrich, Armour, Firestone, Continental Can, General Motors.

If further expansion of power facilities is desired in Tennessee—more power to that area—but let the resource and initiative of its own citizens, not of the rest of the country, put it there.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Mr. Chairman, you know it makes me feel kind of bad to have to oppose this amendment, especially since my favorite candidate for Democratic nominee for Senator from Tennessee is on the other side. I hate to oppose him because I hope if they have to have a Democrat from Tennessee that it will be Pat. But just the same I want to make 2 observations, and 2 only, in order to record my opposition to the entire idea. This is a practical demonstration of the fact that when once you enter into a policy of socialism, there is no end. Once you start, and once the camel's nose is in the tent, then you are continually met with the argument that having started, you must not stop. I remember well when this idea was sold to us as a waterpower project. Now it is to be almost entirely a steampower project. So, my second point is that we are probably the easiest fooled people in the world. I am in opposition to the entire idea of the Federal Government subsidizing a certain section of the country. Public power is nothing but raw socialism. I am against it.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point, and also to yield the balance of my time to the gentleman from Tennessee [Mr. EVINS].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, I rise in support of the Andrews amendment.

The TVA officials told the President, and the Bureau of the Budget, that they needed $85 million with which to start new steam plants, at New Johnsonville, at Gallatin, at Fulton, and at John Sevier, Tenn., in order to be able to meet the rising power needs of the Tennessee Valley. Under present conditions a shortage is expected in 1957.

The TVA is a utility serving the power needs of a large area. It is owned by the Government of the United States. We must give it an opportunity to make good. TVA has no statutory authority, as I understand it, to go to the bank and borrow money. Since TVA is owned by the Government of the United States, it must annually come to the Congress of the United States for funds with which to construct new facilities to meet the growing power needs of the area it serves.

So, in a sense, every Member of Congress is a member of the board of directors of the largest power generating concern in the entire world. In order

to have electric generating capacity, when it is needed, the generators, in this case the steam plants, must be constructed in advance. The new steam plants must be placed on the line when they are needed if TVA customers are not to suffer.

There has been considerable talk outside the record, and I believe some mentioned in the debate here that there is very great reason to believe that before long the Government will have to call on TVA to furnish additional new thousands of kilowatts of electric power for the Atomic Energy Commission. The record is plain that by 1957, if there are no new calls by the Atomic Energy Commission, there will be a power shortage in the Tennessee Valley.

If TVA were a privately owned utility, there is no question but that its board of directors would sit down and anticipate future needs and gear its construction program to meet those needs.

The very worst thing we can do to TVA is to cripple its operations and thereby diminish its value. If allowed to operate as any well-managed power generating and distributing utility would operate, TVA bids fair, within a reasonable time, to pay back to the Treasury of the United States every nickel that has been invested in it, and at the end of the payback period, the Government will own TVA as a valuable national asset. I understand that TVA has been diligent to repay to the Treasury the amounts which it has been called upon to repay and, as a matter of fact, it is $13 million ahead of schedule. If allowed to operate next year, without crippling restrictions, it will probably pay to the Treasury of the United States another $40 or $50 million.

The question is not whether you are for public or private power. We all recognize that there is ample room in our economy for the effective and efficient operation of TVA and of the private power companies. As a matter of fact, if America continues to grow and if our defense needs continue to expand, then all our power resources, both TVA and the privately owned companies will be challenged to produce all the power possible.

In the long run, we will not help private power companies by destroying TVA. We should continue to encourage TVA and the privately owned power companies to work effectively to serve the needs of a growing economy.

I am aware of the problems, the cross-currents, the conflicts of opinion with reference to public and private power. A part of the Seventh Congressional District of Alabama, in Cullman, Franklin, and Winston Counties, is served by power from TVA. Other sections of the Seventh Congressional District are served by rural electric co-ops, draw their power from private power sources. In Walker County, my home, a private power company owns and operates the largest privately owned steam generating plant in the entire Southeast. Each of these power units, TVA, REA Co-ops, and privately owned power companies should be encouraged to do the best job possible.

I am for the Andrews amendment to give TVA the money to start the steam plants which it needs. If the Andrews amendment is voted down, I will vote for an amendment to raise the appropriation for TVA for the next fiscal year from $103 million to the $142 million recommended by the President's budget. To me the cut of the appropriation from $142 million to $103 million is indefensible. That cut has the effect of depriving TVA of the operating capital it needs.

TVA in the fiscal year 1955 will be burning coal at the rate of 15 million tons a year. Its coal costs, including those of transportation, will run in the neighborhood of $75 million a year, or at the rate of $6,250,000 per month. For TVA to stockpile coal for 90 days advance use, would cost nearly $19 million. It is wrong to deprive TVA of its operating capital.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield.

Mr. COOPER. I am sure the gentleman will agree with me for the benefit of the distinguished gentleman from Ohio [Mr. OLIVER P. BOLTON] that it should be borne in mind that the industrial rate charged by TVA, and the industrial rate charged by private power is substantially the same.

Mr. EVINS. Yes, and it should also be pointed out that the TVA under the authority of the act has no power to borrow money, as suggested by the gentleman from Ohio. The TVA must come each year to the Congress for its appropriations for operating funds.

(By unanimous consent, the time allotted to Mr. JONES of Alabama and Mr. RAINS was given to Mr. EVINS.)

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield for a question?

Mr. EVINS. I yield to my friend from Alabama.

Mr. JONES of Alabama. Referring to the list of companies read by the gentleman from Ohio a moment ago, is it not a fact that in time of emergency these companies will be totally engaged in manufacturing defense materials?

Mr. EVINS. The gentleman is correct; they were manufacturing armament and materials for defense.

Mr. JONES of Alabama. I presume then, if we had another conflict, they would turn to the production of armaments and implements for waging war, and consequently would be the beneficiaries of such a national defense program.

Mr. EVINS. I thank the gentleman for his observation. Mr. Chairman, what we have witnessed here, it seems to me, is a very shortsighted and narrow point of view with respect to the Tennessee Valley Authority. I like very much the statement of the distinguished ranking member of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] when he made, what I term, a statesmanlike speech referring to the great national defense importance of the Tennessee Valley Authority and its tremendous contribution to the welfare of the entire Nation, and especially to the security of our country.

Mr. Chairman, we are beginning to become accustomed to the attacks of our colleagues, the gentleman from Pennsylvania [Mr. GAVIN], and the gentleman from New York [Mr. GWINN], who are the most ardent foes of the TVA both in and out of Congress.

The gentleman from New York [Mr. GWINN] a few years ago, it will be recalled, stated that literally hundreds of industries were lured down South into the TVA area, but he mentioned in his speech only one instance; he said hundreds, yet when he got down to stating cases he referred to only one industry. I took occasion to took into the facts of the situation of one industry cited and found that it had located in the Tennessee Valley in 1930. The TVA Act was not passed until 1933, and TVA power was not available to this particular county for more than 6 years later. So that industry cited as having been lured into the valley because of the availability of power had been located in the area more than 9 years prior to the time when TVA power was available in that area; and, of course, my colleague, the gentleman from Tennessee [Mr. BAKER] has already demonstrated that the Alcoa plant was located in the Tennessee Valley prior to the passage of the TVA Act.

Mr. Chairman, it is interesting to note the observations and remarks made by our very genial friend, the chairman of the subcommittee on appropriations, on independent offices, the gentleman from California [Mr. PHILLIPS] for whom I have a very high regard. The gentleman from California stated when he referred to TVA that the Committee on Appropriations has neither the intention nor the desire to destroy the TVA. Those are very nice words, but expressed in such a negative fashion. Instead of saying that TVA is a great agency of our Government, a great national asset, a great agency for the welfare and the defense of our country, instead of praising the TVA, he starts out with a negative proposition, apologizing, if you please, for the action of the committee, I assume.

Mr. Chairman, I think a very important factor to be taken into consideration in connection with the operation of TVA is the money that TVA has returned into the United States Treasury. I have here, Mr. Chairman, a statement obtained from official sources of the Tennessee Valley Authority itself showing the amount of repayments into the Treasury of funds from the power operations of TVA. Beginning with 1945, the TVA provides a return on funds appropriated from power purposes, not for navigation and flood control, but on funds appropriated from power purposes into the Treasury.

Mr. Chairman, TVA turned into the Treasury in 1945, $12,597,743.81; and similar amounts each year; in 1946, $10,336,264.01; in 1947, $3 million, roughly; in 1948, $5 million; in 1949, $4,174,482; in 1950, $3 million; 1951, $15,047,127.61; in 1953, $22 million in round figures making a total of funds turned into the Treasury from the sale of power by the TVA since 1945 of $79,598,165.57.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. EVINS. Let me finish this statement and I will be glad to yield.

In addition to the revenue turned in by TVA on its power operations it has also redeemed bonds sold to the Treasury and the Reconstruction Finance Corporation over the years in a total amount of $36,072,500.

The total amount of payments into the Treasury on both these accounts—power proceeds and redemption of bonds—totals up to $115,670,665.57.

In other words, the Tennessee Valley Authority has repaid into the Treasury of the United States in excess of $115 million; and in addition the TVA is a great national asset still owned by all the people of these United States.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to my friend from Tennessee.

Mr. BAKER. Does the gentleman from Tennessee know—and I state it as a fact—that for the fiscal year 1955 the sum of $50 million is projected to be paid into the Treasury by TVA.

Mr. EVINS. Yes, that is my information and as the gentleman knows the TVA is paying into the Treasury annually large sums of money. The TVA is a highly successful and going operation.

Yet there are those who want to snipe at the TVA—throttle it and kill it. To those who protest that they do not have in mind killing TVA, I can only reply by paraphrasing Shakespeare, who said something about protesting too much.

It is difficult to reconcile actions of the Congress in voting billions of dollars for foreign aid and foreign relief and yet deny the reasonable and modest requests for capital investment and improvement of a great asset of our Government—the TVA—that benefits not only the South, but the Nation as a whole.

We may recall that recently President Eisenhower prevailed upon former president of the American Chamber of Commerce, Mr. Eric Johnston, to make a visit to the Middle East with a view of building friends for our Government. The President requested Mr. Johnston to report back his recommendations on what course of action our Government could take to help the people in that area of the world. Mr. Johnston's report, upon his return, as many of us recall, recommended the building of a series of five hydroelectric power dams on the ancient Jordan River. He indicated that such a program would do more toward helping the people in that area of the world than any other action which our Government might take.

In other words, build a TVA on the Jordan River. What inconsistency—an administration that favors a TVA in the Middle East, but denies to the TVA in our own country adequate funds for its normal growth and development—all in the public interest.

Mr. Chairman, the amendment under consideration proposes to restore to the TVA budget $85 million for beginning construction of eight additional steam-generating units—badly needed by the facility to supply future power needs of the area—for normal growth and demands and for national defense.

I for one cannot see why anyone would want to vote to cripple and impede the normal growth of a great section of our country and take a chance on impairing the national defense and security of our country.

I urge my colleagues to join the friends of TVA in supporting this amendment.

This additional power which these funds would provide is needed. It is greatly needed. A case has been fully made out—both before the Budget Bureau and the Committee on Appropriations that considered the TVA request.

The estimates of the best experts and authorities are all that during the next 3 years some additional 600,000 kilowatts of power will be needed and required by the Atomic Energy Commission at Paducah, Ky., and 200,000 additional kilowatts at the Oak Ridge plant has been recently requested.

All agree that these additional power requirements will be called for by the national defense.

Mr. Chairman, it has not been the expectation of any of us, following the President's own display of casualness toward TVA, that the great Appropriations Committee would deal generously and adequately with this agency in fiscal matters.

We Members of Congress who are certainly accustomed to an annual fight to preserve the TVA have not been under any delusion in the matter.

We expected the fight to be more demanding this year than in any year since the TVA was created. And the reason is simple.

For the first time since TVA was built into one of the greatest economic boons this country had ever known, the private power lobby is riding the crest of the wave and, in a congenial atmosphere, is dispensing its propaganda under the most favorable conditions possible.

So what have we been given to consider this year? We have been handed a bill which reduces the appropriation for the TVA to its lowest level.

The bill, in effect, directs that we, the Congress of the United States, increase the power bill of the people of the TVA region of the country by a minimum of approximately $30 million a year. This is what the enemies of TVA are proposing in recommending an interest rate charge on TVA power funds.

We are being asked also to surrender all thoughts of future economic expansion and progress— to stop all proposed expansion dead in its tracks.

We are being asked to sanction a virtual dimout of the great TVA region within 3 years.

But more important, Mr. Chairman, we are experiencing something new and something far more critical than a higher electric bill or a dimout of private power requirements.

The present cut in appropriations for TVA suggests that we equivocate with our atomic-energy program and our national security.

Not only has the administration and the Appropriations Committee drastically cut the operating budget of the TVA, but the recommendation is made that the corporate funds be reduced and TVA operations financed from any source other than appropriations.

In addition, the committee has recommended a cut of $12 million for transmission facilities.

Essential improvements and future projects have been reduced $227,000.

Funds have been denied for necessary equipment transportation facilities, and other general operations.

The committee has further recommended a decrease of $25 million in the reserve fund of the TVA. In other words—deny one need, transfer another function, reduce the corporate and reserve funds—the net effect of which is to cripple and weaken the great strength and structure of the TVA by the general process of sniping at its various functions and financial structure—killing by strangulation.

All of these crippling actions demonstrates the extent to which the enemies of TVA and the private power interests will go in their desire and unrelenting efforts to kill the TVA.

I trust, Mr. Chairman, that the Congress will beat back these reactionary efforts.

The Andrews amendment under consideration would restore to the TVA budget the $85 million requested to begin the construction of essential generating units needed.

If there are those who are prejudiced against TVA, I appeal to you not to permit your prejudice to extend to the national defense and security of our country.

All the evidence clearly demonstrates that approximately 50 percent of the power production of TVA is needed for national-defense purposes.

In no other region of the country is as great a proportion of the total power supply being devoted to the national defense.

In the 5-year period beginning with 1951 and ending with 1956, the defense requirements of Federal agencies supplied by the TVA will increase from about 400,000 kilowatts to 3,400,000 kilowatts.

The use of electricity by these agencies which increased from 2,800,000,000 kilowatt-hours in 1951 to 7 billion in 1953, will reach 28½ billion kilowatt-hours in 1956.

By 1956 about one-third of the total system demand and nearly one-half of all the energy generated by the system will be delivered to Federal agencies, primarily for atomic-energy plants.

The pending amendment would insure that the national-defense requirements of TVA for power will be met.

The request for funds for beginning construction of these essential steam-generating units has repeatedly been made and, as indicated, a case in justification has been fully made out.

I strongly urge adoption of the pending amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. ABERNETHY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABERNETHY. May I inquire if the Chair has allowed the gentleman from Tennessee to use the time that was allotted to me and which I yielded to him by unanimous consent?

The CHAIRMAN. Yes; and the other time that was transferred to the gentleman also.

Mr. EVINS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Time for debate has been fixed, and the Chair cannot entertain such a request.

Mr. EVINS. I have been trying for 2 days to obtain time, Mr. Chairman. I wonder if the gentleman from California [Mr. PHILLIPS], the chairman of the subcommittee, would yield me 1 minute of his time.

Mr. PHILLIPS. I have but 4 minutes; I am sorry, I cannot.

The CHAIRMAN. The gentleman from California [Mr. HOSMER] is recognized.

Mr. HOSMER. Mr. Chairman, about 2 weeks ago I gave a talk on atomic-energy development for nuclear power. I pointed out that the day of nuclear-powered electrical generating plants is dawning. There has not been one moment's consideration given to that development today. If this amendment to provide a downpayment of $85 million on some quarter billion of steam plants goes through, these plants may be outmoded by atomic developments before they are even built and the American taxpayer will be stuck with the bill.

The time is at hand when we are going to start taking from the atomic-energy program instead of putting into it.

Blindly voting money for steam electrical-generating plants by floor amendments without fully going into the matter of generating this power in nuclear plants would, in my opinion, be a new height of fiscal irresponsibility and a new low in the execution of our duty to spend the taxpayers' money wisely.

I reiterate my plea that not 1 cent of money be appropriated for this or any other electricity-generation project until full consideration is given to the amazing technological strides being made toward development of electrical energy from nuclear power.

We do not have enough money to be able to squander it on equipment that technical progress is outmoding.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized.

Mr. TABER. Mr. Chairman, this is not an attempt to destroy TVA, but to make it right and honest—to let it pay interest upon the money it borrows to build these powerplants.

Here we have a request for $85 million to build new steam plants, and almost every single bit of it is outside of the Tennessee Valley area that they originally had. Every single municipality in that territory can go out and borrow money and build the plants themselves and get just as good service. Then they do what everybody else would do—they would pay interest on the money which they borrowed. Every single power outfit that this Government finances except the TVA pays interest upon the money it gets. Why should they have special privileges? Why should not everybody be treated alike?

The CHAIRMAN. The gentleman from California [Mr. PHILLIPS] is recognized to close debate.

Mr. PHILLIPS. Mr. Chairman, in concluding this debate, which is strictly on the amendment to add $85 million to the funds appropriated for the TVA, and has nothing to do with anything else, I start by saying to the gentleman from Tennessee [Mr. EVINS] I do not see any reason why I cannot say the things he wanted me to say about the TVA having given a very fine service. The question before us is, Where are the limits to be put? If we adopt this proposal to add eight new steam units, then we have gone beyond the requests of the budget; we have gone beyond anything that has been justified before our committee; and, to quote my friend from Tennessee, who has been standing, and to whom I cannot yield at the present time, we have anticipated the thought that perhaps in 60 days there may be a demand. That may be true, but the time is not here yet. There are negotiations going on with private companies beyond the area originally set up for TVA, which is proposed to be served by these eight steam units, to see whether that power can be provided elsewhere.

This is only the downpayment. I think that has been overlooked today. The total cost of these steam units, which have not been requested and have not been justified before the committee, is $227 million. This $85 million is the downpayment on them. It has been pointed out that the TVA presently buys from private power companies 10 percent of its power, and can buy more, and that the rates are under the control of the Federal Power Commission.

As was just pointed out by the gentleman from California [Mr. HOSMER], we are spending money for the start of a great power reactor which may make it unnecessary to have all of these units in the future. My suggestion briefly is that we vote down the amendment proposing to add $85 million.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. ABERNETHY. I have been trying to find out whether this is the program promised by President Eisenhower in his campaign speech at Memphis, Tenn., in October 1952.

Mr. PHILLIPS. I have no time—in only 4 minutes—to engage in politics. I yield to the gentleman from Tennessee.

Mr. ABERNETHY. Is this the program of President Eisenhower?

Mr. PHILLIPS. The gentleman well knows the President is not trying to destroy TVA but, in the words of the gentleman from New York [Mr. TABER], trying to keep it honest.

Mr. PRIEST. The gentleman said there was no request. That was no request by the Budget?

Mr. PHILLIPS. That is right. No request by the Budget.

Mr. PRIEST. The gentleman will agree that the Budget in disapproving the request of the agency, based it upon the possible transfer of a load of approximately 600,000 kilowatt-hours to private utilities?

Mr. PHILLIPS. That, and whether TVA needs that amount, which was not fully justified; and, third, the possibilities for the future of other possibilities of power.

I ask for a "no" vote, Mr. Chairman.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Alabama [Mr. ANDREWS].

The question was taken; and on a division (demanded by Mr. ANDREWS) there were—ayes 87, noes 139.

Mr. ANDREWS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PHILLIPS and Mr. ANDREWS.

The Committee again divided; and the tellers reported that there were—ayes 121, noes 154.

So the amendment was rejected.

Mr. BAKER. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. BAKER: Amend by striking on line 25, page 42, the figure "$103,582,000" and inserting in lieu thereof the figure "$141,800,000."

Mr. BAKER. Mr. Chairman, I sat here for over 2 days continuously and did not say a word on this bill. My amendment simply does this, in plain and simple language. It restores to this bill the exact amount of money recommended by President Eisenhower and by the Bureau of the Budget. That is all there is to it. The bill provides $103,582,000. My amendment would raise that by $38,218,000.

I think this is important to the United States of America. I am not going to talk about Tennessee. We did not ask the United States to bring TVA to Tennessee. I should like some of my colleagues on this side of the aisle to know that. We did not come here begging for TVA. We are not beggars in Tennessee.

This corporation is a more than billion-dollar corporation. It is the biggest power company in the world. That is right. This Congress created it and put out of business every power company in Tennessee. We cannot have lights, we cannot have industrial power without TVA. If this amendment is not adopted, it is my honest-to-goodness opinion, speaking with some little knowledge of business, that TVA cannot operate efficiently.

I have the greatest respect for the distinguished members of this subcommittee. They say there is a carryover of $46 million. That is correct. That is cash. This $38 million cut would take all of that but $8 million. We can figure that in our heads. That would leave TVA $8 million on which to operate. Five million dollars of that is from nonpower sources, such as fertilizer, and some of the plants that run down there. That would leave a little less than $3 million on which to operate this corporation.

I should like the gentleman from Pennsylvania [Mr. GAVIN] to hear this. He represents a great coal district, as do I. Next year, in the fiscal year 1955,

beginning on July 1, 1954, the Tennessee Valley Authority will burn 15 million tons of coal. I have been in the coal business myself. Do you realize that just a 60-day stockpile would take over $5 million?

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield briefly, for a question only.

Mr. GAVIN. They may burn 15 million tons of coal, but they are not burning very much Pennsylvania coal. Most of it comes from Kentucky and West Virginia.

Mr. BAKER. Incidentally, southern Illinois is shipping a lot of coal down there, as well as Kentucky and Tennessee.

A 5 percent increase in the price of coal would wipe out TVA's cash. A 5 percent increase in wages, if you please, would more than wipe out that cash. That cannot be answered. A 5 percent increase in wages would mean more than $5 million; that is correct.

The Congress set up this corporation down there. As I said a while ago, we did not come here on bended knees from Tennessee. I was of age when they came there. I was 32 years old; and I wore shoes, incidentally, a little better pair of shoes than I have on now, when they came down there. We did not come here begging for it. The Congress of the United States put it there.

Mr. Chairman, it is our responsibility to see that this great corporation succeeds. TVA must go on uninterrupted. The Oak Ridge plants use more electricity than the whole State of Texas. If you do not put this money back in, that the Bureau of the Budget so painstakingly and carefully examined for months and recommended to this Congress, TVA cannot operate at maximum efficiency, as President Eisenhower promised it would do, and the whole United States will suffer perilously and dangerously. They are getting half of their electricity there from TVA. You cannot run a billion-dollar corporation on $3 million worth of capital. It just does not make sense.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Ohio.

Mr. SCHERER. Can they not raise the rates?

Mr. BAKER. I would say yes, but I am not discussing rates.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one of the things I hope to be able to do is to relieve the concern in the mind of my distinguished friend from Tennessee [Mr. BAKER]. The Budget Bureau sent down a request for $141 million. The committee has recommended that you vote $103 million. The reduction is exactly $38,218,000. Therefore, on behalf of the committee I will tell you how that reduction was made.

We said that certain of this money should be paid out of the corporate funds. We felt that $12 million for power line extension should properly be charged against the corporate funds and not taken out of the taxpayers' pockets. We said that site improvements, which is a doubtful need at the moment, $152,000 should be paid out of the corporate funds. We said that certainly $125,000 for investigations toward future steam plants could wait until a decision on whether or not those steam plants were to be constructed. We made a total, therefore, to be charged against the corporate funds, if they were needed, of only $12,488,000.

Now I have to account to you for $25,729,500. Of that amount, $729,500 was the only money denied the TVA, $729,000. Of that amount $640,000, or six-sevenths of it, has to do with resource development, which in every other State in the United States is carried on by the States, the chambers of commerce, the counties, or other agencies of government. An equal amount is in the Tennesee Valley budget, less than half, half that was to be paid for by the taxpayers—a year ago we said we were not going to do it again, and the people in the Tennessee Valley came and said that they would add it to the budgets of the States and counties. That leaves only $25 million that I have to account to you for. That was not cut. The TVA like AEC and NACA and other agencies accumulates year after year funds of money that they do not use. They will have next year $309 million in a construction fund to be used, and at the end of that year, the TVA admits they will have left over $46 million—they admit. Therefore, we will know that they will have that much more because any agency would estimate conservatively out of that $46 million we took only $25 million, telling them to use that money which they have already received from the taxpayers for the purposes that they want to spend it. This is not a reduction of $38 million. Even the amount that you discuss as a transfer of reduction is only $13 million, and we say there is only a reduction of $729,500, on part of which they received warning, and an agreement was made last year.

Mr. Chairman, I ask for a "no" vote on this amendment.

Mr. COOPER. Mr. Chairman, I offer an amendment to the pending amendment.

The Clerk read as follows:

Amendment offered by Mr. COOPER to the amendment offered by Mr. BAKER: On page 42, line 25, after "vehicles" strike out "$141,800,000" and insert "$171,800,000."

Mr. COOPER. Mr. Chairman, as will be recalled, I have spoken several times in the House of Representatives in support of the Tennessee Valley Authority, and spoke again at some length on February 2 of this year.

I appeared before the Appropriations Committee of the House again this session in support of adequate appropriations for TVA and especially the Fulton steam plant.

The budget submitted by President Eisenhower does not provide any funds for the Fulton plant, and does not include any money for any of the new units requested by TVA. The Appropriations Committee has not only failed to include any funds for any of these units, but has reduced the appropriation for TVA below the amount in the budget by about $40 million.

Amendments are being offered in the House to restore this sum, and also to provide the funds for units requested by TVA.

I am offering an amendment in the House to provide funds for the Fulton steam plant.

NECESSITY FOR CONSTRUCTION OF THE FULTON STEAM PLANT

Eighteen months ago, analyzing the growth in power demand which it would have to meet in 1956, TVA requested the Bureau of the Budget to submit to Congress a request for funds to begin construction on a steam generating plant at Fulton, Tenn., in fiscal 1954. A site at Fulton was selected because it was the point at which the power could be added to the system with the greatest economy and the highest efficiency, taking into consideration the loads of the system, the costs of fuel, of transportation, and of transmission lines. The Fulton plant was included in the budget presented by the outgoing administration, but the revised budget submitted by the new administration eliminated funds for Fulton. Those of us who represent the area tried our best on the floor of the House to add $30 million to begin the Fulton plant to the TVA's budget for fiscal 1954, but we failed. That was last year. We hoped and prayed that the President's budget for this year would permit construction to start as soon as the next fiscal year begins, and that TVA could make up the time lag by an accelerated schedule.

The need for power from the Fulton plant is even more compelling now. Load growth has continued; TVA's estimates of need are justified. I cannot help but recall that in November of 1952 we were promised that TVA would continue to operate at maximum efficiency if the Republican candidate for President were elected. He was chosen. But he has not yet realized that maximum efficiency demands that the Fulton plant be built, and soon. The nearest major generating plant on the TVA system is more than a hundred miles from the principal loads in west Tennessee and north Mississippi, and until the Fulton plant is built these loads can be served only through heavy added investments in transmission lines, a large part of which would be unnecessary if generating capacity were located nearer to the loads. In addition to the waste of money and materials for the transmission lines, the use of such long lines entails large losses of energy and capacity. In the nature of things, service over long transmission lines cannot be as dependable as service from generating stations near the loads.

As a substitute for the capacity to be provided by the Fulton plant the administration has suggested that TVA will be relieved of its obligation to provide 500,000 to 600,000 kilowatts to the AEC facilities at Paducah. We understand that negotiations are underway now in the hope that that load can be shifted to private companies and that TVA's capacity can be devoted to the normal load growth of the area. The taxpayer will pay in increased power costs for AEC if such an alternative is selected and even if it is, the Fulton plant will have to be built. There is no question about it. The power users of

the Tennessee Valley will require the energy it will produce. Like every other project on the TVA system the Fulton plant will be a good investment for the Government. Like every other project it will return the money advanced for its construction. Delay is costly. Delay is dangerous. We need the Fulton plant now.

Mr. Chairman, I would like to strongly support the amendment offered by my colleague from Tennessee [Mr. BAKER]. There can be no question but that from a sound business point of view these funds for operating purposes are absolutely essential for the operation of this great Government agency.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee [Mr. DAVIS] may extend his remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Chairman, when the citizens in the Tennessee Valley area were invited to provide facilities for the distribution of power to be purchased from the newly created Tennessee Valley Authority, it was contemplated that all the power in each community would be supplied by TVA; and each community, therefore, so shaped the distribution system within its area on the assumption that wholesale power would be supplied by the Government in whatever amounts were necessary to meet the needs of the people. Therefore, systems were planned and designed and have developed on the assumption that power would be brought into these communities over transmission facilities owned and operated by Tennessee Valley Authority from TVA's power plants. TVA acquired a steam plant along with Muscle Shoals, and it has been recognized all the while that steam power would be necessary to firm up hydro power in dry years and that if, and when, the river systems with their auxiliary plants were inadequate to supply the total needs of the area that the natural expansion would be brought about by the addition of such steam capacity as would be necessary.

The city of Memphis, therefore, like all other communities, has designed its physical plant and has established its program of business development on the assumption that TVA would generate the power and wholesale the power and that the distributor would retail it to the people—to their homes, and to their commercial and industrial undertakings. The Memphis system has been laid out with no intention of providing steam plants of its own.

The production cost of power from hydro plants owned or controlled by TVA is about 1.15 mills per kilowatt-hour. The production cost in the steam plants owned and operated by TVA is 3.45 mills per kilowatt-hour.

Under the TVA Act, a municipality purchasing power from TVA takes precedence over any load other than Government load. The city of Memphis, therefore, would be foolish to relinquish its pro rata share of hydropower to which it would be entitled under the TVA Act and substitute therefor, in whole or in part, power generated in its own steam-plant.

The city of Memphis can build a steam plant which has the same characteristics and efficiencies that TVA's plant would have if the plant were the same size and operated at the same high level of output which can be obtained in TVA's plants by reason of the fact that they are part of an integrated system. The layman may not know the advantages of an integrated system. It is the reason for the large combination of big plants in a system connected together through a network of transmission lines. Each unit can be as large as the manufacturer can supply. Efficiencies increase with the size of the unit. They can be operated at near capacity, and so long as sufficient spare units are maintained on the system for system overall outages, all units in any plant can ordinarily be operated at close to full capacity.

If, however, the city of Memphis builds its own steam plant, it would have to reduce the size of each unit in the plant to maintain a spare unit in case of trouble. Units being smaller would be less efficient and there would be idle investment in a unit which was operated only as a spare unit. Or, if the plant were built by the city of Memphis and integrated with TVA, immediately the total amount of power produced in the plant would depend upon the operating arrangement with TVA and each member to the contract would seek to operate its facilities at the maximum efficiency.

TVA has attained a degree of efficiency in the production of power that is exceptionally good, and it has done so because of the large units employed and the ability to so handle the load as to get the maximum use of each plant. This advantage would be lost if Memphis and other communities in part supplied their own power and in part purchased power from TVA.

Tremendous quantities of water are necessary in a big steam plant. A steam plant, therefore, should be located on a river or lake, if maximum efficiency is to be obtained. Capacity can be obtained by using a cooling tower or circulating the water, but it is done at a loss of efficiency. Any plant supplying west Tennessee with power must be either on the Tennessee River or the Mississippi River. Likewise, coal can be delivered in tremendous quantities cheaper by barge than it can by rail, and again this makes it requisite that a plant be located either on the Tennessee or Mississippi Rivers. It should be located far enough from a big city to avoid fly ash or sulfur fumes from fouling the atmosphere within the city. It has been stated that Memphis is on the fringe of TVA's system. So, too, are Chattanooga, Bowling Green, Huntsville, and quite a number of communities along the North Carolina border of east Tennessee.

Management of the Memphis utility would be needlessly sacrificing all the advantages of hydropower and all the advantages of a large integrated system.

Therefore, big steam plants using big units, diluted with hydropower, and tied together over a transmission network make for the maximum efficiency and reliability, which means that Memphis cannot afford to build its own plant.

Mr. JONAS of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the gentleman from California.

Mr. PHILLIPS. I wonder if we can agree on time on this amendment, Mr. Chairman.

I ask unanimous consent that, following the remarks of the gentleman from North Carolina, all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. REECE of Tennessee. Mr. Chairman, reserving the right to object, I would like to have 5 minutes on this amendment; and if it should by chance be rejected, then I shall offer another amendment.

Mr. PHILLIPS. Mr. Chairman, I withdraw the unanimous-consent request at this time.

Mr. JONAS of North Carolina. Mr. Chairman, I think the chairman of the subcommittee adequately disposed of the principal amendment by calling your attention to the fact that TVA carries over from year to year vast sums of money. In order to nail that down and so the record will be perfectly clear, let me invite your attention to page 2496 of the hearings, where, in response to a request that a table be inserted showing the average monthly bank balances TVA carries, you will see that table. It will show you that TVA during every month last year had a bank balance ranging from $126 million down to $76 million at the lowest point. The position of our subcommittee simply was that with such a healthy bank balance TVA could well afford to absorb $25 million out of that surplus, particularly since the record of TVA itself shows that it will carry a surplus of $46 million into fiscal year 1956.

More than that; right at the edge of the city limits of Memphis, Tenn., a private power company is operating, which last year furnished TVA three-quarters of a billion kilowatt-hours of electricity.

The record contains an offer from that company to supply TVA with all of the power it needs in that area now and hereafter at rates to be approved by the Federal Power Commission. If that be so, why should the American taxpayers be required to put up money to build a steam plant to supply power to the Memphis area, at a point on the Mississippi River which is not even within the area originally contemplated by the TVA act?

The original act under which we are operating authorizes TVA to build dams and power installations on the Tennessee River and its tributaries, and this proposed plant at Fulton is located 115 miles west of the Tennessee River at the closest point, and is on the Mississippi River.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. PRIEST. I wonder if the gentleman will put in the RECORD the name

of the private utility that offered to supply the additional power, if the gentleman has it.

Mr. JONAS of North Carolina. I do not even know the name of the company. It is in the record; the names of all the witnesses are there. I am not acquainted with any of the officials of the company and do not know the name of it.

Mr. PRIEST. It is in the hearings.

Mr. JONAS of North Carolina. Yes.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. BAKER. The gentleman is a member of the committee and will state I am sure that no funds for the Fulton steam plant or any new starts would be involved in the amendment I offered.

Mr. JONAS of North Carolina. That is correct.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. EVINS. Is the gentleman from North Carolina familiar with the recommendation of Eric Johnston, former president of the United States Chamber of Commerce who was sent to the Middle East by President Eisenhower to construct five dams on the Jordan River, a TVA for the Middle East?

Mr. JONAS of North Carolina. I will oppose any new TVA unless it is required to pay its way, including interest on money advanced by the Government.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. HALLECK. I wonder if it is the thought now to so expand TVA that we will be building steam plants all over the United States? I think that is the ultimate aim of some of these gentlemen.

Mr. JONAS of North Carolina. I may say also that there is a utility operating right in the backyard of Memphis, Tenn., today with 3 or 4 connections with the TVA system which has offered to furnish all the power TVA needs in that area. There is another power company operating out of Georgia that offered to do the same in the Chattanooga area, and it has connections with TVA right now. Last year this company furnished TVA nearly a half billion kilowatt-hours of power. There is also another company operating up in the northeast section of Tennessee and that company is on record before our committee as offering to furnish TVA any power that it will contract for at a rate to be approved by the Federal Power Commission.

I would like to say to my friends from Tennessee that they should quit worrying about any shortage of power now or hereafter. There is plenty of power available and more can be supplied to the extent required by TVA.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The gentleman from Tennessee [Mr. REECE] is recognized.

Mr. REECE of Tennessee. Mr. Chairman, as my colleague has said, the TVA is a business operation which was set up by Congress; and I want to assure my distinguished friend from Indiana who expressed fear lest the Congress be induced to expand TVA to cover the United States, that if he follows the suggestion of HOWARD BAKER and myself that will not happen. That has never been a part of our program.

The TVA was imposed upon the people of Tennessee as a business organization. Every segment of our economy, our entire being in Tennessee is dependent upon the successful operation of TVA We want to be reasonable about this thing, and I think when the suggestion is made as is embodied in my colleague's amendment that the recommendations of the Bureau of the Budget be restored which gives the TVA sufficient operating capital with which to conduct a successful operation, that that is a sound proposition.

Some of the figures that the distinguished chairman of the subcommittee stated are provided in this bill to be taken out of the capital can be taken out of the capital, but the result will be that this great utility will be left with less than $3 million operating capital. There is not a utility in the United States that has as small a ratio of operating capital as TVA would have, and I dare say there is not a representative of a private utility who would recommend the depletion of the capital of TVA down to where it would have less than $3 million operating capital.

The gentleman's amendment is a reasonable one. It carries out the suggestion of the President that the TVA be operated to its maximum efficiency for the benefit of the people it serves. That is the purpose of the amendment. His policy cannot be carried out, I feel, if the recommendation of the distinguished subcommittee is adopted in this instance.

The Bureau of the Budget is a hard-boiled operation, it deals in facts and figures, it cannot be accused of padding the report in order to expand TVA beyond its present periphery. This amendment provides for construction which is not recommended by the budget. Its report contains a figure which Mr. Dodge and his associates felt is necessary for the successful operation of the TVA. I appeal to the Members on my side of the aisle to think this thing over soundly, when we are spending billions of dollars to build dams and other public improvements in the various countries of the world. To deny $38 million which the Bureau of the Budget says is necessary for the successful operation of this organization is not commonsense, and I do not believe the membership of the House will approve such a policy.

Mr. PERKINS. Mr. Chairman, I rise in support of the pending amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from California.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that all debate on the Tennessee Valley section of this bill, and all amendments thereto, close in 45 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PERKINS. Mr. Chairman, I rise in support of the amendment to the amendment offered by the gentleman from Tennessee [Mr. COOPER], and also to support the amendment offered by the gentleman from Tennessee [Mr. BAKER]. I want to see this program go forward and not be choked to death.

Mr. Chairman, the Fulton steam plant will not mean anything to the coal area that I represent, but it will mean approximately 2 million tons of coal consumed annually which will be furnished by west Kentucky and southern Illinois.

I am vitally concerned about the general welfare of the coal industry. The plans of TVA are to use coal to generate additional electric power. The chairman of the board, Mr. Gordon Clapp, has furnished me with this information and also stated that the plans were to use coal at the Fulton plant. We all know that the private utilities have benefited considerably from fast tax amortization plans, and there has been no objection that I know about from any Member of the Congress. We are all glad to see the private utilities expand their power units. Their expansion in recent years has been a great help to the coal industry.

There are many reasons why the present facilities of TVA should be expanded but I will not undertake to discuss them. In this atomic age we are all acquainted with the need for more power in this area. I only wish that the distinguished gentleman from New York [Mr. GWINN] would make a reappraisal of the benefits received from TVA up in his own district and find out just how many General Electric refrigerators and other electrical equipment have been sold throughout the whole Tennessee Valley area. I think we are all well acquainted with the distinguished gentleman from New York, because we are all familiar with his books, especially the book that he wrote concerning eastern Kentucky.

Mr. Chairman, I am concerned about the plant that has been started at Rogersville. In the event the amendment offered by the gentleman from Tennessee [Mr. BAKER] is not adopted, I feel that the coal sales which east Kentucky does benefit from to a limited degree will be stopped. I feel that the completion of that power unit will be halted, and if we are going to choke this program to death we might as well take a big, broad axe and go in and cut the heart out of it by a direct piece of legislation here on the floor.

Few, if any, of us want to do that. The TVA stands a monument to this Nation's greatness and is one of the first projects visited by foreign industrialists and engineers who come here to inspect America's progress. As yet, the district which I represent receives no direct power from TVA, but the plans are to establish a hookup with the REA plant near Winchester, Ky., where surplus power will be exchanged. This plan will be an actuality in the near future unless this administration is successful in its

attempt to starve the REA and the co-ops to death before the powerline can be completed. The benefits of TVA have indirectly been felt in my area as well as every State in the Union. Why do I say that? It is because the TVA has provided a yardstick for the measurement of the cost of producing electricity. This successful project has forced private utilities to give the public better service and cheaper power by the simple method of demonstrating that such service and power can be produced and delivered on a sound businesslike basis. Here we have a proposal to limit the productive capacity of TVA so that the growing power demands of their customers will require them to go to private power producers and purchase enough electricity to supply their regular customers. The action here proposed will immediately destroy the yardstick values of the TVA and if continued through future years will eventually destroy one of the most important economic assets this country has deevloped in the last half century. The question we must answer today is, Shall we support this program or shall we sabotage it by slow strangulation? I agree that I have objected to some things inside the TVA. For example I objected to, a few years ago, and fought vigorously a proposal that TVA use natural gas on an interruptable basis because it was unsound.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

The gentleman from Tennessee [Mr. SUTTON] is recognized.

Mr. SUTTON. Mr. Chairman, of course, we in the Tennessee Valley are wholeheartedly in favor of this amendment. We know that it is needed. The subcommittee knows that it is needed. The President of the United States of America knew that it was needed. The Bureau of the Budget knew that it was needed. That is the reason why it was recommended to the Congress.

I regret that the subcommittee deleted this amount $38 million. As has been repeatedly said here, for maximum efficiency, it is absolutely necessary that we adopt the amendment of the gentleman from Tennessee [Mr. BAKER]. I personally endorse the amendment of our colleague and dean of our delegation [Mr. COOPER], which asks for additional funds for the Fulton steam plant. But above all things, Mr. Chairman, if we do not get this additional $38 million that the President requested and the Bureau of the Budget requested, the TVA will be strangled.

I hope that it will not be the policy of those on the other side of the aisle to strangle TVA. I am not going to make the charge that they are trying to kill TVA because I believe that they believe in the President of the United States, their President, their choice, and that they will back him up in his request and the request of the Bureau of the Budget to give us this additional $38 million which is needed to carry forward to maximum efficiency the TVA.

The CHAIRMAN. The gentleman from Virginia [Mr. WAMPLER] is recognized.

Mr. WAMPLER. Mr. Chairman, I have been listening to the debate on this bill for 2½ days. It was not my intention to speak on the bill, but I have heard so many charges and countercharges that I felt it was my duty to speak briefly.

I rise in support of the amendment offered by the gentleman from Tennessee [Mr. BAKER] to restore $38,218,000 to the TVA. This is the amount that was recommended by the administration and by the Bureau of the Budget.

I happen to represent the Ninth Congressional District of Virginia, which is on the periphery of the TVA area. I am one of those who believes that there is room in this country for both public and private power. I am proud of the business the private utilities are doing in my district, and I am also proud of the part that the TVA is playing.

It seems to me that it is good, common horsesense to follow the recommendations of the President of the United States and the Bureau of the Budget. There are many functions of TVA other than power functions which have been of great benefit to my district. Their reforestation program is certainly going to be of great value to us in future years. The resources development program has been of great value, and other phases of their program certainly are going to be of great value to us in the future.

Mr. Chairman, I believe this House should approve the amendment offered by the gentleman from Tennessee [Mr. BAKER], and then at some future time we can work out the TVA program so that it may be of advantage to all concerned, so that we may reach a meeting point where it will not be as controversial as it has been in the past.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. RAINS].

Mr. BATTLE. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to my colleague.

Mr. BATTLE. Mr. Chairman, I have always supported the TVA. I am in favor of this amendment as I was of Mr. ANDREWS' amendment.

Mr. Chairman, for 7 years I have actively supported the TVA and our Congressmen who so ably represent the TVA areas.

I favor the Cooper amendment and the Baker amendment as I did the Andrews amendment and other efforts to assure adequate funds and effective methods for successful operation of TVA.

It is my hope that the House will back up the President and our Democratic leaders in their desire to prevent the adoption of crippling amendments and restore adequate funds for necessary operations.

TVA means a great deal to Alabama and to the Nation. There is no way to estimate the value of this great enterprise during World War II and we must be adequately prepared to prevent world war III through strength.

In the long run, Mr. Chairman, I am confident we will win this battle—not only to protect TVA, but to insure proper support for continued progress and development. Also I am confident that we will get the TVA headquarters located in Alabama where it belongs by law.

Mr. Chairman, these amendments should be passed and I hope the House will see fit to stand up for TVA today.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to Mr. RAINS.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to Mr. RAINS.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RAINS. Mr. Chairman, I listened intently as the gentleman from North Carolina spoke and I think I have discovered the reason for the opposition to this particular amendment which the Budget and apparently the President supports.

I have an idea that in the consideration of the proposal to cut the budget request the gentlemen of the subcommittee apparently were tying their kite to that section of the bill which was stricken out on a point of order. In other words, I think it is clear that the subcommittee intended not that the TVA should actually operate with $3 million of operating capital, and that is what the deal is when you break it down, but that you would force by that legislative rider which you lost in the shuffle, the upping of rates in the TVA. Whether or not that is a good thing we are not to discuss today, but I will say this: Why not come along and admit that you cannot operate a billion-dollar corporation, as this is, on a $3 million operating capital? I cannot see how you could reasonably figure otherwise than that the TVA must have more money than the $3 million. So since you lose the rate-increase amendment by virtue of the point of order, why tie further, even beyond what the Budget has asked, the hands of the TVA? I believe that must be logical. I certainly think it is reasonable.

In my own district I have a private utility and TVA, and I have the utmost regard for each of them. They are both doing a grand job. The argument that is being made here on the floor that TVA is stealing the industries, or rather luring them away from other sections, is totally erroneous, because in the areas I represent there is a private power utility and the TVA, we have as many industries that moved into the Alabama Power Co. area as we have that moved into the TVA area.

One other thing, if your amendment to allow cities to raise rates or to handle them were to have prevailed, you would have opened the door for every city in the TVA to move in with a different rate arrangement in an effort to lure industries. It would have worked the other way around.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. JONES of Alabama. Is it not a fact that we are recognizing the need of private utilities throughout the entire country by giving them tax amortization privileges in order that they may construct new generating facilities?

Mr. RAINS. Of course, there is no doubt about that and I do not think there should be any argument on the floor today about the worthwhileness of each of them. But, the thing I am trying to pinpoint is that here is a budget request made by the President, and here is an amendment offered by a friend of TVA who knows his problems urging that you give them enough working capital with which to operate. It is that plain and it is that simple. Whether we like TVA or not, we, the board of directors of TVA, should at least give them the operating capital to do an efficient job.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I rise in support of both the amendment of the gentleman from Tennessee [Mr. BAKER] and the amendment to the amendment offered by the gentleman from Tennessee [Mr. COOPER]. The amendment offered by the gentleman from Tennessee [Mr. COOPER] is very much needed. Unless the construction of the steam plant at Fulton, Tenn., near Memphis, is started immediately, the Tennessee Valley area will face a brownout in 1957 because it takes 3 years to build a steam plant and there will be a serious shortage of electric power if this plant is not built. If my friends on the left decide that they will go along with our President and the Director of the Bureau of the Budget who denies any new funds for construction of this steam plant and vote down the amendment offered by the gentleman from Tennessee [Mr. COOPER], then I certainly hope they will support the amendment offered by the gentleman from Tennessee [Mr. BAKER], which restores the appropriation to the full amount recommended by the President in his budget message to Congress last January. The President, through his Director of the Budget Bureau, recommended to the Congress a total appropriation of new money to the TVA of approximately $142 million. The Committee on Appropriations has reduced this sum down $38 million. I feel sure my friends on the left will support the President and his Director of the Bureau of the Budget and restore this money. We are only asking you to let us operate TVA at maximum efficiency, just as our President promised the people of Tennessee 2 days before the election that he would operate TVA at maximum efficiency, and the statement of the President on the TVA at that time caused the State of Tennessee, which is normally a strong Democratic State, to cast its vote for President Eisenhower by about a 5,000 majority, in my opinion. I sincerely trust that my friends on the majority side will stand by our President and will support his recommendation to Congress that the TVA be given an appropriation of $142 million by voting for the amendment of the gentleman from Tennessee [Mr. BAKER]. Will you not give TVA the full appropriation recommended to Congress by President Eisenhower?

(By unanimous consent, the time allotted to Mr. HIESTAND was given to Mr. COTTON.)

(By unanimous consent, the time allotted to Mr. KRUEGER was given to Mr. PHILLIPS.)

(By unanimous consent, the time allotted to Mr. MACHROWICZ was given to Mr. ABERNETHY.)

Mr. RAYBURN. Mr. Chairman, with reference to this situation of Members standing so that time may be allotted to them to speak on amendments, when the time is limited, and then when they are recognized by the Chairman asking unanimous consent that their time be given to another Member, I want to state that I will not object to that procedure today but that hereafter I will object.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, like my very dear and beloved friend from Pennsylvania, and incidentally my next door office neighbor during my first term in the Congress—the 78th Congress—Mr. GAVIN, I have been using what time I have had from the Democratic microphone, and like him, I am moving over to use the Republican microphone because I think it is over here where the work needs to be done. Up until now, only 2 or 3 Republicans have voted with us in support of amendments for TVA. We hope more of you will see the error of your ways and join us from here on out.

Full well realizing that another of my dear and beloved friends, the gentleman from New York [Mr. GWINN] may, as a result of my position, again associate me with communism, as he did all of us earlier during the day, that is, those of us who support TVA, I am willing to take that chance, which I shall do without any fear whatsoever.

I rise in support of both of the pending amendments. I should like, however, to particularly direct my remarks to the amendment offered by the gentleman from Tennessee [Mr. BAKER]. I think every Member on the Republican side knows full well what the situation is downtown regarding TVA. I do not say that in criticism of anyone just now. I am just stating the facts. I know that the situation is not in keeping with what the commitments were in the campaign 2 years ago, but for the moment that is beside the point.

I think—I am sure—you know what the situation is downtown. To put it plainly, TVA is in bad shape. Now, with that the case, I think you also know that when this budget left the Chief Executive's office and was sent up to the Capitol it had been worked over with a fine-tooth comb. Every single dollar that could be scratched from under TVA was pulled out. We all know that. You on the Republican side certainly know that to be the case. TVA was left with a bare minimum to get along with, assuming that it will get along at all.

You gentlemen know that is what the Bureau of the Budget has done. You know they did not leave a dime in the budget they thought could be dug out. They stripped TVA almost to a state of bare nakedness before this budget was sent up here. It is crippled already. Now this committee wants to wreck it.

A few days ago we sat on this floor and listened to the distinguished majority leader appeal to those of us who live in the southern section of the United States to support the tax bill. He called our attention to the fact that the Chief Executive received a terrific vote in that section of the country because of his popularity and because of his program. So, he appealed to us to stand by the President, whom many of our people supported. He asked us to support the tax bill because the President wanted it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. In just a moment.

Now, the President has sent down to the majority leader and to the Members on the Republican side a program for TVA. It is not much of a program, far from what he promised, but nevertheless it is what he has asked for, what he wants. Now, I wonder if the majority leader is going to do on this occasion what he asked the House to do on the tax bill, that is, support the President.

I yield now to the distinguished majority leader.

Mr. HALLECK. Would you approve of my doing what you did the other day?

Mr. ABERNETHY. I took my position the other day. I made it clear. I was consistent then and I am consistent now. I am asking the gentleman if he is going to stand today on his position of a few days ago.

Mr. HALLECK. I answered it with a question.

Mr. ABERNETHY. Well, I am asking you a question. You answer mine. Are you going to take the same position that you took a few days ago, or are you going to take away from TVA $38 million of its operating capital, which your President says it should have, which I think you know and which I think everyone in this House knows that without which TVA will be seriously crippled during the fiscal year 1955 and which is another step toward choking it to death? Will not some of you Republicans stand up and vote with us just once on TVA?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The gentleman from West Virginia [Mr. BAILEY] is recognized.

(By unanimous consent Mr. BYRD yielded the time allotted to him to the gentleman from West Virginia [Mr. BAILEY])

Mr. BAILEY. Mr. Chairman, I desire to speak in support of the original amendment offered by the distinguished gentleman from Tennessee [Mr. BAKER], and the amendment to the amendment offered by his colleague from Tennessee [Mr. COOPER].

Mr. Chairman, I think it is reasonable to assume that not a single ton of the coal that would be consumed in these steam plants will be mined in the State of West Virginia. That is due to the fact that the railroads transporting our coal run east and west, and there is no possibility of its being transported to Tennessee for that purpose. I am in

favor of it because the coal industry is flat on its back, due to the importing of residual fuel oils.

We have lost 38 million tons of production of coal. I am for anything that will stabilize the coal industry by furnishing additional markets for the coal in Tennessee or in any other State in the Union.

Mr. Chairman, as I listened to the debate pro and con it became evident that the two objectives of this subcommittee were, first, we will force the TVA to use approximately $25 million of their reserve for operating purposes in the hope that they can put the project in the red as an excuse for doing away with it.

Their other objective was to force up the rate so they would not be in competition with private industry.

If the gentlemen on the majority side over here want to weigh any problem I would suggest that they weigh the problem whether they are going to give lip service to their candidate for President in the last campaign, or whether they are going to render service to the people who furnished their campaign contributions.

Mr. PRIEST. Mr. Chairman, will the gentleman yield, not for a question but in support of what the gentleman has been saying?

Mr. BAILEY. I yield.

Mr. PRIEST. I have made an investigation and find that 3 private power companies in the Tennessee Valley area usually require about 3 percent of the value of their plant for operating contingencies. On such a basis—3 percent of the value of its properties—TVA would require about $27 million instead of the two or three million that will be left under the committee's proposal.

Mr. BAILEY. I thank the gentleman from Tennessee for the information; and let me add that I will vote for any appropriation that will bring any stabilization to the coal industry.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized.

Mr. KEATING. Mr. Chairman, I ask unanimous consent to yield my time to Mr. TABER.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, this resolves itself not into a question of whether anyone is for TVA or against TVA or trying to abuse TVA; it does not even resolve itself into a question of whether or not the action of the President in connection with this setup has been in its favor or against it. I would be willing to discuss that question with anybody.

But here is the picture that presents itself from a dollars and cents standpoint, and I have been sorry to see so much misinformation given out. On the first of July next if this $103 million is appropriated the TVA will have in cash to operate $309 million; and according to their own story and taking out what they themselves propose to spend, at the end of the fiscal year 1955, they would have left at least $46 million and perhaps a great deal more; instead of there being $3 million left there would be $46 million. That is almost twice the $27 million it was said they might need as a proper operating fund and for financing the business they have in mind.

Under those circumstances the committee can see why the Appropriations Committee did not feel that it was necessary to provide the budget estimate. Even with the cut they will have the $46 million left at the end of the fiscal year, and I do not see why we should try to add to that.

The other amendment offered by the gentleman from Tennessee [Mr. COOPER] would simply provide for one of those great big steam plants way off from the regular seat of operations and not within the regular range.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. TABER. I cannot at this time. That is something we passed on when we voted on the first amendment that was offered. I do not see why we should consider that again.

Mr. Chairman, I hope that both the amendment and the amendment to the amendment will be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. FRAZIER].

Mr. FRAZIER. Mr. Chairman, 2 days ago I tried to discuss the necessity for additional power in Tennessee, basing it on the amount that was required by the Atomic Energy Commission. As you have already heard time and time again, 50 percent of the power generated by the TVA system will have to be used by the Atomic Energy Commission. If it were not for the installations for national defense in Tennessee we would not have to ask for additional power; but you all know that we have to do that now. We have to supply power to the Atomic Energy Commission, the Arnold engineering base and Alcoa, those great institutions that have done so much for our country during times of emergency. You put them there. They are constructed there and were built for national defense. You may say that TVA and the Tennessee Valley are the areas that benefit, but these other installations benefit everyone.

In the budget that is presented at this time the President has asked you to appropriate $141 million for the purpose of carrying on efficiently that construction down there in Tennessee that has done so much. I want to urge you to vote for the amendment offered by the gentleman from Tennessee [Mr. COOPER], as well as the one offered by the distinguished gentleman from Tennessee [Mr. BAKER].

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BAKER].

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Minnesota.

Mr. JUDD. Several times during this session of Congress the statement has been made that we on this side ought to go along with the President's program. Almost all of us have done so, even when conditions at times were such that as individuals we might have preferred to vote otherwise on particular items. We did go along because we thought we ought to support a total program of which these items were essential parts. I want to commend the gentleman from Tennessee for introducing his amendment to restore the amount to what the President asked for TVA. This is not a waste of money. The budget has already been pared to the bone, and it seems to me the only fair and right thing for us to do on this issue, as in any other similar issue, is to support the President's program unless there is some deep difference of conviction based on principle or conscience. That is not involved in this case. I hope the gentleman's amendment will prevail.

Mr. BAKER. I thank the gentleman very much.

In the brief period of time at my disposal, I would like to make one other observation. The distinguished chairman of the full committee said there would be $300 million left of operating revenue. They will burn 15 million tons of coal. The average price down there now—it is low—is around $3.60 a ton, the average freight rate about $1.40, which is a total of $5 a ton. There goes $75 million of the operating revenue for coal alone, not counting any wages, not counting new construction, not counting on any construction.

The last point I would like to make is Oak Ridge and Alcoa.

Fifty percent of the power will be going to Oak Ridge, the atomic bomb plant, and other defense industries.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Chairman, this is a situation in which I think really we ought to take a lying down rest and sight right through the beam in order to try to determine where we are going, and I think that is exactly what the Bureau of the Budget under the direction of the President has done in this case. I am one who feels that the President was in earnest when he said he was in favor of operating the TVA at maximum efficiency for the benefit of the people whom it is intended to serve. I have defended that position in the Tennessee Valley and elsewhere. In making that statement, he did not infer that he intended or was in favor of extending the periphery of the TVA into new and widely scattered areas, but he did, with great emphasis, say to the people that he was in favor of operating this utility at maximum efficiency for the benefit of the people whom it is intended to serve. You cannot operate the utility if its operating capital is reduced below a safe minimum, and no one, I think, will stand here and say that less than $3 million is sufficient operating capital for an organization of this magnitude.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I am going to vote for the amendment offered by the gentleman from Tennessee [Mr. COOPER], and if that is defeated, I will vote for the amendment offered by the gentleman from Tennessee [Mr. BAKER]. It happens that he is my Congressman. I went down to his district one time. I

have 150 or 200 cousins there, and they thought by coming down there that I could beat the gentleman from Tennessee [Mr. BAKER], and elect a Democrat. But, the district went as usual, and he has my very kindest regards and best wishes.

Mr. Chairman, there has grown up in this House a system that I tried to get somebody to object to when I was occupying the chair, but never did it. But, Mr. Chairman, it is not fair to the other Members of the House in time and all this, that, and the other, for Members to get up and claim time on an amendment for the sole purpose of yielding to someone else. Unless I change my mind hereafter, I am going to object to that kind of procedure.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, I ask unanimous consent to yield the time allotted me to the gentleman from New Hampshire [Mr. COTTON].

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. Mr. Chairman, I have heard some sentiments expressed on this floor this afternoon that have surprised me. Certainly it was contrary to my understanding of the responsibility of a Member of Congress and of the Committee on Appropriations. I thought when we came to Congress and took our respective oaths of office and were assigned to a committee, we were supposed to do the very best we could, following the dictates of our own conscience. I have great respect for the Bureau of the Budget. I think the Director and his staff are doing an excellent job. But even the Bureau of the Budget needs to be checked, or else we would just accept what the Bureau of the Budget thinks, and appropriate the money recommended by it. There would be no reason for an Appropriations Committee.

At least that is not my concept. The Budget Bureau has its function, and we have ours. I am merely undertaking to discharge my own responsibility and, I may say, following my own conscience.

Now let me point out that on page A-12 of the report of the TVA for 1953 a very interesting item appears. We discovered this in our committee. We have been told here this afternoon and yesterday and the day before about a prospective power shortage in Tennessee and about how the people are only with difficulty getting enough power to supply their homes and their factories and their shops and so forth. With that sort of a situation in mind, do you not think it is rather strange that TVA should have to spend about half a million dollars a year promoting the sale of power in the Tennessee Valley area? Referring to the balance sheet for 1953, the record shows that they spent $418,112 on promotion of the sale of power last year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to Mr. JONAS of North Carolina.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. JONAS] is recognized for an additional 2 minutes.

Mr. JONAS of North Carolina. I must remind the members of the committee that this is not the only point in the TVA budget where economies can be practiced.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. EVINS. Does the gentleman know that the declared purpose of the TVA specifically is that power shall be made available to the people for the widest possible use; that the declared purpose shall be to bring power to the people in the rural sections?

Mr. JONAS of North Carolina. The gentleman told us in the debate this year and last year, that 92 percent of all the people in Tennessee already have power. Therefore I see no reason for TVA to spend a half million a year persuading people to buy more.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to my distinguished and dear friend the gentleman from Illinois [Mr. YATES].

Mr. YATES. Does not my very dear friend recall that during the war there were carried on advertising campaigns by businesses that were engaged in war work exclusively, in behalf of the civilian products that were going to be manufactured subsequently?

Mr. JONAS of North Carolina. Surely, But if it is said that the people are having difficulty getting power in Tennessee, I do not see any reason why TVA should have to spend half a million dollars of the taxpayers' money to promote the sale of power there, when they could apply that money to these other purposes.

Mr. PRIEST. Will the gentleman yield?

Mr. JONAS of North Carolina. I am glad to yield to my friend from Tennessee.

Mr. PRIEST. Will the gentleman from North Carolina clarify the figure of the contingency fund that TVA will have during the next fiscal year under the committee's recommendation?

Mr. JONAS of North Carolina. Yes; and I thank the gentleman for asking me the question. I wanted to speak to that point, anyway. Several members of the committee this afternoon have made the statement that if this cut stands, the cut that our committee made, TVA will be reduced in operating capital to $3 million. That is just not in accordance with the facts.

As the gentleman from New York [Mr. TABER] has pointed out already, TVA will start off the new fiscal year with $309 million in the bank. Against that they will have several hundred million dollars of commitments. During the year TVA will take in from the sale of power alone over $200 million. All we have done is to say that out of that income of more than $200 million—in fact, it will be $227 million—they can well absorb $12,488,500 to repair transmission lines, do site improvement work, investigate future projects, and pay one-half of general facilities. Twenty-five million dollars is all we have undertaken to charge against the reserve. The rest of the cut is intended to come out of income.

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. Chairman, I have not taken a single moment either yesterday, the day before, or today, on this question of TVA. One reason is that everybody knows that I am a "damyankee" and I suspect that perhaps I have talked enough about it in other years.

However, may I say to my very dear friends from the Tennessee Valley section, for whom I have high regard, that we are not unfriendly to TVA. Many of us in my section of this country are proud of TVA. I went down there myself with a subcommittee not along ago. No American can travel through that valley and see the workings of this great institution and not be proud of it. I want to say to them, however, that TVA needs friends. It needs the friendship of other sections of this country and, do you know, it is awfully hard for some of us to go back home and sell TVA to our people. Why? Let us be sensible. There are certain things they know. They know that they are borrowing money and paying interest on it to give it or lend it to TVA without interest. They know that the people of the Tennessee Valley are getting cheap electricity when our people are paying higher prices for it.

It is of no use for you to wrap the flag about you and say, "Oh, that is because we are furnishing power for the atomic bomb and for national defense." Raise your rates. Raise your rates to the Government agencies that are buying power for Government and defense purposes, and my people will pay their share willingly and gladly.

They know that power has been used lavishly in the Tennessee Valley, even to heat people's homes. It is no use to tell my folks, "This is all right because when it is all over you people are going to own an interest in this wonderful institution." You might just as well tell them they are going to own an interest in the White House, which they do, but they cannot live in it. They own an interest in TVA, but it does not light their houses, it does not run their plants.

It is no use to tell them that the Congress imposed TVA on the Tennessee Valley and then made it bloom like a garden. No, we cannot go home with that story. Now let me tell you another thing. It is not going to help TVA when we go home and tell our people that when this committee suggested to the House that the time had come for TVA to pay just the interest that the Government is paying on the money we lent TVA, our good friends rose to a man and said "No," and invoked the rules of the House, to stop it. These facts are self-evident and

they will not win goodwill for TVA. I say to my friends from the Southland, you are taking a poor way to "win friends and influence people," and I repeat TVA needs friends.

I want to suggest to you that we do want to see TVA prosper but we want to see it prosper on its own. It is a great plant. It can borrow its money, it can expand as any other utility does. It can charge reasonable rates.

One gentleman said, "If the price of coal should go up 5 percent we will not have working capital." You can increase your rates 5 percent and have ample working capital.

I want to go home and tell my people that TVA has at last come to the place where it is going to stand on its own feet and not keep coming back for more and more new money for them to pay interest on.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the distinguished majority leader.

Mr. HALLECK. I commend the gentleman on the very fine statement that he has made. I want to say to him and to my colleagues that the situation here today reminds me of that old saying out in Indiana, which involves us here who are from other sections of the country, that our friends from Tennessee should not ride a good horse to death.

Mr. COTTON. Exactly, and I thank the gentleman.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to my friend from Tennessee.

Mr. BAKER. Is it your judgment that the basic TVA Act would have to be amended if rates were to be substantially increased because the basic TVA Act, when written, contemplated no profits and low-cost power and so states? I ask that question very seriously.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield.

Mr. HALLECK. I do not think the basic act, when passed, contemplated the great development of steam plants to the point where 50 percent or more of the power is now being generated by steam plants.

Mr. COTTON. I would also say to my friend that the reasonable working capital which he has been asking for here so convincingly is a part of the business operation and could hardly be regarded as profits. TVA can get its working capital from its customers instead of demanding it from the taxpayers of the entire Nation.

Mr. Chairman, in closing this debate on behalf of the Committee on Appropriations, I appeal to the House to sustain your committee and vote "no" on the amendments offered by the gentleman from Tennessee [Mr. BAKER] and the gentleman from Tennessee [Mr. COOPER]. Our committee has tried to be fair to TVA but also to the rest of the United States. Someone has said the Tennessee River is unique in that it flows through 7 States and drains 48. That is hardly fair to TVA but it will be well for TVA as well as the whole country if it ceases to be a drain on other sections and stands on its own feet.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment offered by the gentleman from Tennessee [Mr. COOPER] to the amendment offered by the gentleman from Tennessee [Mr. BAKER].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. BAKER].

The question was taken; and on a division (demanded by Mr. BAKER) there were—ayes 118, noes 158.

Mr. BAKER. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BAKER and Mr. PHILLIPS.

The Committee again divided; and the tellers reported that there were—ayes 132, noes 146.

So the amendment was rejected.

The Clerk read as follows:

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including contract stenographic reporting services and not to exceed $45,000 for travel expenses, $1,000,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to comment further on the remarks made yesterday by the distinguished gentleman from Colorado, who is the chairman of the Small Business Committee, in defense of the Small Business Administration and its able Administrator, Wendell B. Barnes, in response to remarks by members concerning the disbursement of loans.

Anyone familiar with banking and business operations knows that no prudent businessman takes down money until he needs it. Until such time it is pointless to incur interest charges. To my way of thinking, this would indicate that the number of loans disbursed by the Small Business Administration is not necessarily of consequence in determining whether that agency is doing a good job, since the time between the issuance of the loan authorization and disbursement ordinarily is within the control of the borrower, or at least not within the control of the Small Business Administration. I think that the agency's record will bear out the truth of my remarks. As of March 28, SBA authorized 150 loans totaling in excess of $8,900,000. Of these, 58 were direct loans totaling approximately $3,167,000, and 92 were bank-participation loans totaling approximately $5,762,000. I am happy to see that the greater number of loans by far have been made in participation with banks, for this is the best indication that banks are actively participating in and supporting SBA's lending program.

After the agency issues its formal loan authorization which prescribes the terms and conditions of the loan necessary to protect the Government's interest, and which are standard conditions which any prudent lender would require for term loans, the burden is then on the borrower and its counsel to meet the requirements contained in the loan authorization. This means that the loan can be closed when the borrower and its counsel are ready to close the loan. In the case of bank participation loans, bank attorneys close the loan, and in neither case is the time interval between the issuance of the final authorization and the closing or disbursement within the control of SBA. I also point out that this time interval is not always decisive, as I have noted, since in some cases, as in loans involving construction, no SBA disbursement is made prior to the completion of the project. In other cases the prudent borrower does not take down the loans and begin paying interest until actually needed. Thus in most cases the lapse of time between the issuance of the authorization and the first disbursement is a matter beyond the control of SBA.

SBA offers no competition with banks, since by statute each loan applicant is required to show that the loan is not available from the customary sources of private credit. In this connection I should point out that since most of the loans have been deferred participation loans, the banks have advanced the funds for such loans and the Government funds committed are not likely to be withdrawn from the Treasury. Further, the agency is empowered by statute to sell loans and the policy has been adopted that "seasoned" loans will be sold either to participating banks, which have options to purchase at any time under their agreements with the agency, or to other banks or financial institutions.

As the distinguished chairman of the Small Business Committee pointed out yesterday, the agency did not commence their lending program until October 1953. There was a very good reason for this. By statute the RFC was empowered to continue its lending functions, including the power to make small business loans, until September 28. Until the RFC ceased its lending activities, there was no point in having a complete duplication in the small loan field by SBA. I am happy to report that the agency is taking vigorous action to speed up the processing of loan applications but without impairing the Government's interest. At present, I am told that there are 1,000 loan applications "in the pipeline," representing a total of approximately $66 million.

You must also remember that the 525 employees of SBA are performing functions formerly performed by 2,300 persons—487 employees of the Small Defense Plants Administration and about 1,800 RFC employees who were engaged in business loan activities.

I wish to commend the distinguished chairman of the Small Business Committee for his insertion in yesterday's RECORD of the article on small business from the April issue of Nation's Business. I earnestly commend the careful reading of this article, which is an excellent study on the subject of small business today, to each of you. It proves that SBA programs are effectively geared to the principal problems facing small business, and I am confident that as the

agency gains experience it will render even greater service to the small firms of our country.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. PHILLIPS. Mr. Chairman, I wish to move the previous question on this item we are discussing, the Tax Court item, and close debate on it after the gentleman from West Virginia has finished.

The CHAIRMAN. The Chair will recognize the gentleman at that time.

Mr. BAILEY. Mr. Chairman, at this time I ask unanimous consent to return to page 42.

Mr. HALLECK. Mr. Chairman, reserving the right to object, for the purpose of offering an amendment?

Mr. BAILEY. I have no intention of offering an amendment; I am not asking this privilege for the purpose of offering an amendment.

Mr. TABER. Mr. Chairman, I shall have to object, but if the gentleman wishes to speak out of order I will not object to his speaking out of order.

Mr. BAILEY. For the benefit of the gentleman from New York, Mr. Chairman, may I advise him that I am speaking to material in this bill on page 42 and not out of order.

Mr. TABER. That is all right.

The CHAIRMAN. That is the gentleman's privilege.

Mr. BAILEY. Mr. Chairman, I asked unanimous consent to return to this section of the pending bill not for the purpose of offering an amendment but in order that I might make some pointed observations.

We are concerned here with the United States Tariff Commission and the administration of our Reciprocal Trade Agreements Act.

My colleagues will recall that on Tuesday we received a special message from President Eisenhower on proposed changes in our trade policies. It would appear from the contents of the message that the gentleman who resides at 1600 Pennsylvania Avenue has swallowed the Randall Commission's report hook, line, and sinker.

I do not want to pose as a prophet, but it is my considered opinion that the Randall Commission's report is as dead as the proverbial door knob. The proposals submitted indicate a shockingly limited knowledge of a program that is laying waste vast sections of our own economy.

May I point to just one of numerous incidents where our trade policy, which the administration wants to further expand by added authority to lower import duties, has laid waste a once-prosperous industrial area by disrupting State and local economies and bringing more than 100,000 men, women, and children to the necessity of begging for "handouts" from Federal surplus foods.

Imports of residual fuel oil from Venezuela, of glass, pottery, and clothespins from Europe are rapidly destroying our basic industries, and in face of this great calamity they propose to further devastate sections of America in order to carry out the wishes of No. 10 Downing Street in London and our own State Department.

If this star-gazing idea of more trade and less aid is not halted now, it will not be long until anyone who has the temerity to suggest that we buy the products from our own farms and from our own factories will be branded as communistic.

Mr. Chairman, just to give you a little idea of how this program is being operated, let me call your attention to an incident that occurred in the glass industry.

In August 1953 the glass industry applied to the Tariff Commission under the "escape clause" to prove injury on certain categories of glassware that were being imported into this country. Now, get this history, please. In late September, after receiving this case in August, the Commission divided 3 to 3 and decided to certify the case to the President. They did not certify the case until late in November, some 6 weeks after making their own decision. There was furnished through the State Department to every country in which we have diplomatic representatives the details of that decision so that they could flood the President's office with objections on the thought that he might approve the lowering of some of the tariff schedules. Less than 10 days ago, Mr. Chairman, I called the Tariff Commission, and they said the President had asked them for additional information on which to make his decision. He asked them for that last November. To date the Tariff Commission has not furnished the President of the United States the additional information he asked. That situation is inexcusable.

The Clerk read as follows:

VETERANS' ADMINISTRATION

General operating expenses: For necessary operating expenses of the Veterans' Administration, not otherwise provided for, including expenses incidental to securing employment for war veterans; purchase of 15 passenger motor vehicles for replacement only; not to exceed $6,000 for newspapers and periodicals; not to exceed $2,690,000 for expenses of travel of employees; and not to exceed $43,700 for preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including purchase or rental of equipment; $163,922,300: *Provided*, That no part of this appropriation shall be used to pay in excess of 15 persons engaged in public relations work: *Provided further*, That no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to read to the House the following interesting editorial from this morning's issue of the New York Times:

CONGRESS AND PUBLIC HOUSING

To those who have seen at firsthand the fine accomplishments wrought in our large cities by slum-clearance public housing it is discouraging to see the opposition, even to the point of animus voiced against such housing in Congress, and especially in the House. One would expect House Members, being close to the people, to be aware of the importance of clean, decent housing in strengthening our democracy, in creating more wholesome conditions in which to rear children, in improving the moral climate. One would expect the House membership to be more sympathetic toward people of low income struggling to live with some dignity.

The large cities, and especially New York, are a special problem in housing. High land costs and other handicaps make home ownership out of the question for thousands of families. The House won't be helping these families, in Manhattan, Brooklyn, and the Bronx, by encouraging private enterprise on a $7,000 house. Nor can these families build little cottages for themselves after supper and on weekends, as so many do-it-yourself families do, all over the country, and more power to them.

We, in the large cities, are fighting a tough battle against slums, and in New York it seems at times to be a losing battle. Our New York problem is intensified by migration from the South and from Puerto Rico, and we do our best to make a home for new arrivals, as this gateway city has always done. A good argument could be made for special Federal aid, simply because New York is a focal point of such migration.

There is a city problem, just as there is a farm problem. One big city problem is the overcrowded, unwholesome slum, and we cannot believe that the Republicans will be so foolish politically, so short-sighted democratically, so lacking in human feeling as to abandon, or virtually destroy, public housing as a policy, this year, next year, or in the foreseeable future. Private enterprise cannot build at a rental these people can pay. A housing program that ignored these low-income families, and discriminated against the critical needs of the large cities, would be a bitter disappointment.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am glad to note that in the appropriation bills coming to the floor of the House during the present Congress there is a trend toward reduction of Government spending.

This is a welcome trend after so many years of increased spending year by year.

Federal taxation is approaching the confiscatory stage. Because of this I have joined with other Members in organized efforts to cut down Federal spending and to reduce budget requests.

Last year those of us who worked for economy succeeded in cutting appropriations approximately $13 billion, and in the year before $8½ billion.

I felt that greater reductions could have been made, and tried to make them. But those of us working for Government spending reductions did not have enough votes to make deeper cuts.

It is obvious that we cannot have real tax relief until deeper cuts are made in Federal spending. I believe that at least $3 billion could be cut from the President's requested appropriations this year. I hope that such reductions will be made. I intend to vote for them as the various appropriation bills come up for action.

I have many times pointed out that there is ample room for spending reductions in many departments of Government. As an illustration of how Government spending has been pyramiding throughout the years, in 1935 there were 5,906 employees in the Bureau of Indian Affairs, one of the Federal agencies. By 1950, just 15 years later, the number of

employees in the Bureau of Indian Affairs had jumped to 13,565, more than double. At that time, there were in the entire United States and Alaska only 421,600 Indians, including Eskimos. Why Eskimos should be counted as Indians, I do not know, but they were. But, with Eskimos included, there was 1 Federal employee for every 31 Indians.

I have been disappointed that the present administration has not exerted stronger efforts to reduce unnecessary spending. I think our foreign spending program could be reduced much more than the President has recommended. I hope that it will be so reduced. The last 6 months' report of the Mutual Security Administration recites such things as the spending of American tax money to rehabilitate India's railroad system. Twenty-five million dollars of a special fund of $57½ million was allocated for purchase of steel for India. Another $20 million to help finance the purchase of 100 new locomotives and 5,000 new freight cars in India.

Other millions were spent to buy fertilizer for India and to expand India's Sindri fertilizer plant, which is said to be the largest fertilizer plant in Asia.

Other millions have been spent for farming implements and agricultural machinery, and for drilling irrigation wells in India's farming areas. Our planners have set up a program of digging 2,000 deep irrigation wells in India, one on each 200 acres of farm land. Although we took this money out of the bill 2 years ago, the spenders have put it back again, and are trying to get Congress to appropriate tax money for this and similar expensive projects.

India is only one of many countries where this kind of unjustifiable spending is being carried on with American taxpayers' money, while Germany, our late enemy, has given tax relief to individuals up to 25 percent; Holland has given tax relief to her citizens; so has Canada, Great Britain, France, Israel, and Australia.

For my part I have for some years been trying to get the rest of the world off the backs of the American taxpayers, and I hope that this year the foreign spending program will be cut, not just a token cut, but real and substantial reductions, enough to bring relief to American taxpayers.

Sometimes the best way to stop extravagance is to cut off the money for the spenders, and I think that tax reductions in some of the tax bills will have a deterring effect on those who are planning the spending of taxpayers' money.

In my opinion, the disease calls for a drastic remedy. Since it is evident that the spenders in the Government are not going to voluntarily reduce that spending, Congress ought to cut off the money and apply pressure in that way to force cuts in spending.

I see no good reason why our Government should continue to scatter American taxpayers' money all over the face of the earth in amounts up to $6½ billion per annum, which was the figure for last year, and continue to tell the people at home they can have no relief. All these countries which I have named as giving tax relief to their citizens are getting money from the United States, taken from the pockets of these American taxpayers, to whom tax relief continues to be denied.

Not only can spending be cut abroad, it can also be cut here at home. In considering the independent offices appropriation bill which is before the House today for action, some startling testimony has been presented to the House which was brought out in the hearings before the subcommittee.

Mr. R. F. Keller, an assistant to the Comptroller General, testified before that subcommittee on January 13 of this year that his investigation showed that a group of buildings in Philadelphia, Pa., then under lease to the Air Force, at a cost of $215,000 a year, had never been used by the Air Force. His statement said that the leasing decision had been made by Air Materiel Command of Dayton, Ohio, over the strong protests of the intended users that the facilities were not suitable and could not be used. He said the Air Force has since canceled the lease, but not before rental and maintenance costs totaling some $251,000 were incurred.

A witness from the Office of the Comptroller General of the United States in his testimony before the Independent Offices Appropriation Subcommittee on that same day exposed the extravagance of a general who built a dog run and kennel with taxpayers' money. The testimony regarding that was as follows:

> The request for the work shows it was considered "in the best interest of the Government for security purposes." The construction consisted of a kennel, which was used to house a number of expensive dogs owned by the general, and a 90 by 60 fence-enclosed dog run. A wooden floor was installed in the kennel so the dogs would not lie on the bare earth. The cost charged to appropriated funds was about $1,200. The fence was later removed at a cost of $157.82, when, only 5 months after his arrival, the commanding general was replaced as post commander.
>
> While a small item of waste and extravagance, it is but typical of the myriad of such matters arising in our inspection.

The Comptroller General also on that day exposed in his testimony a transaction which is typical of the conduct of many people who spend Government money—that is, if they have any money left over on the last day of the fiscal year, they spend it for something, whether it is needed or not. They simply cannot bear to turn back any unspent money into the Federal Treasury. This transaction was a purchase of a million and a half dollars' worth of wire fencing on the last day of the fiscal year 1951 by the Air Force. This testimony was given by Mr. William L. Ellis, Chief of Investigations in the General Accounting Office, and is found on pages 360 to 364 of the testimony. The following is some of the testimony exposing this wasteful transaction:

> There is no doubt at all that fencing was bought in the last few days of the fiscal year when money was discovered to be available.
>
> After great effort justification was found for about 250,000 feet of fence, so the fence was ordered, but not 250,000 feet. What was ordered was 750,000 feet, or enough to stretch from here to Philadelphia.
>
> These pictures I have here, I showed them to Mr. KRUEGER, show that the fence is not a little barbed-wire fence, but a big 9-foot security fence which eventually may be very necessary. In fact I said if the Air Force had to throw away the money, at least they bought something they could keep for use in later years.
>
> Mr. PHILLIPS. You could keep it, if it is not allowed to lie around out in the weather.
>
> Mr. ELLIS. Some of it is still in the weather. They are hoping to get projects by this month to work up places where it can sometime be used, according to this letter. It was bought 2½ years ago. * * * One shipment of fencing went to the Elmira Airbase in New York. It got there ready to be delivered. The only trouble was there wasn't any such base. There never has been and there isn't today. * * *
>
> Mr. ELLIS. Most of it is still there now, at 27 different bases around this country. Piles of it. I wish you gentlemen had time to look at these pictures. It is incredible. The piles are bigger than this room, a pile, as big as a house, of fencing at 27 different bases in this country. Roughly, maybe a third has been used.
>
> What the Secretary now says is that by this month they will have firm plans for using it. They did use some of it on a swimming pool, nurseries to keep the babies from getting where they weren't supposed to be, 9-foot fencing.

This is just a part of much testimony showing that it is possible for economy to be practiced, for wasteful spending to be stopped, as a result of which substantial relief can be given to the American taxpayer.

It is not true that rigid economy is being practiced throughout our Government. On the contrary, instance after instance of wasteful spending, of complete disregard of the taxpayers' burdens, and of inexcusable extravagance, have been disclosed.

It is the duty of this Congress to appropriate only such funds as are needed to carry on the legitimate and necessary functions of government. The time to perform this duty is when the bills are before us for consideration, such as the bill we are now passing upon.

While we in Congress cannot fire any generals or colonels in the armed services, we can hold the appropriations down to sums that are actually needed for our military security, and it is our duty and obligation to do that.

Mr. DOLLINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to obtain some information from the chairman of the subcommittee. Early this year I inserted in the daily RECORD a series of articles written by a reporter of a New York newspaper in which it was charged that veterans who needed outpatient psychiatric care were having difficult in obtaining it. It was pointed out that there were some veterans who were able to work at their profession or trade by going to the doctor in the evenings and getting psychiatric care. At that time it was indicated that the Director of the Budget had impounded $3 million, part of which was subsequently returned, so that the patients were having trouble obtaining this outpatient care, and when they came to the Veterans' office they were not told the truth that there were not sufficient funds but were told that their condition had so

improved they did not need this psychiatric care. I see in the present bill before us that the outpatient care appropriation this year is $76,744,000 as against ninety-two-million-odd dollars last year or a reduction of $16 million.

Now, the question I would like to have the answer to is this: Does this reduction in the amount of the appropriation mean that there will be a curtailment or elimination of the outpatient psychiatric care for these veterans? If it does mean that, then it might be possible that the veteran would be unable to hold his job, and I think that would be shortsighted economy.

Mr. PHILLIPS. Mr. Chairman, if the gentleman will yield, the gentleman is talking on a subject of very great interest to the subcommittee. The reduction in money against last year's figure, is not in the type of cases to which the gentleman refers. We have gone further than that, and we have taken away the barrier, so that the money can be used for whichever category the patient needs. It is in the neuropsychiatric field that we have the greatest difficulty. We have not had the hospitals, we have not had the psychiatrists. I can only say that the Veterans' Administration is anxiously working toward doing something in that field to meet the situation.

Mr. DOLLINGER. What I wanted to find out specifically was, there are many veterans getting this care outside the Veterans' Administration. They went to private doctors who gave that care to them after business hours.

Mr. PHILLIPS. That is, outpatient care.

Mr. DOLLINGER. That is correct. Is there anything in this program or in this appropriation which will make it impossible for them to get psychiatric treatment by going to a doctor in the evening?

Mr. PHILLIPS. No.

Mr. DOLLINGER. Because the article I referred to indicated clearly that they could not get the care; that they were not told the truth that funds were not available and so the necessary treatment was unavailable.

Mr. PHILLIPS. There is nothing in the bill of that nature. We gave them the total amount requested.

Mr. DOLLINGER. And I can treat that as an assurance that they can get all the outside care that is necessary?

Mr. PHILLIPS. From the standpoint of this committee. If the case arises again, I hope the gentleman will bring it to our attention.

Mr. DOLLINGER. I thank the gentleman.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and that amendments to any section of the bill not yet read be in order at any place.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. SUTTON. Mr. Chairman, reserving the right to object, would points of order still be in order against the bill?

Mr. PHILLIPS. This does not have any effect on that.

The CHAIRMAN. Points of order will be disposed of before amendments are offered.

Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order?

Mr. SUTTON. Mr. Chairman, I have a point of order against the language on page 47, line 11 through line 23.

The CHAIRMAN. Without objection, the Clerk will read the language referred to.

The Clerk read as follows:

Provided, That no part of this appropriation shall be available for out-patient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within one year after discharge or by July 27, 1954, whichever is later: *Provided*, That this limitation shall not apply to adjunct out-patient dental services or appliances for any dental condition associated with and held to be aggravating disability from some other service-incurred or service-aggravated injury or disease.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SUTTON. The point of order is that it is legislation on an appropriation bill. It changes existing law. It is definitely legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California desire to be heard?

Mr. PHILLIPS. I ask the Chair to rule.

The CHAIRMAN (Mr. GRAHAM). The Chair is prepared to rule.

In the opinion of the Chair, this is legislation upon an appropriation bill and the point of order is sustained.

Mr. SUTTON. Mr. Chairman, I have another point of order with reference to the language on page 49, line 17, through line 18, on page 50. I make the point of order that that is legislation on an appropriation bill and changes existing law.

The CHAIRMAN. Without objection, the Clerk will read the language referred to.

The Clerk read as follows:

Provided further, That under any contract between a State, or any political subdivision of a State, and the Veterans' Administration providing for the furnishing of instruction in a course of institutional on-farm or other training under part VIII of Veterans Regulation No. 1 (a), as amended (Public Law 346, 78th Cong., as amended), liability authorized by this section by reason of payments of subsistence allowance which were illegal because of failure of the veteran or the course to comply with the applicable statutory, regulatory, or contractual requirements shall not be applied to the contracting State, or political subdivision, unless the Administrator of Veterans' Affairs, after investigation, finds that an employee or representative of such State, or political subdivision, conspired with the veteran by, or was guilty of fraud or gross negligence in, falsely reporting to the Veterans' Administration that the veteran was in a proper course of training, failing to report unauthorized or excessive absences from, or interruption or discontinuance of, his course of training, or not discovering the failure of the veteran to comply with the applicable statutory, regulatory, or contractual requirements and not promptly terminating the course of training of the veteran. The provisions of this proviso shall be effective as of July 13, 1950, but shall not require repayment of any funds heretofore properly recovered by agreement of the parties to any such contract, and shall not be applicable to any other liabilities or agreements pursuant to such contract.

The CHAIRMAN. Does the gentleman from California [Mr. PHILLIPS] desire to be heard on this point of order?

Mr. PHILLIPS. No, Mr. Chairman.

The CHAIRMAN (Mr. GRAHAM). This is legislation on an appropriation bill. The point of order is sustained.

Mr. WOLCOTT. Mr. Chairman, I make the point of order with respect to the language on page 59, from the proviso in line 9 down to and including line 17, as being legislation on an appropriation bill and that it changes existing law.

The CHAIRMAN. Without objection the Clerk will read the language referred to.

The Clerk read as follows:

Provided further, That the Federal National Mortgage Association is authorized and directed prior to the conclusion of any sale of a mortgage at a discount to a financial institution to offer the mortgage to the mortgagor at the same discount, and that an offer shall be considered properly made when addressed by registered letter to the mortgagor, who may tender the purchase price, less discount, to the Federal National Mortgage Association within 2 weeks from date of receipt of such offer.

The CHAIRMAN. Does the gentleman from California [Mr. PHILLIPS] desire to be heard on this point of order?

Mr. PHILLIPS. No, Mr. Chairman. We concede the point of order.

The CHAIRMAN (Mr. GRAHAM). In the opinion of the Chair, this is legislation upon an appropriation bill, and the point of order is sustained.

Mr. YATES. Mr. Chairman, I offer an amendment in substitution for that language.

The CHAIRMAN. Are there any further points of order?

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. Is my amendment to the language that was just stricken from the appropriation bill in order at this time?

The CHAIRMAN. The Chair is trying to dispose of all points of order before considering amendments. If there are no further points of order, the gentleman's amendment will be considered. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 59, line 9, after "$150,000" insert "*Provided*, That no part of any appropriation or fund in this act shall be used for administrative expenses in connection with any sale of mortgages owned by the Association at a price less than the par value thereof."

Mr. YATES. Mr. Chairman, the purpose of this amendment is to make certain that FNMA does not sell any of the mortgages in its portfolio at a figure less than par. Last year, when the appropriation bill was brought to the floor,

it included a provision in the bill authorizing the Administrator of FNMA to sell mortgages at a discount, within his discretion. At the time I objected, and that language was stricken from the bill. I called it a banker's bonus bill, which is exactly what it was as subsequent events disclosed.

The Housing Act that followed our appropriation bill contained the language stricken from the appropriation bill. It authorized the Administrator of FNMA to sell mortgages at a discount, and pursuant to that order the Administrator of FNMA last July offered for sale one-half billion dollars' of VA and FHA mortgages at discounts varying from 4 points for 4 percent mortgages to 2¼ points for 4½ percent mortgages.

As a result, good mortgages, mortgages worth par were sold at a loss to the taxpayers of this country of approximately $15 million. That same possibility exists today. At the present time the Administrator of FNMA can sell any of its motgages at any discount he thinks proper.

These mortgages are valuable assets of the people of the United States. They are as much resources of our people as our natural resources. The taxpayers of our country have spent their good money to buy the mortgages. Why should they now be sold at a loss? And only a privileged few were given the opportunity to board the gravy train, only qualified houses.

It will be argued that the sale at a discount was necessary in order to make room for new mortgages. Is it good, sound business to sell seasoned mortgages, mortgages that have stood the test of time, for new mortgages of unknown quality?

It will be argued further that the discount was necessary to make operative the 1-for-1 plan. The testimony before our committee, as shown by the hearings, would seem to brand the plan a failure. In the first place, there was no requirement that purchasers of the discounted mortgages be required to substitute a new mortgage of at least equal value. Secondly, as of the date of our hearings the amount of new mortgages FNMA had committed itself for was only $32,804,000. This is certainly a paltry sum to justify the sale of assets worth $500 million.

This was an agency that was making money for the taxpayers. Is it not less than discreet for it to sell mortgages at a discount, if that is so? And it was so.

I call the attention of the House to the fact that during the year 1953 the Federal National Mortgage Association made approximately $33 million for the Treasury of the United States. During fiscal 1952 it made approximately $29 million in profit for the taxpayers of the United States. Each of the years FNMA has operated, it made a profit.

The purpose of my amendment is to protect valuable assets of the Government, to make sure that FNMA does not sell any more mortgages at a price less than par.

Incidentally, under FNMA rules, the mortgages that were sold could be sold only to qualified institutions, to mortgage houses, to the big financial institutions of the country. A veteran who had signed one of those mortgages that was sold at a discount could not get that same discount from FNMA. The mortgage company could buy it for 4 points off the par value, but the veteran who was liable on the mortgage could not pay off his mortgage by offering the same sum of money. Is that fair treatment? The reason for the amendment in the appropriations bill was to make sure that a veteran who was liable on one of these mortgages could get the same deal as a mortgage house. When the point of order struck the language, it struck equal rights for the veterans at the same time.

I think my amendment is entirely in order. In view of the ruling of the Chair striking the language from the bill, I submit that FNMA should not sell these mortgages at any kind of discount. The only time it has ever done it in the entire history of FNMA was last year, and it cost the Government $15 million on the mortgages sold.

I urge the adoption of my amendment.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent that debate may be limited to the 10 minutes which will have been consumed when I finish speaking on this amendment only.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, let me show you the difficulty of attempting to legislate upon a technical matter out of a clear sky.

The gentleman from Michigan by a point of order struck out the provision the committee had put in which stated that if a veteran had a mortgage and if the mortgage was to be resold at a discount, the mortgagor, the man who owed the money, should be given a period of perhaps 10 days or 2 weeks in which he should have a chance to buy it back. I think to a large extent it was a gesture, but it was a gesture that a few people here and there might have taken advantage of.

That was struck out, and we have no criticism of the motion. The provision was subject to a point of order.

Now the gentleman from Illinois asks that we put in a regulation prohibiting the Federal National Mortgage Association from selling at less than the par value. FNMA has bought many of these mortgages at a discount. We are asked to tell FNMA how to handle its business. We are going to say, "You cannot discount it even though you bought it at a discount, and sell it at a profit."

FNMA has made a profit from the very beginning by reason of a flexibility in handling these mortgages and being able to say to a bank, "We will sell you this mortgage at a discount and, in the future, if you have mortgages you have to place, we will take those mortgages on a 2-to-1 basis."

My recommendation is that we do not go into something which is so technical and which certainly should not be decided in a few minutes on the floor. Therefore, with no disparagement of my good friend from Illinois, whose intentions are excellent, I suggest that we vote "no" on the amendment.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I was interested in the statement the gentleman from Illinois made that it cost the Treasury $15 million. That is not true. FNMA has been self-sustaining and has operated at a profit. In the bill which we will have before us tomorrow there is a provision that the users of FNMA will have to pay into the capital fund 3 percent, and there is controversy as to whether it is a discount or a fee. This probably would disrupt the Federal National Mortgage Association to the point where there would be no secondary market for those purposes.

Mr. PHILLIPS. The gentleman joins in requesting a "no" vote, I take it?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. Certainly the gentleman is not saying that what I did say was incorrect. FNMA did lose $15 million on the sale of a half a billion dollars worth of mortgages, as shown in the testimony of Mr. Baughman, who appeared before us in connection with the hearings on the Federal National Mortgage Association. I do not see how the gentleman can controvert that fact in view of the sale of those mortgages at a discount at a price lower than FNMA paid for the mortgages.

Mr. WOLCOTT. The Treasury does not lose anything in these operations until it is called upon to restore the loss to the capital of FNMA and there have been no losses to date in the capital of FNMA.

Mr. YATES. The point I make is that the mortgages were sold at a loss of $15 million. That was the statement by Mr. Baughman.

Mr. PHILLIPS. Does this colloquy suggest that we should not attempt to legislate on the subject at this time? I again suggest a "no" vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. YATES) there were—ayes 96, noes 167.

So the amendment was rejected.

Mr. HOSMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I asked for this time in order to ask a question or two of the distinguished chairman of the subcommittee. The Veterans' Administration Hospital at Long Beach, Calif., is a 1,600-bed hospital of which only 400 beds are in a permanent fireproof building. One thousand two hundred beds are in structures of a flimsy temporary nature, standing on cement foundations made out of old wood and plasterboard. They are a terrific fire hazard. This hospital is the only paraplegic center west of Denver. It serves over 100 quadraplegics in beds in the hospital, and hundreds of

paraplegics both in and outside of the hospital. I do not know whether the Veterans' Administration head, Mr. Higley, visited the hospital before or after the time that he prepared his testimony before the subcommittee, but he stated upon visiting the hospital that the situation was, indeed, bad and that money ought to be provided to remove these temporary structures and replace them with adequate buildings.

Except for the main building, the whole Long Beach Veterans' Administration Hospital is temporary construction. Also, it is only fair to note that among these flimsy, barnlike structures those of the paraplegia service are in the better of the temporary buildings.

This situation was brought about by an unfortunate and ill-advised series of events ordered by Washington in 1950. The permanent structure at Long Beach was then devoted to use as a modern, 400-bed United States naval hospital. The barnlike temporary structures erected during World War II were largely abandoned and allowed to deteriorate. The hospital was in great service to the large numbers of active duty naval personnel stationed in the area, their dependents, and the more thousands of dependents of men assigned to fleet ships whose families lived in the vicinity and the many more thousands of retired naval personnel who located their homes in the area because of the existence of the hospital facility.

In a "meat-ax" economy move in the spring of 1950, the Navy was ordered to abandon the hospital. It was followed up on June 1, 1950, by an even more heartless order to transfer the Birmingham Veterans' Administration Hospital, located in Los Angeles to the abandoned Navy buildings. I characterize this as a heartless and cruel order because Birmingham was the West Coast center for treatment of paraplegics and quadraplegics. The Birmingham center was specially equipped to handle these men who sacrificed so much for their country. All necessary equipment for their therapy, even special swimming and treatment pools, so necessary to their well-being, were there at Birmingham.

The many hundreds of disabled veterans involved had purchased homes in the vicinity of the Birmingham center into which thousands of dollars had been invested to make them habitable to men confined to beds and wheelchairs for the remainder of their lives.

There was no equipment at the Long Beach Hospital in service to such men. There were no homes specially constructed for them—they had to go to that expense once more and, in most cases, their only incomes were the modest pensions they received from our Government for their total disability.

One of the supreme ironies of the transfer debacle of June 1, 1950, was that the Korean war broke out 25 days later. It was only a few months until the United States Navy needed another hospital so badly in the southern California area that they had to reopen Corona Naval.

In the ensuing 4 years there have been other ironies. The fact will never be forgotten that the Birmingham hospital was condemned as a "firetrap." But these wounded were promptly transferred from a good firetrap to a truly bad one.

At Birmingham they had level ground, concrete ramps, 32-bed 4-cubicled wards. The wards were less crowded. They were air-conditioned. They had an excellent recreation hall. They had a big outdoor pool. The PVA built an indoor pool, complete, with two small brine pools. The mess hall was close; they did not have to wheel a half a mile just to eat a meal. Birmingham was a wonderful firetrap by comparison.

At Long Beach they have steep inclines, wooden ramps, 42-bed 6-cubicled wards. The wards are crowded; there are no large side porches for storing equipment. There is no air-conditioning. The large wards are impossible to heat evenly, with the flimsy structure of the building. In the winter they freeze to death in the halls. In the summer they just plain roast, because there is no place to go to get away from the heat.

The wards, set on grotesque concrete pilings, are a truly dangerous fire hazard. The concrete pilings are like a grate in a fireplace, allowing plenty of air circulation to fan the flames.

Realizing the tremendous fire hazard, there are frequent fire drills in Long Beach. These are well-rehearsed affairs that usually occur precisely at 10 o'clock in the morning. There are more personnel available on the day shift. Many of the patients are off the ward. The word is passed and everything goes off strictly on schedule. The catch is: There is no fire. There is no smoke. There are two exits, cleared in advance for action. There is no panic and there is no confusion.

It is a common fallacy that people who die in fires primarily are burned to death. Few people die of burns in a building fire. They suffocate first; asphyxiated by smoke.

Imagine a good fire getting started on a 42-bed ward, having a majority of quadraplegics who cannot even get out of bed. Imagine plenty of smoke, plenty of confusion, and a minimum of personnel at 2 o'clock in the morning. A fire of any size would probably block one exit. Imagine getting 42 beds through 1 door and down a steep ramp to safety. It does not require much imagination. They would be lucky to get 10 patients out alive.

In 1946, the Veterans' Administration decided to establish the west coast paraplegia center at the Birmingham Army Hospital in Van Nuys. The logical thing would have been to make immediate plans to replace the temporary facility with permanent buildings, especially suitable for paraplegics.

Instead, the Democratic administration only confused the whole situation further by the 1950 transfer to Long Beach. They made a lot of rosy promises about new buildings, an indoor swimming pool, a bigger and better recreation hall, and all the trimmings. They were political promises. They were made because of the tremendous adverse publicity to the Democratic administration, and Harry S Truman in particular, because of the shortsightedness of the 1950 transfer.

To date, we Republicans have not done any better. I believe in economy, but you cannot economize on something that does not exist. Decent quarters for most of the hospitalized patients in the Long Beach VA hospital do not exist.

There is a fine medical staff there. There are an ever-increasing number of paraplegics requiring hospitalization in California. But the buildings in which they are hospitalized are a disgrace.

They are a disgrace to the Veterans' Administration. They are a disgrace to the Democratic administration that put these men there. They will be a disgrace to the Republican administration if we leave them there.

So my question to the distinguished chairman of the subcommittee is directed to that portion of the bill providing for some $3,400,000 for major replacements and alterations. I ask the chairman of the subcommittee if there is a possibility that the Long Beach situation can be cleaned up within the near future.

Mr. PHILLIPS. Yes. The gentleman from California [Mr. HOSMER], who so ably represents the district in which the hospital is located, could have gone a step farther and reminded the Congress that these were men removed from the Birmingham Hospital, which had been specially constructed for paraplegics, with homes especially constructed for their use, and moved into the Long Beach hospital, with the statement that we would make the necessary alterations there, which have not been made.

The problem is to take it step by step, and it is my opinion and certainly that of the members of the committee, that this step is past due. I have no doubt that in the list of major alterations, which will come down next year, this hospital will be included, and I hope perhaps some means may be arrived at for doing something about it before the year rolls by.

Mr. HOSMER. I thank the gentleman, and I yield back the balance of my time, Mr. Chairman.

Mr. BROYHILL. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL: On page 51, at the end of line 3, strike out "$39,000,000" and insert "$55,400,000."

Mr. BROYHILL. Mr. Chairman, I hope that when I pass on to the Great Beyond there will not appear upon my tombstone: "Here Lies BROYHILL the Beggar." However, I do not feel apologetic at all in taking the floor to ask this Congress for something that is reasonably fair and something that they have recognized many times before is a just, legal, and moral obligation on the part of Congress.

My amendment provides for an appropriation of $16,400,000 for a 500-bed atomic-proof general medical and surgical veterans' hospital to be constructed in the District of Columbia.

It has been recognized for many years that the Washington area needed additional veterans' hospital facilities. In fact, a 750-bed veterans' hospital was

authorized as far back as October 1945. As yet no funds have been appropriated.

There have been a total of 64 new veterans' hospitals authorized since World War II, and two just before the close of World War II. That is 66 veterans' hospitals authorized. In addition to that, there have been 43 additions to veterans' hospitals authorized. Of that total of 66 hospitals authorized and 43 additions to existing hospitals, the money has been appropriated for all of them with the exception of one, and that is the one in the District of Columbia.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Maryland.

Mr. HYDE. I want to commend the gentleman on his amendment and join with him in a request that in view of the serious shortage in this area the funds requested are sorely needed.

Mr. SMALL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Maryland.

Mr. SMALL. I rise in support of the amendment offered by the gentleman from Virginia, and I ask unanimous consent to extend my remarks following the remarks of the gentleman from Virginia.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BROYHILL. Mr. Chairman, I would like to point out that I feel Congress and the Appropriations Committee and the gentleman from California [Mr. PHILLIPS] have been very fair to the veterans of this country. As the gentleman pointed out the other day, I believe we have 127,000 beds for veterans in the country, as a whole. However, I believe this would give some ammunition to the advocates of home rule in the District of Columbia, when we find that the only hospital which has not been appropriated for is in the District of Columbia, which has no representation in Congress.

The national average of veterans to hospitals is 149. The figures in Washington, D. C., are 409 to 1. That is a higher number of veterans per bed than in any other State in the Union, other than Oklahoma, Utah, Nebraska, Connecticut, Rhode Island, and New Hampshire.

If we approve the construction of this 500-bed hospital, the ratio, the number of veterans to beds, would be 168 in Washington, which would still be above the national average of 149 to 1. We also have got to take into consideration that in this metropolitan Washington area there are around 2 million people and there is only 1 general medical and surgical veterans' hospital in the whole metropolitan area, Mount Alto, which is obsolete, out of date, and has only 335 beds. Several sites have been worked on around the area. The land is available out at Soldiers' Home, 44 acres, for the construction of this hospital. It has been requested time and time again by the Bureau of the Budget and the Veterans' Administration, but each time it has been postponed by the Congress.

There are 820 veterans needing hospitalization in the Washington metropolitan area who are waiting for admittance. Therefore, an additional hospital of 500 beds is urgently and seriously needed. I urge this body to support the amendment.

Mr. SMALL. Mr. Chairman, there is a compelling need for additional veterans' hospital facilities in the District of Columbia. Consider the fact that all we have is Mt. Alto Hospital with a total of 335 beds. The inadequacy of hospital facilities for veterans in the District of Columbia is emphasized by the fact that the Veterans' Administration is obliged to go outside to provide hospitalization under contract arrangements with private facilities. The ratio of veterans to beds in our National Capital City is 409 to 1, which compares very unfavorably with the national ratio of 149 to 1. It is noted that many of the States are much better equipped with hospitals to take care of veterans than is Washington, D. C.

The urgent need for additional hospital beds here was recognized by the Veterans' Administration in 1951, at which time it was pointed out that the veteran population in Washington warranted the construction of a 750-bed hospital. No one will deny that our veteran population has increased considerably during the past 3 years, which growth certainly would not lessen the need here. Plans were developed by the Veterans' Administration in 1949 for the construction of the veterans' hospital on acreage available on the Soldiers' Home grounds. It is pointed out that the Army declared surplus 130 acres on April 4, 1950, and 44 acres of this tract were made available then for a veterans' hospital facility. The availability of this site would obviate the necessity of acquiring real estate. The Veterans' Administration urged favorable action to meet the rising requirements for hospitalization, realizing that they were faced with an enormous problem of caring for the ever-increasing number of veterans needing medical service. Normal requirements now far exceed the ability of the Veterans' Administration to serve this area.

I therefore urge the House to approve plans for the construction of a veterans' hospital on Soldiers' Home grounds.

Mr. PHILLIPS. Mr. Chairman, I rise in technical opposition to the amendment. I wish to explain the situation. I think it is a very serious situation in the District. I wish to explain it to the gentleman from Virginia [Mr. BROYHILL], the gentleman from Maryland [Mr. HYDE], and the gentleman from Maryland [Mr. SMALL], all of whom have called the attention of the subcommittee to this situation indicating a meritorious interest in the problem and understand what it really is. There is a need, Mr. Chairman, for this hospital. One of the problems is that of providing psychiatrists and a proper staff for such hospital. It has been necessary on the part of the Veterans' Administration and the Bureau of the Budget to build hospitals as money was available and as need for staff members could be supplied.

It is obvious, Mr. Chairman, that it was desirable to rebuild the Topeka hospital where psychiatrists are trained, to rebuild the Cleveland hospital which is now in the course of being constructed. It was necessary to supply a hospital in southern California, there being none in that State, because of the great influx of veterans. Consequently I would hope that the gentleman from Virginia would not insist upon his amendment, but would withdraw it, because we have this very practical problem of building the hospitals as rapidly as they can be built, and where the need is the most urgent. Certainly the hospital to which he refers in his amendment is the only one remaining from the approved list and certainly is deservedly in line. I would hope that the matter might be left to work itself out as it is being worked out, which means we are building these facilities just as fast as money is available.

We are aware of the situation. I tell the gentleman with assurance that the subcommittee and, therefore, the full committee, is fully aware of the need, extremely sympathetic and in favor of the case he presents, and we are coming to it as quickly as it is humanly possible to get to it at the present time.

I am sure if the gentlemen from Virginia and Maryland will keep the subcommittee advised of the problem as it affects their respective districts, the committee and the Congress will be able to help them.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have long felt that it was a national scandal that we have not in Washington any Veterans' Administration hospital except Mount Alto where men are dying in little rooms with other men seriously ill, rooms that are large enough only for 1 patient, yet they have 3 or 4. They have an excellent staff at Mount Alto. I am absolutely positive they could find psychiatrists and other doctors from other hopsitals in Washington to take care of these men in a larger hospital.

I do not like to say it, but I feel very sure that if the District of Columbia had representation in the Congress that hospital would have been built a long time ago.

I was very sorry, Mr. Chairman, that authority was taken away from the Committee on Veterans' Affairs to select sites for veterans' hospitals. I think the Members would have been much better satisfied had the committee been able to select the sites; they would have been more fairly designated than they are at the present time.

I earnestly hope that the gentleman's amendment will be agreed to. It will take a long time to build the hospital and anyhow by that time I am perfectly sure we will have enough trained psychiatrists and other staff in the Veterans' Administration to man the hospital adequately without borrowing from other hospitals.

Mr. KEATING. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. KEATING. I am very sympathetic with what the gentlewoman is

asking. I notice on page 44 of the report that under this item of hospitals and domiciliary facilities there seems to be $21 million more appropriated under this bill than last year; or am I in error on that?

Mr. PHILLIPS. It is a consolidated figure. Three figures were put into one figure.

Mrs. ROGERS of Massachusetts. That does not take care of the hospital here in the District of Columbia.

Mr. PHILLIPS. The gentlewoman from Massachusetts is referring to construction funds, which amount to about $39 million.

Mrs. ROGERS of Massachusetts. It is a very small amount and I am ashamed when people come to Washington and ask about the Veterans' Administration hospital here in Washington. It is a disgrace to all of us. The medical is excellent but overcrowding and undesirable conditions are intolerable. I am chairman of the Committee on Veterans' Affairs and I feel angry and humilitated that I have been unable to do anything more toward having this hospital built.

Mr. Chairman, I would like to ask the chairman of the committee, the gentleman from California [Mr. PHILLIPS], if it is true you have earmarked $800,000 specifically for prosthetic-appliance research?

Mr. PHILLIPS. The committee was very glad to do that. The gentlewoman from Massachusetts has always been tremendously interested in this subject. The work is showing results in research for prosthetic appliances which does great credit to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman from California has always been very interested in this matter. Do you plan a swimming pool for the paraplegics at Long Beach? I am interested in that proposition also.

Mr. PHILLIPS. I am embarrassed to say I do not know whether we are setting up a swimming pool at Long Beach, and that is in my own State. I will ask the gentleman from California [Mr. HOSMER], are we building a swimming pool for paraplegics in Long Beach?

Mr. HOSMER. No; there is no provision at this time for that. We hope that will be included in the early overall renovation of the hospital there.

Mr. PHILLIPS. That is much more to the point. We do not need a swimming pool at Long Beach as much as we need wards that are fireproof, adequate, and a place for the paraplegics to exercise, and other permanent improvements.

Mrs. ROGERS of Massachusetts. We need all those things as much as a pool. I made a report on that hospital a long time ago, but the Veterans' Administration did not act.

Mr. Chairman, during the debate last year on the independent offices appropriation, which ultimately became Public Law 149, 1st session, 82d Congress, the Appropriations Committee reduced the item for compensation and pension by some $300 million. In this session we have had to pass a bill restoring $215 million of that amount, and I note in the current independent offices appropriation, H. R. 8583, another item of $100 million has been cut from the appropriation for compensation and pensions.

This item, as all Members know, is an obligation of the United States and is based upon statutory requirement. It seems to me to be rather poor procedure for the Appropriations Committee each year to cut this item, knowing full well that in most instances the Veterans' Administration will have to come back and ask for a supplemental appropriation. If the full amount is appropriated and is not used it reverts to the Treasury. It seems to me much more orderly, much better procedure, to vote the full amount requested by the Veterans' Administration and approved by the Bureau of the Budget than to go through the costly procedure of having additional estimates, introduction, sponsorship of a new item, and a new appropriation bill when all this could be avoided.

In addition, this cut always produces worry, concern, and anxiety on the part of many veterans and their dependents throughout the country. Every time the Appropriations Committee cuts this item by such a figure as the one in this bill the Committee on Veterans' Affairs and the Congress generally are flooded with letters questioning whether or not their compensation or their pension is to be reduced. Of course, we know that it cannot be reduced unless substantive legislation is enacted, and I am sure that no Member wants to sponsor or vote for such a bill as that. I am not trying to tell the Appropriations Committee or its distinguished chairman how he or the members of that committee should conduct their affairs. Since this happened on 2 different occasions for the past 2 years, I thought I should call it to the attention of the House. There is no economy involved. To me, it is a very poor policy.

Mr. ELLSWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of asking the chairman of the subcommittee a question or two, but first, let me say that in the State of Oregon by congressional action was established some years ago a domiciliary home for veterans. It is a fact with reference to domiciliary homes that about one-third of the beds in such facilities are general medical beds. In this particular facility none of the beds provided are for that purpose, with the result that we have in the domiciliary hospital at Medford, Oreg., some 800 patients but no provision for general medical or surgical care.

The building occupied by this facility is a large hospital building of a semipermanent type constructed by the Army and rated as a very fine building. But only one-third of it is occupied.

The point I am leading up to is this: The Veterans' Administration could establish in the Medford, Oreg., facility of two or three hundred general medical beds or convalescent beds badly needed in that part of Oregon and northern California where no new construction has taken place since World War II. Those beds could be established without the expenditure of a single penny for construction and they could be maintained and operated without any additional administrative cost. In other words, two or three hundred additional general medical beds could be provided for the veterans in the west coast area with only the cost of care involved so far as money is concerned.

The question I would like to ask the chairman of the subcommittee, the gentleman from California [Mr. PHILLIPS], is this:

I note in the bill, on page 47, that a total of 127,000 beds is anticipated as being provided for in this bill. Could the additional domiciliary beds I have mentioned, the medical and surgical beds, be installed at Camp White, since there is no construction involved and no additional administrative cost? Could those beds be provided under this appropriation?

Mr. PHILLIPS. Mr. Chairman, if the gentleman will yield; the gentleman raises a point which I think will interest not only the gentleman from Oregon but all Members of the Congress. He gives me the chance to point out that this year we made still a further step forward in the accounting; that is, the handling of the veterans' funds. Last year we set up a line item in the budget for hospitalization and another for domiciliary and another for contract beds. This year we have included those three in one line item which makes it possible for the Veterans' Administration to do exactly the sort of thing which the gentleman from Oregon is talking about, to shift the flexibility back and forth between GM and S, NP, domiciliary, or even contract beds. The situation the gentleman is talking about is directly in line with what the Veterans' Administration wants to do and certainly what the Congress wants to do, which is to provide for the veterans in the institutions most favorable to them and perhaps to change them back and forth between a medical hospital and a domiciliary or to provide additional beds, as he is suggesting, in the domiciliary field, which can be used for that purpose.

Mr. ELLSWORTH. Let me ask one further question. In view of the fact that the Veterans' Administration several years ago recognized the need of this program and set up as part of their construction program some $2 million for the building of a hospital in the same general area, a 200-bed hospital, would it not seem to the gentleman from California, chairman of the subcommittee, that if the same number of beds could be provided or even more beds could be provided without the expenditure of a single cent for construction, that the Veterans' Administration would be justified in taking advantage of such a situation?

Mr. PHILLIPS. Very definitely, and we hope they will.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BROYHILL].

The amendment was rejected.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: On page 47, line 11, after "$76,744,000", insert "*Provided*, That no part of this appropria-

tion shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree where such condition or disability is not shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge or by July 27, 1954, whichever is later.

Mr. SUTTON. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill; furthermore, that it changes existing law.

The CHAIRMAN. Does the gentleman from California desire to be heard?

Mr. PHILLIPS. This is strictly a limitation under the rules. It saves money.

Mr. SUTTON. Mr. Chairman, that is a matter of opinion. Furthermore, might I say that even if it were not a limitation on an appropriation, it imposes additional duties.

The CHAIRMAN. The Chair is of the opinion that it is a limitation. The Chair overrules the point of order.

Mr. PHILLIPS. Let me state briefly, Mr. Chairman, the reason for doing this.

This refers, as you will see in the bill, to the section stricken out by the gentleman from Tennessee. The reason I am putting it back in the form of a limitation only is because there is involved a minimum of $20 million and because this is, again, a matter which should not be stricken out completely without some chance of discussion. Putting this much back in the bill sends it over to the Senate with a possibility given to the Senate committee to discuss it and then to do what is necessary in the particular phase of the Veterans' Administration obligation toward the dental patients.

We have an enormous number of dental patients, many of whom are deserving, some of whom are entitled to this and as to some of whom there is a question. The action of the gentleman by raising the point of order opens the door wide, which the Congress decided last year, by a very large vote, it did not want to do. This has been discussed and protested by the veterans' organizations and it is something which the Veterans' Administration itself would like to correct.

My desire in putting the wording back is not to close the door. My desire in putting the wording back is only to make it possible for something to be in the bill on the subject when it goes to the Senate.

Mr. SUTTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment which has been offered here is a slap right in the face of the veteran.

We have a moral obligation of the Congress of the United States to the veterans and this has to do with service-connected dental disabilities. What is being done here is this: There are certain groups in this country who have been trying for years to put this exact amendment into Veterans' Administration appropriation bills.

When the bill came up I made the point of order against it, because I felt that the Congress was not living up to its obligation to the veterans of this country. This rider was placed on the appropriation bill last year with the effect that 247,000 veterans all nearly declared eligible for treatment were denied treatment. This rider completely cut out Spanish-American War veterans, and disabled veterans training under Public Law 16. Its sponsors said last year this was not their intention, yet they seek this year to perpetuate the injustice by extending the provision for another year.

Let me tell you what the amendment offered by the gentleman from California [Mr. PHILLIPS] will do. Any soldier who had his jaw shot out in service, if he did not go to the Veterans' Administration within 1 year and trouble developed after 1 year—in fact only 1 year and 1 day—he would not be entitled to have dental care. That is what the gentleman from California is doing; and I thought he was a friend of the veterans.

It is time that we stopped listening to those who would like to tear down the defenders of this country because of some political pressures. I think we should carry out the obligation that we owe to these men. I hope that this amendment will be defeated. This is a moral obligation that we have to the veterans. It is an obligation that we agreed to pay several years ago. This is no time to legislate on this bill. This is a matter for the Committee on Veterans' Affairs to be studying. It is my information from the gentleman from Texas [Mr. TEAGUE] that it is under study now. I hope the amendment will be defeated. In fact the Veterans' Affairs Committee has reported out two bills in attempt to repair the damage done by a rider similar to this one which was placed on last year's appropriation bill. If changes are needed let the Veterans' Affairs Committee make them.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I will say to the gentleman that it is under study at the present time. The committee has had some difficulty in finding a way out of the dilemma that would be at all equitable. Some cases undoubtedly were cared for under former regulations of the Veterans' Administration. It is hard to know just how far to go. We have been studying the matter.

Mr. SUTTON. Does not the lady believe that we cannot legislate this at this time without further study?

Mrs. ROGERS of Massachusetts. Of course, I do not believe, Mr. Chairman, in legislating on an appropriations bill, as the gentleman knows. I will say that I think the committee has tried harder this year to take care of the veterans, perhaps than they did last year. I think they have made more of a study, and they have gone along, I understand, with the recommendations of the Veterans' Administration. In that I think they are in the clear this year.

Mr. SUTTON. I hope the amendment is defeated.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Committee on Veterans' Affairs I should like to state to the members of this committee that I introduced on the 2d of February of this year H. R. 7653, which in effect would carry out, as permanent law, the intent of the language of the Committee on Appropriations which we are now discussing.

You will recall that we had a restriction of this same kind approved in the appropriation bill which was up in July of last year. At that time, as members of the Committee on Veterans' Affairs, we did succeed in impressing on the Members of the House the necessity for putting a time limit in the bill, so that the restrictions on outpatient dental care were specifically authorized only through June 30, 1954. It was hoped that by that time our Committee on Veterans' Affairs could examine the problem closely, and consider permanent legislation. This has not been done, however. It is my feeling that the Committee on Veterans' Affairs unquestionably should be discussing this problem. At the moment it has not done so. It is my understanding that hearings on this question will be held by the Hospitals Subcommittee of the Veterans' Affairs Committee sometime after Easter recess.

I do think it should be called to the attention of the Committee, furthermore, that the Administrator of the Veterans' Administration, Harvey Higley, in a letter dated March 9, to the gentlewoman from Massachusetts [Mrs. ROGERS], chairman of the Committee on Veterans' Affairs, described the effect we considered the bill H. R. 7653 would have. He pointed out that President Eisenhower in his budget message on January 21, specifically recommended that these restrictions on outpatient dental care of a noncompensable character be continued another year. Mr. Higley's letter concluded:

The subject of outpatient dental treatment has been given very careful consideration by the Veterans' Administration. The whole program has been reviewed in the light of administrative and professional developments and experience in this field, and it is believed that the provisions limiting outpatient dental care for noncompensable service-connected cases contained in the subject bill reflect, generally, a sound and proper reevaluation of the Government's dental program for veterans.

It is my feeling, therefore, that this provision, although a stopgap measure, should be approved. It is my feeling also, and I have contacted all the veterans' organizations, that there is no strong feeling on the part of anyone that damage is being done to veterans. There is no obligation, legal or moral, that we continue the dental treatment of these noncompensable cases unless the veterans apply within 1 year of discharge. There is an estimated saving of some $20 million if present restrictions are continued. Because these restrictions are reasonable, it is my conviction that permanent legislation to this effect eventually will be recommended by the Hospital Subcommittee of the Committee on Veterans' Affairs and the full Committee on Veterans' Affairs itself when we do finally consider this problem directly.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield.

Mr. SUTTON. I am sure the gentleman does not want to affect service-connected veterans by this?

Mr. FRELINGHUYSEN. These are the service-connected cases of noncompensable character that we are discussing right now.

Mr. SUTTON. Would you agree to add the word nonservice connected in your amendment?

Mr. FRELINGHUYSEN. I certainly would not. It is service-connected cases of a noncompensable character that we are discussing.

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield.

Mr. HAGEN of California. How does the gentleman define noncompensable service-connected dental disability? At what point does the service-connected disability become noncompensable?

Mr. FRELINGHUYSEN. The noncompensable cases would be the less serious ones. I should point out that we do provide that all cases, whether they are service connected or not, can be treated if the veteran patient applies within 1 year after discharge or 1 year after enactment of this legislation. After that time they cannot come back for continued dental treatment. This is a one-treatment arrangement.

Mr. HAGEN of California. Are you not making an invidious distinction between the man whose case became obvious earlier as against the man whose symptoms showed up later?

Mr. FRELINGHUYSEN. I do not think the distinction is invidious.

Mr. LONG. Mr. Chairman, I move to strike out the last word.

I rise only to add my humble word as a dentist to be helpful. An amendment was offered last year doing practically the same thing this one does but, at that time, no one else could offer an amendment.

The amendment, as passed last year, nullified the examinations and certificates for dental service of 3,200,000 soldiers who were service connected, costing the Government in the neighborhood of $70 million. We will have to spend an equal amount to service connect the same soldiers. It is not fair, after a man has been service connected and processed, to deny him the work he is entitled to have done. You cannot do things like this in a few minutes. You cannot come in here with an amendment like this and, in a few minutes, write into law something that will cost the Government millions of dollars. It takes time to go into a measure of this kind. You cannot come in here with an amendment dealing with a momentous question of this kind and argue it out in 4 or 5 minutes—considering a proposition, I repeat, costing into the millions of dollars. Listen to me, no man can receive dental service, unless he is in a hospital, that is not service connected. I think it is absolutely wrong to say to a man who has service-connected disability and who has fought in our wars and rendered service to his country that he cannot have work done that is service connected, limiting his time to 1 year. Let us consider matters of this kind before the Committee on Veterans' Affairs. Let us take time to consider the bill on its merits and then refer it back to the House for action. But this same thing, done in the same way last year, cost the Government and our soldiers millions of dollars. Let us defeat this amendment. If you want to pass a law of this kind, let it come through our committees and pass on it in the proper way.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield.

Mr. FRELINGHUYSEN. I wonder if the distinguished gentleman from Louisiana recalls that we discussed this same problem on the floor last year and our Committee on Veterans' Affairs of which you and I are both members have had 12 months to consider the problem. Of course, it would be better if the Committee on Veterans' Affairs had considered the problem and had recommended legislation, but so far as I know, there has been no objection of any kind from any organizations or individuals that this restriction is an unreasonable one. It is my feeling that as a temporary measure we should continue to include this language in the appropriation bill, and then if we come up with different conclusions from our Committee on Veterans' Affairs and report them out, it can then be considered on a permanent basis.

Mr. LONG. I understand that, but just let me say this to the gentleman. Why all the rush act each year with this kind of a proposition? No committee has had a chance to consider this proposition which involves millions of dollars and service-connected men who have served their country who need their teeth fixed.

Mr. FRELINGHUYSEN. I think the answer to the gentleman's question is quite obvious and it is that you and I and members of the Committee on Veterans' Affairs have failed in our responsibilities as members of the legislative committee to consider legislation such as this.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield.

Mr. McCORMACK. If the logic of our friend was to be followed, we might just as well abolish all standing committees and let the Appropriations Committee legislate for the House of Representatives.

May I ask this further question: How many veterans were affected by the provisions which were enacted into law last year?

Mr. LONG. Approxmiately 3,200,000 men who have been service connected and certified, waiting to have their work done, woke up the next day to find out they were not service connected and they could not have their teeth fixed, although they had been examined and processed. Let me tell you a little about the examination and processing business. The dentists of this country, and I am one of them, received $20 for examining and X-raying patients' mouths preparatory to doing their dental work. Regardless of how much or little they are to have done, if it is a $4 filling and the mouth must be X-rayed and examined, they pay $20 for it. Then it takes $20 more to process the case to get ready and certified back to the dentist to have the man's work done. In other words, it costs the Federal Government to get a man ready to have his work done $40. Now, all of this work that had been done and paid for last year was for naught. Everyone who knows anything about it admits that it was a tremendous mistake that was made last year when we passed a similar amendment in a similar way—then why make the mistake this year?—is the question that I ask. Defeat the amendment. Let our soldiers have time to have their teeth fixed.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment.

The amendment was rejected.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask the indulgence of the House to let me speak to you a few minutes about a problem that means a great deal in the Eighth Congressional District in Florida. I feel I have the right to ask this indulgence because I have listened with great admiration and I have been very quiet, as a freshman is supposed to be, during the last 2 days, while we have been discussing this most important bill.

A few minutes ago we were talking about hospital needs for our veterans in this country. I listened with particular attention to the remarks of our able colleague, the gentleman from Virginia [Mr. BROYHILL], but I think it should be pointed out to the House that one of the greatest needs for our veterans in the future will be more beds for our neuropsychiatric patients. I am particularly interested in this problem because in the great State of Florida, with 388,000 veterans as of October last year, we had only 116 beds for neuropsychiatric patients.

This past summer I visited three veterans' hospitals in Florida, and I was much pleased with the splendid work that was being done. I asked what was the biggest problem that they faced, and in one of those hospitals the manager without hesitation said, "We need an NP hospital for the State of Florida." He told me at that time that he had 150 non-service-connected NP cases waiting to be placed in hospitals in his particular area.

The State of Florida has this particular problem: If you will think for a moment, it is very unusual. I think no other State in the Union has this problem. It has a coastline, as you know, which is perhaps the biggest coastline of any other State in the Union. The only place the veterans in Florida can go for treatment, as you start from the bottom part of the State, is to go north. We are surrounded on one side by the Atlantic Ocean and on the other side by the Gulf of Mexico. From the Florida Keys to Pensacola is a distance of 1,000 miles, which you have to travel by automobile or by train or by bus.

In 1948 there was authorized an NP hospital in Gainesville, Fla., which happens to be in the Eighth Congressional District which I represent. That hospital was deleted from the building program along with other hospitals, but

through the years the hospital site has been retained.

Several weeks ago the Veterans' Administration declared that hospital site as excess to their immediate needs, but I am very grateful to our Committee on Veterans' Affairs who took many days to look into this problem. As a result of their discussion and their deliberations they decided unanimously to ask the Administrator of Veterans' Affairs to reserve that Gainesville, Fla., hospital site because they believed there would be needed an NP hospital in Florida. They felt there would be a wonderful opportunity to man that hospital because the University of Florida is beginning now a great medical center just a mile away from the city. It will be an area with from one-third to one-half million population that can be reached in a few hours by automobile from any part of the State.

I want to thank this subcommittee on appropriations, particularly the gentleman from California [Mr. PHILLIPS] for permitting me to appear before his committee this past year and talk about this hospital.

I am not asking that the hospital be built now, Mr. Chairman, but I am going to be pleading and supplicating in the years to come, and I beg of you as we go on with this problem that we look at it objectively. I know that ultimately the hospital will be built if it is at all possible.

I thank you for letting me call this to your attention.

Mr. OLIVER P. BOLTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take this time to express my appreciation, and that of the people—particularly of the veterans—of the 11th District of Ohio and of northeastern Ohio to the chairman of this subcommittee on Appropriations, the Honorable JOHN PHILLIPS of California and to the members of his subcommittee for their cooperation and understanding in working out the problem facing the city of Cleveland, and northeastern Ohio, in making it possible to get an adequate water supply at a site for the neuropsychiatric hospital to be located there.

The expansion in this whole area has placed such a burden upon the water system of the city of Cleveland—and upon its bonded indebtedness required to expand it—that it would have been impossible to obtain an adequate water supply at any available site in the area without the authority contained in this bill.

It is not alone the authority which is contained in this bill for which I wish to express my thanks, however, and those of the Honorable FRANCES P. BOLTON, GEORGE BENDER, and WILLIAM AYRES. We are also most appreciative of the sincere consideration and patience and willingness to help work out this problem, so that the veteran may get the treatment he deserves, shown us by the distinguished chairman of the subcommittee and by his committee. He and they have our sincere thanks.

Mr. O'HARA of Illinois. Mr. Chairman, I rise in support of an appropriation for the Tennessee Valley Authority consistent with the demands of a great public service and of adequate national defense. The Authority has a large responsibility which has been placed upon it and which it cannot discharge if handicapped by curtailing appropriations. The great ranking minority member of the Ways and Means Committee, the gentleman from Tennessee [Mr. COOPER], and others who have spoken in support of appropriations adequate for the legitimate purposes of TVA have presented arguments that are unanswerable.

The Tennessee Valley Authority has served well the Tennessee Valley and the people of the United States. It has served during 20 years of conflict with the myth that enterprise and good management are the exclusive possessions of private organizations. It has emerged from that conflict with a record of achievement that forever gives the lie to the myth that Government operations must be attended by graft, corruption, and inefficiency. The story of 20 years of achievement by TVA is thrillingly told by Gordon R. Clapp, who in 1946 became Chairman of the Board of TVA, succeeding David Lilienthal.

Mr. Clapp is well and favorably known in the Second District in Illinois, which I have the honor to represent. He is indeed one of that rare number of renowned educators, administrators, and scientists that has constituted an unparalleled contribution by the University of Chicago to the advancement and the security of the United States of America. After receiving his bachelor of arts degree from Lawrence College and spending 5 years on the administrative staff, Mr. Clapp came to the University of Chicago for work on his master's degree, which he completed in 1933. After that he went to work for the then brand new TVA as assistant to Floyd Reeves, who was on leave from the University of Chicago. Thirteen years later he became chairman of the board of directors on the resignation of David Lilienthal.

It is interesting to note, Mr. Chairman, how the University of Chicago has figured in all the great scientific and world-changing advancements of our times, including the development of the atomic bomb and the building of the unprecedented power of TVA.

Mr. Chairman, I recommend to my colleagues and to all Americans everywhere a careful reading of the thrilling story of TVA as told by Mr. Clapp in the April 1954 issue of the University of Chicago magazine, which follows:

DAMS, DEADLINES, AND PEOPLE

(By Gordon R. Clapp, M. A., 1933, Chairman of the Board, TVA)

Money, materials, machines, and men are the basic ingredients in building a dam. And the greatest of these is men. The TVA has built 20 dams in 20 years. These dams represent $760 million. One hundred and thirteen million cubic yards of concrete, rock, and earth fill, 12 times the bulk of the 7 great pyramids of Egypt, have been used to build these structures into the riverbed of the Tennessee and its tributaries. Almost 200,000 different men and women at one time or another have been employed by the TVA for a direct part of this colossal job.

Construction work in any season in any climate cannot put comfort above achievement. But if the planners, builders, and managers know and have faith in men, they will contrive to make the process of construction satisfying to those who do the work—a theater for the kind of creative experience in which men build themselves as they build a dam.

The TVA has built these 20 dams in 20 years with its own employees. Each structure was placed, designed, and built to serve a purpose peculiar to itself. Taken together, they form a unit for the control and productivity of a great river system. There is Fontana Dam—fourth largest and highest in the world—rising 480 feet above bedrock in a canyon of the North Carolina Mountains. There is Kentucky Dam, near the mouth of the Tennessee River as it flows into the Ohio near Paducah, more than a mile and a half long, with two-thirds of its concrete bulk invisible, reaching down a hundred feet through soft overburden to the solid limestone rock. Kentucky's foundations are especially designed to withstand earthquakes such as the one which occurred and changed the course of the Mississippi more than a hundred years ago. The shoreline of the 184-mile-long lake behind Kentucky Dam, if straightened out, would reach from Chicago to Los Angeles. This great reservoir can regulate the full flow of a flooded Tennessee River to reduce flood crests on the lower Ohio and Mississippi.

There are more figures. One could illustrate the size of these operations by pointing out that the 22 million acre-feet of water which can be stored behind TVA's dams could cover the entire State of Illinois to a depth of 8 inches. But these dams were not built for the purpose of impressive statistics. They were built to carry out the purposes specified by the Congress of the United States in the TVA Act of 1933. They were built to control the devastating floods of a river whose annual discharge equals that of the Missouri, to provide a new inland waterway for the benefit of our national commerce. These dams were built to turn the potential electrical energy of the untamed river into the pushbuttons and motors of more than a million and a quarter homes and industries.

The construction of a dam involves a careful fit of a whole new landscape into the economy and mores of the surrounding area. In the process of building these dams and planting in the powerhouses the quiet hum of electric energy, 15,000 families were obliged to move from the backwater areas to be flooded. Flowage rights or full ownership had to be purchased covering 35,000 tracts of land comprising about a million acres. More than 19,000 graves were moved to new places of rest; 170,000 schoolhouses, 180 churches, and, in some instances, whole towns and villages were relocated or physically reorganized to make way for the lakes behind the dams.

HUMAN PERSUASION

Roads, railroads, and bridges were the subject of negotiation, an agreement, and equitable transaction, involving county courts, State and Federal agencies. Owners, congregations, nearest of kin, village councils, whoever and whatever had a right or a reason to be consulted or considered in making the new shoreline an accepted and acceptable part of the landscape, were involved in the result. For every cubic yard of concrete and every ton of steel now solidly fused into TVA dams there were dozens of transactions among people, involving family history, the future of communities, the plans of the local and State agencies, the future use of the new lakes, and the power to be extracted from these new waters by the magic of the dynamo.

Every one of these tens of thousands of transactions and agreements had to proceed under a schedule that was determined by the date the reservoir was scheduled to begin filling. While concrete was being placed at the dam site, land buyers, family relocation specialists, reservoir timber clearance crews, surveyors relocating railroad and highway lines, even technicians from the universities excavating the artifacts from ancient Indian mounds—all who had part in this complex task—were working under deadlines. They were deadlines dictated by water and weather, but determined by TVA engineers to make efficient use of the taxpayers' dollars.

Experienced engineers must schedule the tempo of a dam's construction to bring each major stage of the structure to the point where floods or winter rains cannot hinder the work or undo what has been done. It takes cost-conscious engineering to fit the separate construction operations together so that the new dam will be ready to hold back the seasonal floods and convert their force into use and revenue. If a dam is ready before the seasonal stream flow comes to fill the reservoir, months of idle investment add to the cost of the dam. If the gates of the dam are not ready to be closed when the heavy flows come, flood control is delayed and power revenues are lost. Weeks and days, according to seasons, count heavily in the economy of rebuilding a river.

And it takes a kind of skill in human persuasion, too. A family living in a mountain cove miles from the river, whose property was below the white-staked contour line set by a TVA survey party, might not believe that a lake would by a future definite date submerge their home. It was sometimes necessary to persuade them to visit a dam already built, show them the lake, and by map explain the inevitable course of water along a contour, set by the height of a dam many miles and ridges away.

If a single family remained within the contour lines the water would reach by a certain date, the time gained and the money saved by managerial and engineering skill at the site of the dam would be lost. A new, unfilled reservoir had to become a deserted land, a cleared land with buildings and debris removed, wired to the ground, or burned, with new roads and bridges built above the future shoreline. During the war the gates on a new dam were ready to be closed when the last remaining family, ready to move to a new farm location, was delayed. An aged grandfather suddenly became ill with pneumonia. To move him invited grave risk. For several days, while TVA and a host of other agencies stood by helpfully and hopefully, the closure of the dam was postponed.

These may seem to be small details, but I mention them for a special reason. They are, perhaps, illustrations of a special kind of accountability for a human result, going far beyond engineering precision, that recurs again and again in any fair recital of TVA's work. No greater testimony can be found to demonstrate the eschewment of autocratic methods by TVA, the sympathetic understanding, the high skill as a builder, the concern for human rights and dignity than this fact: The people of the Tennessee Valley came to cherish the TVA as an institution among them.

Certainly the story of how TVA rebuilt the Tennessee River does not support the too-often accepted myth that anything of Government is inefficient, corrupt, and wasteful. What I have described would find many parallels among many Government agencies within the States, within the cities, within the Federal Government. But these stories of achievement are seldom heard against the din of criticism.

Consider a recent chapter in the history of TVA—the story of the Shawnee steam plant at Paducah, Ky. Except for TVA's Kingston steam plant, the Shawnee steam plant will be the biggest in the world. During each 24-hour day its 10 giant units will consume nearly 14,000 tons of coal and can return each day to the alchemy of national defense and the growth of the Nation more than half as much electric energy as is used in Chicago. The Shawnee steam plant is but 1 of 7 TVA is building, but it has a special history.

In the fall of 1950 the Atomic Energy Commission asked TVA, on very short notice, to develop a proposal to supply one million kilowatts of power for a new gaseous diffusion plant the AEC was to build at Paducah.

The TVA submitted a plan and the Atomic Energy Commission accepted it early in November of 1950. Shortly thereafter, the Commission's representatives, followed by the TVA, appeared before the House Committee on Appropriations to support TVA's request for funds. Later in December, before the committee had acted upon the TVA's request for appropriations, the Atomic Energy Commission announced that it had accepted the proposal of a newly formed private utility company to supply half the required power for the AEC plant. The new company had been formed at the behest of a member of the Atomic Energy Commission as subsequently explained by the Commissioner in a very illuminating speech.

TVA did not object to this reversal of the Atomic Energy Commission's position and appeared again before the House Committee on Appropriations with an appropriation request, revised in accord with AEC's decision, to supply not all, but half of the power supply for the Paducah plant. The Atomic Energy Commission entered into a contract with the newly formed Electric Energy, Inc., to supply the other half. In both cases the construction of new steam plants was called for.

The announcement that the power supply for the AEC Paducah plant was to be divided between TVA and Electric Energy, Inc., was hailed by critics of the TVA as a contest between public and private enterprise, giving rise to such statements as the following, which appeared in an Illinois paper:

"Accordingly many companies pooled their ideas and their resources * * * for the expressed purpose of demonstrating to the Government that private enterprise could do the job much better for half the cost."

There was some reason for the optimism thus expressed by TVA's sideline critics, for when the construction of the two plants was started, the first unit of the private company's Joppa Steam Plant was scheduled for initial operation 3 months ahead of TVA's first unit. The schedules were set by agreement between AEC, national defense agencies in charge of allocating materials, the TVA, and EE Inc. Priorities on steel, copper, aluminum, and shop space for the manufacturing of turbogenerators were granted to the Joppa contractors on that basis. If this was to be a race, it was a handicap run by agreement.

SHAWNEE AHEAD

For many months the champions of private enterprise continued to point a gleeful finger at this rigged contest between the private power company and the TVA. Trade journals and some of the daily press heralded this race being run on opposite sides of the beautiful Ohio. After a while, the cries of the professional spectators died down. The reason was easy to discern. It began to be apparent that the wrong horse was coming in ahead. Both TVA and EE Inc. suffered from delayed deliveries from equipment manufacturers. Both encountered labor difficulties. Both projects missed the completion dates originally scheduled.

But on April 9, 1953, approximately 2 years and 3 months from the time construction was started, the first unit at TVA's Shawnee plant was placed in commercial operation while the Joppa smokestacks across the river were still clean and cold. TVA's second Shawnee unit went into operation June 21, 1953. Still no smoke from Joppa. Several weeks later the first unit in the Joppa plant was placed in operation. TVA's third Shawnee unit was placed in operation in October; its fourth unit on January 8, 1954. By this time two of the four Joppa units were running. Thus the original requirements promised the AEC by TVA were completed when the Joppa plant still had a long way to go. So much for the much publicized race between private and public enterprise.

There is more to the story. On the basis of figures filed with the Securities and Exchange Commission, the private company's Joppa plant will be substantially more expensive per unit of capacity than the Shawnee plant in contrast with the original estimates by which the contract was obtained from the AEC.

These figures show that the estimated cost of the private company Joppa steam plant of four original units has increased some 45 percent—from $81 million in May 1951 to $118 million in June 1953. The costs per kilowatt of capacity have increased over their original estimate of $126 to $184. Two more units at the Joppa plant being added to supply a smaller portion of AEC's expanded Paducah facilities show estimates even higher—$198 per kilowatt. The taxpayers bought this record, and they will have to pay for it; the private companies lose nothing because these increased costs are paid by the AEC.

In comparison, the TVA Shawnee plant of 4 units was originally estimated to cost $147.50 per kilowatt. TVA's actual cost experience to date, while building under the same physical conditions as the Joppa plant, shows that the total 10-unit Shawnee plant capable of producing 1,500,000 kilowatts will be completed by TVA at a capital cost well within our estimates.

Let me add a few footnotes and observations bearing upon the significance of the Shawnee-Joppa story in TVA's record in these past 20 years.

On July 31, 1953, EEInc announced it had cancelled its contract with its general contractor for the plant, "in order to permit reorganization of the construction project so that the station can be completed on a more efficient and economical basis." The reorganization was necessary, according to the President of EEInc, as reported in the Paducah Sun-Democrat, because of the lack of productivity and consequent increased costs characterizing the work so far.

The Wall Street Journal reported that construction progress at the big powerplant has been marked by successively rising cost estimates, blamed by Ebasco on the labor situation.

However, as the Paducah Sun-Democrat pointed out: "Shawnee steam plant is being built with the same kind of union labor that is building Joppa's plant."

The comment of the Paducah Sun-Democrat was correct in all respects but one. The TVA was building the Shawnee plant with the same kind of union labor that was building the Joppa plant, but the men on the TVA job were working for the TVA. For as one reporter, who surveyed the situation with great care, stated, "For some reason the men who work for TVA have faith in it." TVA does not consider its Shawnee record the brightest in its catalog of construction projects. We have built dams and steam plants on better schedule, with fewer difficulties, and at lower cost. But others invited the comparison between Shawnee and Joppa.

We have had work stoppages on the Shawnee plant, but not as many as they have had across the river at Joppa. We have drawn our labor forces from the same areas; we pay about the same wages; and we are both building steam plants. The design and

manufacture of boilers, turbines, and generators; the fabrication of steel; the erection of steel on the site; the operation of excavating equipment; and the placing of concrete are much the same types of operations whether at Shawnee or at Joppa. Both projects depended upon private manufacturers for boilers, turbogenerators, and the thousands of items of equipment which enter the maze of arrangements in a modern steam plant. Why, then, was TVA able to move out in front and keep its costs within its estimates as compared with the job across the river? The history of TVA provides the answer: the 20-year record of an organization skilled in management of men and materials and pledged to a practice of performance and accountability time after time.

The Shawnee story adds another chapter to record the achievement by a Government agency in conflict with the myth that enterprise and good management are the exclusive possessions of private organizations. The men who promoted the arrangement perhaps believed that the requirements of national security, in certainty of achievement to supply power when the Paducah AEC plant was ready, called for participation by private companies to hedge the possible failure of the TVA. Perhaps there was not time enough to examine the facts of TVA's past record. Perhaps the American taxpayer could have been saved the burden of the increased cost to the Government of this electrical energy had those who made the decision questioned the common myth too often honored, which holds that Government can never do a job as well or as economically as can private contractors. Had the facts been examined, one would have found a record of performance reassuring both as to TVA's ability to meet deadlines and as to the reliability of its estimates of cost. One would have found a history of hundreds of millions of man-hours with a safety record better than private industry averages for comparable types of work as shown by TVA's numerous awards from the National Safety Council. One would have found an engineering organization designing steam plants which were producing electricity more economically and with more efficient use of fuel than most—a significant point indeed when one realizes that in 2 or 3 years TVA will be burning some 18 million tons of coal per year. Above all, one would have found an organization of construction workers still as unafraid to tackle the biggest construction job on earth as in those first days—workers who override emergencies; if they do not have what they need, they invent a substitute way on the spot, and the job moves ahead. If this story has a moral, perhaps this is it: Enterprise is where you find it.

The record of TVA men and management in rebuilding a river will never completely be told, the results of this achievement can be put into words. Briefly: the flow of water in the river is now controlled. The devastation of floods has been reduced to manageable proportions. Already the savings from TVA's control of floods at one city alone—Chattanooga—have totaled more than one-fourth of the flood-control investment in the entire river system. Other regions benefit, too, for TVA dams reduce the crests of floods on the lower Ohio and the Mississippi by the 2 or 3 feet which make the difference between safety and community disaster. That much is done. Those benefits will grow while the expenditures diminish.

MEN AT WORK

Navigation locks in the dams and a stable channel have made possible a growing commerce on the river. More commerce means more jobs, new markets, and greater economic opportunities for the people of this region and the Mississippi Valley. In 1933, the year TVA began its work, about 33 million ton-miles of freight were shipped on the river, cargo, for the most part, of low value. Last year the rebuilt river carried 1 billion ton-miles, much of it of high value products—petroleum, automobiles, grain, coal, and fertilizer. More commerce will be carried every year. Greater savings to shippers and to consumers will be added each year.

The dams are here to stay. Concrete, earth fill, and rock make them a permanent part of a landscape more hospitable to human endeavor than it used to be. New kinds of enterprises find a climate for growth in this area because the river is controlled. For the dams that hold back the waters in time of floods, and fill the channel in time of drought, create beautiful lakes, a setting for the third largest and newest business of the area—recreation. And for good measure, these majestic dams provide the electric power which has changed the lives of people on their farms, in their homes, and in new industries throughout the region.

This is a record of men at work. There was no Aladdin's lamp available for TVA to use. Geologists and engineers, cartographers, and surveyors, accountants and land buyers, draftsmen and doctors, union leaders, ironworkers, carpenters—the hard-hat legions of TVA's construction crews—men of more than a score of professions and hundreds of occupations, have dedicated their talents to this job. In these 20 years, scores of thousands of Americans citizens have worked with TVA at one time or another up and down the Tennessee Valley, driving machines, moving mountains to build these great projects to serve mankind. Not, like the pyramids, as monuments to men of lofty station. Not for the glory of designers, engineers, or workmen. Not for the profit of a few. The purpose of the structures stands inscribed upon each one—"Build for the people of the United States."

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close at 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. YATES. Mr. Chairman, I object.

Mr. PHILLIPS. Mr. Chairman, I move that all debate on the bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. The question is on the motion.

The motion was agreed to.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, many Members have asked me whether there will be a motion to recommit this bill. There will be such a motion. I will present a motion to recommit with instructions to report the bill back forthwith with the amendment I offered before with respect to FNMA. This is not a technical amendment as it was labeled by the gentleman from California. It is a very practical amendment, and it is a good amendment. It raises a question of values that every Member of this House should consider: Should good assets of the Federal Government be given away at less than their value?

Are mortgages any less worthy resources of the Federal Government than the timberlands that were the subject of a bill that the House defeated a few weeks ago? Of course not, and that is exactly what is involved in my amendment.

The second point that this House should consider is whether or not veterans who are liable on mortgages should be given the same rights as mortgage companies when FNMA decides it should sell the mortgages at a discount. Mortgage companies are now given the right to buy mortgages from FNMA at a discount, but veterans, who have signed those same mortgages are denied the same privilege by the Government that the companies have. I ask you, Mr. Chairman, is that fair?

The committee thought that it was most unfair. That is why they put the language in the bill that was striken on the point of order made by the gentleman from Michigan [Mr. WOLCOTT].

If a veteran is not given the same right as mortgage companies with reference to the mortgage he signed, should the mortgage be sold at a discount? I don't think so. These are good mortgages, these are seasoned mortgages, these are mortgages that were select, these are mortgages that were sold at less than their value to a privileged few companies.

Mr. Chairman, FNMA has been in existence for almost 15 years. Last year, the first year of a Republican administration, was the first time in its history that FNMA mortgages were sold at less than their par value. And they were sold to only a few companies; to companies that qualified under the FNMA regulations.

Read pages 2246 and 2248 of the hearings. If you will read the hearings you cannot escape the conclusion that the motion to recommit should be agreed to.

Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: Page 65, line 11, after the colon and the words "(12 U. S. C. 1701)", insert the following: "*Provided*, That no part of any appropriation or fund in this act shall be used for administrative expenses in connection with the issuance of mortgage commitments under all titles of the National Housing Act, as amended, other than on the basis of the issuance of such mortgage commitments to all segments of the population, including those segments which are unable to obtain adequate housing under established home-financing programs, as nearly as possible on the basis of effective housing demand as determined by market analyses prepared by the Federal Housing Administration."

Mr. PHILLIPS. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill and requires additional duties of an agency.

Mr. YATES. Mr. Chairman, I ask for a ruling.

The CHAIRMAN. It appears on its face it is an interference with executive discretion; therefore the Chair sustains the point of order.

Mr. YATES. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: Page 65, line 11, after the colon and following the words "(12 U. S. C. 1701)", insert the following: "That no part of any appropriation or fund in this act shall be used for administrative expenses in connection with the preparation of any housing market analyses which do not include a breakdown of the housing needs of the various segments of the population including those segments which are unable to obtain adequate housing

under established home-financing programs."

Mr. PHILLIPS. Mr. Chairman, I make the same point of order that I did to the other amendment. It is legislation upon an appropriation bill and requires additional duties and responsibilities of an administrative agency.

Mr. YATES. Mr. Chairman, in response to that, let me say this is certainly a proper limitation upon an appropriation. Funds are provided right now for the preparation of such housing market analyses. All this would do would be to limit the funds to certain types of housing market analyses and I submit, therefore, the amendment is proper.

The CHAIRMAN. The Chair is ready to rule.

Up to the word "analyses," in the opinion of the Chair, the amendment is all right. Following that, the amendment is an infringement upon the duties of an executive and imposes additional duties. In the opinion of the Chair, the point of order should be sustained and is sustained.

Mr. YATES. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, the key to effective slum clearance today is relocation of the people displaced by the slum clearance project. Some of those displaced have the funds with which to buy housing even at the high prices today, but cannot do so because of restrictions placed in their way. Out of 123 slum-clearance projects developed under title I of the Housing Act of 1949, nearly two-thirds of the families living in these areas are minority families who cannot find housing open to them at any price. The solution to their problem is in greatest measure, the solution of the most complicated obstacle facing slum clearance today. It is for this reason that I offer my amendment, to make sure that the facilities of the Federal Housing Administration are used to help solve the problem, not to hinder it. The purpose of my amendment is to assure that funds we appropriate in this bill are to be used for the solution of the housing problems of all Americans.

I recommend to you the March issue of the publication of the National Association of Home Builders called the Correlator. It is devoted to the subject of housing minority groups and I want to congratulate the National Association of Home Builders for its courage and good judgment in bringing the problem of minority housing out in the open for discussion and action.

The association recommends that its members attack the problem not only for the reason that it will help solve a very difficult social problem, but really for profit as well. Financing is, of course, the heart of the problem and FHA can render a tremendous service if it is so minded.

The Correlator shows a survey that was taken last December on general activity in minority housing. Fifty percent of the replies indicated there was some building for minority groups. The remaining 50 percent showed there was no building for such groups. Various reasons were given: a lack of mortgage financing; no local problem or need; a lack of suitable sites for development; the low income of minority groups. The survey indicated that there was a shortage of funds, not so much because of any drying up of the mortgage market, as because of the reluctance of lenders to accept loans on homes or rental units for minority groups. FHA can help correct this situation.

Lest the purposes of my amendment be misunderstood, let me say that this is a problem which particularly affects cities such as Chicago. Instances of discrimination against members of minority races who sought assistance have been called to my attention on several occasions. I have been told that FHA officials have gone so far as to suggest that builders might find it more advantageous to build homes in areas other than Negro neighborhoods, even though there is a tremendous market for minority housing in the city of Chicago. If we expect to clear slums and rebuild our metropolitan areas, the housing problems of minority families must be squarely faced and solved. FHA can be a powerful tool, not only in clearing slums but in preventing them, as well. I urge that my amendment be adopted.

Mr. PHILLIPS. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. SUTTON].

Mr. SUTTON. Mr. Chairman, the reason I seek this additional time is to make a brief statement. We from Tennessee have used most of the time today. In the 6 years I have had the honor of being a Member of this body the Tennessee Valley Authority has always been quite controversial. The bill we have had under discussion yesterday and today has not only been controversial from the TVA standpoint but also from the standpoint of housing and veterans as well.

I would like to say before we close debate on this, Mr. Chairman, that during the time I have been here and as controversial as this bill has been, I do not think we have ever had a Chairman who has been more fair than the Chairman who is presiding at this time. It is my opinion that LOUIS GRAHAM has been as efficient a Chairman as we have ever had.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I speak briefly upon the motion to recommit which will shortly be made. The motion to recommit brings before us the same question which was defeated by the House when it was made as a separate motion. I submit to you now that we are in effect interfering with the proper administrative duties of the agency known as Fannie May. We are saying that it may buy these mortgages at a discount; that they may not sell them at a profit in order to keep them in circulation, to keep their portfolios at a proper level; that they may not do what we actually asked them to do, Mr. Chairman, in last year's bill, which was to dispose of these mortgages and get them out of the hands of the Federal Government so that we may apply the money against the national debt.

Mr. Chairman, I think the same decision which was made when the motion was made on the floor is the proper vote on the motion to recommit. I hope it will be defeated.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PHILLIPS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. PHILLIPS. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. YATES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. YATES. In its present form I am, Mr. Speaker.

The SPEAKER. Does any Member unqualifiedly opposed to the bill desire to offer a motion to recommit?

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. YATES moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment: On page 59, line 9, after "$150,000", insert *"Provided further,* That no part of any appropriation or fund in this act shall be used for administrative expenses in connection with any sale of mortgages owned by the Administration at a price less than the par value thereof."

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 180, nays 214, not voting 40, as follows:

[Roll No. 43]

YEAS—180

Abbitt
Abernethy
Addonizio
Albert
Alexander
Ashmore
Aspinall
Bailey
Barden
Barrett
Battle
Bennett, Fla.
Bentsen
Blatnik
Boggs
Boland
Bolling
Bonner
Bowler
Brooks, La.
Brooks, Tex.
Brown, Ga.
Buchanan
Buckley
Burdick
Byrd
Byrne, Pa.
Camp
Cannon
Carnahan
Celler
Chelf
Chudoff
Condon
Cooley
Cooper
Crosser
Davis, Ga.
Dawson, Ill.
Deane
Delaney
Dempsey
Dies
Dodd
Dollinger
Donohue
Donovan
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Feighan
Fernandez
Fine
Fisher
Fogarty
Forand
Forrester
Fountain
Frazier
Friedel
Garmatz
Gary
Gordon
Granahan
Grant
Gregory
Hagen, Calif.
Hagen, Minn.
Hardy
Harrison, Va.
Hart
Hays, Ohio
Hébert
Heller
Holifield
Holtzman
Howell
Ikard
Johnson, Wis.
Jones, Ala.
Jones, N. C.
Karsten, Mo.
Kelly, N. Y.
Keogh
Kilday
King, Calif.
Kirwan
Klein
Kluczynski
Landrum
Lane
Lanham
Lantaff
Lesinski
Long
McCarthy
McCormack
McMillan
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Matthews
Metcalf
Miller, Kans.
Mills
Mollohan
Morgan
Moss
Moulder
Multer
Murray
Natcher
O'Brien, Ill.
O'Brien, Mich.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Perkins
Pfost
Philbin
Pilcher
Poage
Polk
Powell
Preston
Price
Priest
Rabaut
Rains
Reams
Rhodes, Pa.
Riley
Robeson, Va.
Rodino
Rogers, Tex.
Rooney
Roosevelt
Secrest
Selden
Shelley
Sheppard
Shuford
Sikes
Smith, Miss.
Smith, Va.
Spence
Staggers
Steed
Sullivan
Sutton
Teague
Thompson, Tex.
Thornberry
Trimble
Walter
Wheeler
Whitten
Wickersham
Wier
Williams, Miss.
Williams, N. J.
Willis
Winstead
Withrow
Yates
Yorty
Zablocki

NAYS—214

Adair
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Angell
Arends
Auchincloss
Ayres
Baker
Bates
Beamer
Becker
Belcher
Bennett, Mich.
Berry
Betts
Bishop
Bolton, Frances P.
Bolton, Oliver P.
Bonin
Bosch
Bow
Bray
Brown, Ohio
Brownson
Broyhill
Budge
Burleson
Busbey
Bush
Byrnes, Wis.
Campbell
Canfield
Carrigg
Cederberg
Chenoweth
Church
Clevenger
Cole, Mo.
Cole, N. Y.
Colmer
Coon
Corbett
Cotton
Coudert
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Curtis, Nebr.
Dague
Davis, Wis.
Dawson, Utah
Derounian
Devereux
D'Ewart
Dolliver
Dondero
Dorn, N. Y.
Ellsworth
Fenton
Fino
Ford
Frelinghuysen
Fulton
Gamble
Gathings
Gavin
Gentry
George
Golden
Goodwin
Graham
Gross
Gubser
Gwinn
Haley
Halleck
Hand
Harden
Harris
Harrison, Nebr.
Harrison, Wyo.
Harvey
Hays, Ark.
Herlong
Heselton
Hess
Hiestand
Hill
Hillelson
Hillings
Hinshaw
Hoeven
Hoffman, Ill.
Holmes
Holt
Hope
Horan
Hosmer
Hruska
Hunter
Hyde
Jackson
James
Jarman
Javits
Jenkins
Johnson, Calif.
Jonas, Ill.
Jonas, N. C.
Judd
Kean
Kearney
Kearns
Keating
Kilburn
King, Pa.
Knox
Krueger
Laird
Latham
LeCompte
Lipscomb
Lovre
McConnell
McCulloch
McDonough
McVey
Mailliard
Martin, Iowa
Mason
Meader
Merrill
Merrow
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Morano
Morrison
Mumma
Neal
Nicholson
Norblad
Norrell
Oakman
O'Hara, Minn.
Osmers
Ostertag
Patterson
Pelly
Phillips
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed, Ill.
Reed, N. Y.
Rees, Kans.
Rhodes, Ariz.
Riehlman
Robsion, Ky.
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Scherer
Scott
Scrivner
Scudder
Shafer
Sheehan
Simpson, Ill.
Simpson, Pa.
Small
Smith, Kans.
Smith, Wis.
Springer
Stauffer
Stringfellow
Taber
Talle
Taylor
Thomas
Thompson, La.
Thompson, Mich.
Tollefson
Utt
Van Pelt
Van Zandt
Vorys
Vursell
Wainwright
Wampler
Warburton
Watts
Westland
Wharton
Widnall
Wigglesworth
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Wolcott
Wolverton
Young
Younger

NOT VOTING—40

Bender
Bentley
Boykin
Bramblett
Carlyle
Chatham
Chiperfield
Clardy
Davis, Tenn.
Dingell
Green
Hale
Hoffman, Mich.
Jensen
Jones, Mo.
Kee
Kelley, Pa.
Kersten, Wis.
Lucas
Lyle
McGregor
McIntire
Mack, Wash.
Miller, Calif.
Nelson
Patten
Pillion
Rayburn
Regan
Richards
Rivers
Roberts
Seely-Brown
Short
Sieminski
Tuck
Velde
Vinson
Weichel
Wilson, Tex.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Patten for, with Mr. McGregor against.

Mr. Kelley of Pennsylvania for, with Mr. McIntire against.

Mr. Green for, with Mr. Short against.

Mr. Chatham for, with Mr. Hale against.

Mr. Miller of California for, with Mr. Weichel against.

Mr. Dingell for, with Mr. Bramblett against.

Mr. Sieminski for, with Mr. Chiperfield against.

Mrs. Kee for, with Mr. Bentley against.

Mr. Richards for, with Mr. Velde against.

Mr. Rayburn for, with Mr. Mack of Washington against.

Until further notice:

Mr. Bender with Mr. Boykin.

Mr. Clardy with Mr. Rivers.

Mr. Kersten of Wisconsin with Mr. Davis of Tennessee.

Mr. Seely-Brown with Mr. Regan.

Mr. Nelson with Mr. Vinson

Mr. Hoffman of Michigan with Mr. Jones of Missouri.

Mr. Jensen with Mr. Carlyle.

Mr. Pillion with Mr. Wilson of Texas.

Mr. FERNANDEZ changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEES ON EDUCATION AND LABOR AND INTERSTATE AND FOREIGN COMMERCE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committees on Education and Labor and Interstate and Foreign Commerce may meet during general debate tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDING SECTIONS 3185 AND 3186 OF TITLE 18, UNITED STATES CODE

Mr. HALLECK, for Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 488, Rept. No. 1456), which was referred to the House Calendar and ordered to be printed:

Resolved, That 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. 2556) to amend section 3185 of title 18, United States Code, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on the Judiciary now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. 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 with or without instructions.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the appropriation bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VURSELL. Mr. Speaker, during the debate with reference to appropriations for TVA, quite a bit of information, as well as misinformation, has been brought out. Some have made charges that some Members of this body want to wreck TVA, and some who have defended

the $38 million reduction below the budget request have been charged with wanting to strangle it to death.

I think I am safe in saying that probably no Member in this House wants to destroy TVA and no Member in this House wants to strangle it to the point where it cannot adequately fulfill the purpose contemplated when the Congress set up this quasi-independent organization in the Tennessee Valley for the purpose largely of flood control which has later developed into the important business of generating electric power. I am willing to agree that every one appreciates the great contribution it has made even though it has been subsidized constantly by the taxpayers of the Federal Government generally. I think most will agree that up to date it has been a splendid investment, has generally been well managed and has made a tremendous contribution during past wars and through the electric power it has generated it has made a great contribution to national defense in that most of its power generated during wartime has been used by the Government and a great deal of its electrical energy has contributed to the development of all the atomic bombs.

The act setting up the Tennessee Valley Authority, of course, at that time confined its operations almost exclusively to the Tennessee Valley. Some of the objection on the part of many Members is the constant attempt to extend its operation far beyond the Tennessee Valley, 100 miles or more, in some instances. Some of the objection offered in this debate is raised due to the fact that industrial and business organizations throughout the valley are given a much lower power rate, thereby encouraging industries to leave other sections of the country and locate in or near the Tennessee Valley in order to take the opportunity of reducing their cost of operation at the expense of the taxpayers all over the Nation, where business organizations are compelled to include as a part of the cost of their operations the rate they have to pay for borrowing money, while the Tennessee Valley Authority pays no interest on the money borrowed from the Government for the building and extension of their power output in the Tennessee Valley.

They naturally feel that when they have paid their taxes and paid their interest on borrowed capital that they shouldn't be taxed in addition for the money borrowed from the Government, which is loaned to the Tennessee Valley Authority to build and extend their powerplants without any interest being paid. This is one of the debatable questions that has come up in the consideration of this legislation today.

Another question is raised by the amendment offered by Congressman BAKER to write back into this bill today $38 million which was requested by the Bureau of the Budget and the President. The President, through his Director of the Bureau of the Budget, Mr. Dodge, recommended to the Congress a total appropriation of new money to TVA of approximately $142 million. The Committee on Appropriations has reduced this sum by $38 million. The President apparently feels, after going over this matter with his Director of the Bureau of the Budget, that the total sum requested is necessary to do the job properly the next year by the TVA.

Since the Government, during the coming year, will probably purchase 50 percent of the electric energy generated by the entire TVA I feel that this question should be resolved by the approval of the amendment of Congressman BAKER, of Tennessee, restoring the $38 million to the budget. Time may prove that they may very well get along without it and again the months ahead may prove that this $38 million is necessary. At any rate, this organization is controlled by the President and the Congress and if we appropriate a little too much in this instance I cannot see where the Government would lose as the excess would carry over into the coming year.

I think the best answer to those who charge that the Members of Congress are trying to strangle TVA is the fact that even without writing the $38 million back into the appropriation bill the TVA will have in cash to operate this tremendous utility beginning the first of next July $309 million. Of course, this operation is so large that it may need all of this money. In fact, the committee estimates that at the end of fiscal year 1955 if the $38 million is not restored by the pending amendment, TVA would have left over unspent $46 million and perhaps more. On the other hand, those who favor writing this amount back into the bill claim that unless it is done that the fund balance for operation and expansion would be whittled down to about $3 million which they contend is an insufficient balance to operate this great public utility.

I would rather be on the safe side in this particular instance and restore to the bill the $38 million reduction made by the committee.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations of the House may have until midnight tonight to file a report on the bill H. R. 7306 and to file its 12th intermediate report on budget justifications for procurement of overcoats.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE GLORY OF GREECE

Mr. PHILBIN. 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 Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, on Greek Independence Day I proudly hail the stalwart glorious Greek nation and its gallant people.

The glories of Greece would take volumes to recite, but one does not have to look to the past to find glories because they exist in the Greece of the very present hour. No nation in history has ever given a more inspiring example of determination to preserve its freedom than the Greek nation has given within the past few years.

Greece has been split and divided by the designs of diabolical communism into conflicting segments. War, and the aftermath of war, left a trail of sorrow, suffering, and privation through practically every community in the land. Fierce political agitation and social unrest promoted by the Communists spread internecine strife among the people; the economy was shot through with disorganization and debilitating influences. The fires of internal insurrection swept across the country. The hour was dark, the prospect dismal; heavy shadows spread over the land. Want, need, and bloodshed stalked through the streets of many places. But the gallant Greeks never lost heart and by their indomitable example they have revived the glories of ancient Greece in our modern day as never before in history.

It is true that our own Nation rendered substantial assistance in this great, inspiring fight against Communists so courageously waged by the Greek people. There is no question but that this wholehearted aid played a substantial part in rehabilitating their country and strengthening their purpose to fight internal Communist infiltration and to stand boldly against Communist aggression. But one fact stands out above all other in this situation; namely, that the Greek people themselves never lost heart, never lost their superb courage. Their will to preserve their precious freedom was predominant in their minds and was translated into their national consciousness.

Thus Greece has been stabilized by the invincible spirit of its people. It has taken its proud place by the side of those who are battling for democratic survival against Communist conspiracy—a battle that will continue until tyranny disappears and peace is again enthroned in the world.

There are still great issues to be resolved affecting Greek unity and autonomy. The nation is working desperately to invigorate its economic life and sustain its free way. Beset by vestiges of imperialism, it is both natural and commendable that the Greeks should seek to incorporate historically and traditionally Greek Cyprus into the national governmental structure. With these aims of self-determination, autonomy, and unity it behooves the liberty-loving peoples of the world to join, and it is particularly fitting that we of America from our great, strong bastion of freedom should lend our sympathy, encouragement, and assistance. May Greece under the benign Master endure throughout the centuries in freedom and peace.

SECRETARY OF STATE DULLES

The SPEAKER. Under special order heretofore entered, the gentleman from West Virginia [Mr. BYRD] is recognized for 30 minutes.

Mr. BYRD. Mr. Speaker, I am sure that the Congress is encouraged by the

clear, firm statements of Secretary of State Dulles before the Overseas Press Club of America on Monday night when he announced that our Government has no intention of recognizing Red China or acquiescing in that country's admission to the United Nations. This attitude of Mr. Dulles is especially liked by those of us who, in recent days, have been expressing the sentiments of this body with reference to the issue.

Secretary Dulles very courageously and effectively made out the case against Communist China as a disturber of the peace, and as an aggressor in Korea and Indochina. He cited the record to relate instance after instance of Communist violation of pacts and agreements. He made the indictment that, since the armistice in Korea, the Chinese have violated the terms of the agreement at least 40 times; and he indicated that the violations are probably much greater inasmuch as there is no way of actually determining them, because Swedish and Swiss members of the Supervisory Commission are prevented free access to North Korea to detect Communist violations. With reference to the fighting in Indochina, Mr. Dulles referred to the great strategic value of that area, and the fact that Communist control of Indochina would only precede attempts by the Communists to dominate all of southeast Asia. He referred to President Eisenhower's appraisal of the problem a week ago today when the President said that the area is of transcendent importance. The Secretary of State said that "the imposition on southeast Asia of the political system of Communist Russia and its Chinese Communist ally would be a grave threat to the whole free community." He went on to say, "The United States feels that that possibility should not be passively accepted, but should be met by united action"—action which "might involve serious risks." It remains to be revealed what Mr. Dulles meant by "united action," but certainly there can be ready agreement with his postion that free peoples need to give notice to the Communists that action aimed at enslaving Asia will be met surely and decisively.

It is later than we think. The Red pressure is being put on Indochina to tidy that war theater for use as a Geneva showpiece. According to Anne O'Hare McCormick's writing on the editorial page of the New York Times on March 24:

> It is clear as print that the Communists launched their powerful offensive last week with the object of gaining a smashing victory on the eve of the Geneva Conference. The Communist game is to intensify the pressure to make France more amenable at Geneva.

This vividly illustrates how the master minds of the Communist conspiracy in Moscow and Peiping use aggression to further their inimical aims.

Communist diplomacy takes its cue from the words of its late master, Stalin.

> Words—
>
> Stalin said—
>
> must have no relation to action—otherwise what kind of diplomacy is it? Words are one thing—actions another. Good words are a mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water on wooden iron.

Certainly, the Communists are giving ample evidence that they are following Stalin's words to the letter.

The effort to extend the Communist domain goes on unendingly, day and night; not only in the aggressive search for territory and raw materials, but also for the souls and minds of mankind.

This reality we must have ever before us if we, in our day, are to do our duty in preserving liberty and passing on the institutions of free, democratic Western society to those who will come after us. We are in a time of historic challenge, and much depends on how we conduct ourselves.

In view of recent developments, Mr. Speaker, it would be time well spent, not wasted, to retrace the events of former years and briefly review the record.

It is a well established fact, of course, that, when Mussolini sent his legions into Ethiopia and the powers of Europe countenanced that outrageous aggression, it spelled the end of collective security in that day. The lesson of the major European powers' backdown in that instant was not lost on an obscure Austrian who had power-crazed dreams of his own, and it was not long before Hitler was summoning Chamberlain to Munich and shaming the British Lion before the world. Despite all the heroic efforts of the appeasement press to sugar-coat that bitter pill, it was only too apparent that the sellout at Munich had not guaranteed the peace, but had, in reality, insured World War II.

Now we have before us the possibility of a Munich for Asia, and that may take place at the forthcoming Geneva Conference; but I must not get ahead of my story.

Is our memory so short or our conscience so dulled that we have already forgotten Korea? Perhaps we had better refresh our recollections.

For 18 months prior to the attack of the North Koreans upon their brothers in the Republic of Korea, the Reds had been massed in strength on the north side of the 38th parallel. This had all been carefully planned by Moscow, in concert with the Chinese Reds. There had been a number of border incidents, prior to June 25, involving several thousand troops. This was all a buildup to the decisive thrust which gave the invaders the invaluable element of surprise in the big push. It is well to bear in mind that the Republic of Korea, created and established under the sponsorship of the United Nations, and having no aims of aggression, had only such arms and trained manpower as were required for internal security.

To destroy this national infant of the United Nations' creation was a prize of real worth to the Communist world, for apart from what it would give them in the way of another captive state, think what it would have meant in the way of destroying the prestige of the United Nations.

Despite the fact that ROK forces had only a minimum of arms necessary to preserve internal security, and in the face of overwhelming odds, the defenders of the Republic of Korea fought bravely and won the time necessary for aid to arrive, and eventually, with American aid, turned back the invader.

We all know the marvelous accomplishments of our soldiery in Korea, and how we really defeated the enemy; so, too, do we know that when we were getting on to the point where the conflict could have been terminated in victory, a new and greater problem was created by the Chinese Reds who poured their troops into the fight by the hundreds of thousands. This accounted for high American and Allied casualties and ultimately for the stalemate that cheated our fighting men of a victory that was rightly theirs.

This is the same Red China that propaganda artists are trying to paint wings on, the same Red China that some Western powers are literally breaking their necks trying to do business with. This is the same Red China that has thrown several hundred American citizens in jail without due process of law, the same Red China that cannot account for more than 7,000 American military personnel who are conveniently listed as missing.

At this point, let us be reminded that no less a figure than former Gen. Mark Clark only a few weeks ago made the statement that the Chinese Communists are holding 3,000 war prisoners, at least 1,000 of whom are Americans. Yet, these same Chinese Reds are the international blackmailers with whom we are sitting at Geneva in the near future; these are the warmakers who would bludgeon their way into the United Nations on the pretense of reforming that organization.

How right is Dr. Syngman Rhee when he declares, in warning the Free World anew on the dangers of communism:

> We should deal with communism as we would a contagious disease. It is the most dangerous epidemic man has ever known. The only way to combat it effectively is to isolate and confine it and then eventually eradicate it.

These are strong and pointed words, Mr. Speaker, spoken by a man who knows whereof he speaks. And, regarding this danger, President Rhee has these additional observations:

> We are dealing with a vigilant and insidious enemy that is thoroughly conversant with the arts of infiltration and subversion. One third of the world's population now stands in the Communist camp, and the enemy is gaining. None of us can afford to forget, even for a moment, that their ultimate objective is to defeat and destroy democratic, imperialistic, and capitalistic America. As the Red revolution proceeds, we must watch carefully for such precursors as riots, strikes, sabotage, and guerrilla warfare. These are part and parcel of a global conspiracy to bring about a single Communist world.

Let us keep these words in mind, Mr. Speaker, when we hear specious pleas to recognize Red China, trade with Red China, and admit Red China to the United Nations.

As a course of sound national action, before we even sit down in formal session with the Chinese Reds at Geneva—a development which can only increase their prestige throughout Asia—we should insist that they release all war

prisoners who are being held, and that they also give freedom to all of the Americans and other nationals being kept in jail. You know and I know, Mr. Speaker, that the Reds are going to attempt to use these prisoners, war and civilian, as hostages as they bargain to better their position, politically and economically. This will be blackmail of the first order, and, for us to submit to it, is comparable to the American citizen and the community paying racketeers for protection on the homefront.

I respectfully urge, Mr. Speaker, that the Secretary of Defense purify lists of all the missing from the American armed services who were summoned to fight in the Korean war, and that those purified lists be given to the Secretary of State, and that Mr. Dulles, in turn, present the lists to the Reds at Geneva with the demand that the hostages be freed. This is the very minimum course which our morality and honor demand, Mr. Speaker. America must not be craven before this crowd of international gangsters and murderers. Heaven forbid that the day should ever arrive when, from any false consideration of expediency, diplomatic advantage, or "smart" trading, we lack the moral courage and the stamina to give full and meaningful protection to our nationals. If we be so lacking, then this mighty Nation is on the way to ruin and degradation. No, let our Government match the courage and intrepidity of the brave American fighting men who are resting today under a forest of white crosses in Korea. It is late, Mr. Speaker, very late, but thank God, not too late for us as a people and as a Nation to assert the strong, virile, moral leadership that the people of the world are entitled to receive from America.

I call your attention, Mr. Speaker, to the fact that trial balloons are being sent up daily on the twin proposition of recognition and admission. A foot-in-the-door opener is considered to have been made by having Red China sit in on the Geneva Conference on April 26. This ought to be a storm signal to us. The Republican leadership in the other body is duly concerned about it. The GOP leaders there are disquieted about the forthcoming conference. It is well that they should be. America must be aroused so that this forthcoming conference will not be used as a bargaining place for subsequent recognition of Red China by the United States, or for the Mao regime's entrance into the United Nations.

It is to be hoped that, despite all the primed efforts to bring about a conditioned climate favorable to Red China's admission to the U. N., commonsense and international decency will prevail and the issue will never be dignified by formally coming before that body.

Yet we must not overlook the recent development in the U. N., Mr. Speaker, in which the British representative, Sir Gladwyn Jebb, took up the cudgels for Red China. His position, no matter how uncomfortable it may be personally, is understandable officially, for Great Britain has already recognized the Red China regime and is agreeable to her admission to the U. N. May I just add parenthetically that Red China has not responded in kind, and Britain, for rushing in with recognition, has been left hanging high and dry.

Sir Gladwyn offered an interesting thesis for Red China's admission at a future date when he suggested, in effect, that the Mao regime should become eligible for admission to the United Nations when Red China has purged herself of aggression. This is an interesting basis for consideration, to say the least. Thus far, as the New York Times pointed out on March 20, in an editorial entitled "Red China and the U. N.," the Red China regime "has not even admitted to the fact of its aggression, much less shown any inclination to abandon it. Peiping has not deviated in the slightest from the charge that it is the United Nations that is the aggressor, and therefore any genuine purge of aggression seems improbable."

Concluding the editorial, the Times advised the French Government that "there is neither logic nor profit in paying a bribe to the Communists to get their worthless promise not to do again what they had no business doing in the first place."

Mr. Speaker, in order that the Members of this body may have the benefit of this cogent, well-reasoned editorial, I have asked that it be inserted in the RECORD at the conclusion of my remarks. It is an encouraging sign to have a journal of the prestige and influence of the New York Times give us this penetrating analysis on such an important international question.

Mr. Lodge's recent firm stand at Lake Success with respect to the question of Red China's admission to the U. N. assumes great importance in view of the forthcoming Geneva Conference. We may as well be candid and admit that Russia has, in effect, achieved a diplomatic triumph in getting Red China admitted to this conference. Mr. Molotov made certain that nothing of any moment was accomplished at the recent Berlin Conference. He had no intention of agreeing to anything constructive there, and it was plainly to be seen by anyone willing to look a fact in the eye that he had no desire to reach any kind of an agreement on European security, a unified Germany, or a free Austria. Molotov played all of his cards toward achieving the one supreme objective—getting Red China invited to the Geneva Conference, the first step in Russia's nefarious program of endeavoring to eventually get Red China into the U. N.

It is noteworthy, Mr. Speaker, that before the Berlin conference, Secretary of State Dulles was most articulate in stating that he would not agree to a five-power meeting with Communist China. Well, that meeting is set and agreed upon and is only a short time away.

What the West has to guard against, and the United States in particular, is that the Geneva conference will not be used for a settlement with Red China that will constitute a sell-out. If Mao's representatives come away from Geneva with a diplomatic victory on the Indochina war, then the cause of democracy in Asia will have suffered a severe setback. Mr. Dulles' Monday night talk is all the more welcome against this background of events.

The fact remains, however, and I say this with the greatest respect for the good intentions of Mr. Dulles, that we can take nothing for granted on this matter. Just the other day, on March 24 to be exact, the Secretary General of the United Nations, according to the New York Times, emphasized the importance of timing in connection with any moves to admit Communist China to the United Nations.

This matter is so important that I am going to quote it here and now, giving the brief article in full:

U. N. LEADER FAVORS TALKS WITH PEIPING

UNITED NATIONS, N. Y., March 24.—Secretary General Dag Hammarskjold emphasized today the importance of "timing" in connection with any moves to admit Communist China to the United Nations.

Some Western countries have been reported as favoring Communist China's entry if the Geneva Conference on Far Eastern problems showed that Peiping would abandon aggressive plans.

Mr. Hammarskjold did not go into details, but commented at a press conference: "If you want to negotiate with somebody, it is rather useful to have them at the table."

He also revealed that practical arrangements were being discussed for dealing with the controversy over the presence of United States military observers in Kashmir. India has asked for their removal on the ground that they could not be considered neutral. But Mr. Hammerskjold repeated his stand that all United Nations agents had to be presumed to be neutral in the conduct of United Nations business.

He said he had sounded out Mexico, Brazil, and Argentina as to whether they would accept former war prisoners now in Korea. About 50 have expressed a desire to go to these countries.

Mr. Speaker, I direct your attention to the essential clue in the foregoing story. It is, in the Secretary General's words:

If you want to negotiate with somebody, it is rather useful to have them at the table.

Well, as Shakespeare so well said in King Richard III, "Wrens make prey where eagles dare not perch," and we will be at the table at Geneva. Russia will be there, and Red China will be there. Let us keep all of this in mind in the days when we sit down with those whose voice is as Jacob's voice but whose hands are the hands of Esau—all of which points to the fact that we are approaching a most crucial event in the world of diplomacy and international affairs.

The forthcoming Geneva Conference draws an invisible line across the path of the nations of the Free World. Much hangs in the balance. With courage, firmness, determination, faith in our own strength and in the favor of God, we can stand for principles that will ultimately redeem the world to freedom. But, if we vacillate and barter and temporize and compromise—if we yield to the expediency of the moment, we, as a nation, will have reached the zenith of power and influence, and forevermore this Nation's greatness and prestige will recede as the rays of the dying sun. Make no mistake about it, this is one of the great moral issues of the ages; it summons America to greatness. We will falter at our own peril.

With your indulgence, Mr. Speaker, I shall attempt to summarize my argument by adducing the statement of the case against Red China as enunciated by Free-

man Magazine in its issue of March 8. These are 10 good reasons why we should neither recognize Communist China diplomatically nor countenance its admission to the United Nations.

1. Either of these steps would be a stunning blow to our anti-Communist friends in Asia and a stimulus to Communist expansion.

2. Red China is an unrepentant and partially successful aggressor in Korea.

3. The Chinese Communist regime is keeping alive the war in Indochina and stirring up as much trouble as possible throughout Asia.

4. This regime has made a practice of insulting and maltreating American diplomats and other American citizens within its power.

5. The torture and maltreatment of U. N. war prisoners by the Red Chinese and North Koreans is a major international scandal.

6. The Red Chinese government shows no sign of abating its terrific "Hate America" propaganda, including lying charges of germ warfare.

7. This Chinese government has engaged in huge extortion rackets against foreign business firms still stuck in China, and against Chinese abroad.

8. Anything that enhanced international prestige of Red China would expose the large Chinese communities in southeast Asia to Communist pressure, infiltration, and coercion.

9. The unfortunate British experiment of recognizing Red China has proved a pitiful fiasco, morally, politically, and economically.

10. Among other unsavory activities, the Communist gang in control of China has gone in for illegal narcotics trade and for piracy against Japanese and other foreign vessels.

I am sure my colleagues will agree with me that the foregoing indictment against Red China is well drawn.

Mr. Speaker, with an evil tyranny abroad in the world, and while jungle law prevails in many areas as the strong devour the weak, we should remember this fact: None but the whole world will suffice to consummate the Communist dream of world conquest. Alerted to the danger of this Communist international conspiracy, we can cope with it. The recognition of a problem is 50 percent of its solution. At long last, painfully long, we are beginning to recognize the Communist International threat for what it is—the planned, purposeful malignant domination of the free world, and the destruction of all liberty.

We know, too, that, to be safe, we must be strong; strong in purpose, strong in actuality; strong, not only in armament, but also in moral and spiritual faith. We know that peace-loving peoples, at every turn, must labor indefatigably to foil the false prophets of totalitarianism, to overcome wrong ideas with right ones, and to be prepared, if necessary, to conquer force with greater force. There is no room for weakness and indecision, no place for political immorality in foreign policy.

We must match a militancy of the democratic spirit with an efficient and all-powerful military organization, and, especially, we must marshal and build a greater moral and spiritual strength; only then can the world be free of terror, aggression, and the spiritual casualties of police stateism.

The world—the world worth saving, the democratic world wherein men may walk upright in real security and simple dignity—looks to us. There can be no deals with evil, no embracing infamy, no sell-outs of principle for expediency. If we trade principles for profits, we are inviting our own ruin. Our guiding policy in the days ahead, at Geneva and beyond, must be the preservation of the moral base that is the foundation of our Western society. True to his sense of origin from the hand of God, man, endowed with inalienable rights by his Creator, can achieve for civilization whatever is necessary for its survival and flourishing progress. Let the panderers of dollar diplomacy beware. American honor and integrity are not for sale. Geneva please take notice.

Thou, too, sail on, O Ship of State!
Sail on, O Union, strong and great!
Humanity, with all its fears.
With all the hopes of future years,
Is hanging breathless on thy fate!

We know what Master laid thy keel,
What workmen wrought thy ribs of steel,
Who made each mast, and sail, and rope;
What anvils rang, what hammers beat,
In what a forge and what a heat
Were shaped the anchors of thy hope!

Fear not each sudden sound and shock,
'Tis of the wave, and not the rock;
'Tis but the flapping of the sail,
And not a rent made by the gale!
In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, Nor fear to breast the sea!
Our hearts, our hopes, are all with thee!

Our hearts, our hopes, our prayers, our tears,
Our faith, triumphant o'er our fears,
Are all with thee,—are all with thee!

[From the New York Times of March 20, 1954]

RED CHINA AND THE U. N.

Obviously increasing pressure from several quarters for further consideration of the early admission of Communist China to the United Nations has impelled the chief of our delegation to assert that he would not shrink from the use of the veto to prevent that admission, but that he does not believe this course will be necessary. There is ample reason to believe that if he did have to use the veto he would be hailed throughout this country as reflecting accurately the sentiments of the American people.

The latest additions to the discussion of this issue came from the Pilgrim's Dinner in London. There Sir Gladwyn Jebb expressed the belief that once Red China purged itself of its aggression it should be admitted to the world organization. In this view he appears to have been supported by the Secretary General, Dag Hammarskjold, who held that "all the representatives of the main centers of power must be there" when the nations meet around the conference table. In some ways the latter view is the more troubling of the two.

Sir Gladwyn has at least put a vital reservation and condition upon his recommendations. He suggests, in effect, that Red China would not be eligible until this "purge" of aggression had taken place. On the record, thus far, this seems an unlikely contingency at any time in the near future. Thus far Red China has not even admitted to the fact of its aggression, much less shown any inclination to abandon it. Peiping has not deviated in the slightest from the charge that it is the United Nations that is the aggressor, and therefore any genuine "purge" of aggression seems improbable.

If the Chinese Reds go to Geneva with ironclad guaranties that their soldiers will get out and stay out of Korea and that their military supplies will positively not be furnished for the killing of one more Vietnamese or Frenchman, Sir Gladwyn will have a case that can be made persuasive. There is no reason to suspect such a Communist volte-face.

On the other argument, that "all centers of power" ought to be represented in international councils, it should be observed that much depends on what the power is and for what it is used. In this case a "center of power" that has been named by the United Nations as an aggressor is demanding a place in the councils of a body whose purpose is to oppose aggression.

The preliminary maneuvers in Moscow and Peiping strongly suggest that the Chinese Communists will make some "concessions," especially to the French, in return for recognition of their claim to a seat on the Security Council. How good such concessions would prove to be can be judged only by the past. We believe that the French will be well advised to realize, and that the United States will continue sternly to insist, that there is neither logic nor profit in paying a bribe to the Communists to get their worthless promise not to do again what they had no business doing in the first place.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield.

Mr. FEIGHAN. I wish to congratulate the gentleman from West Virginia for his very splendid expression of sound, moral principles.

After hearing your able and informative speech I would immediately presume that the gentleman from West Virginia did not favor the morally bankrupt policy of containment which certain misguided careerists in the Government tried to foist upon the Democratic Party and are now attempting to have the Eisenhower administration embrace. I should like to remind the Members of the House that the Democratic Party denied any responsibility for the containment policy during the 1952 elections. I am also aware that the Republican Party also denied the policy of containment and pledged the American people a policy of liberation in order to avoid the certain prospects of all-out war. It is clear, therefore, that neither of the two great political parties of the United States want anything to do with the morally bankrupt policy of containment.

It is refreshing to hear such a fine speech made by the gentleman from West Virginia, particularly since it comes at a time immediately after the author of containment, George Kennan, has made another speech again attempting to mislead and confuse the American people.

Mr. BYRD. I thank the gentleman, and I do not hesitate to agree.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield.

Mr. McCORMACK. The gentleman from West Virginia has made one of the ablest addresses that I have heard in this Chamber. It is very evident from the gentleman's remarks, that he has given the subject much deep thought, and has expressed to his colleagues in the most effective and interpretive and analytical way the world situation as it exists today with relation to Indochina, and more particularly with reference to the coming Geneva Conference. On the floor of the House a few weeks ago, I had something to say about the danger of the coming Geneva Conference, not

in criticism, but in the nature of a warning. The gentleman from West Virginia has done the same thing.

The remarks made by the distinguished gentleman in his first term in this body are outstanding and are on a high statesmanship level. I want to congratulate him, and, in turn, congratulate the people of his district for having as their Representative in this body the distinguished gentleman from West Virginia.

Mr. BYRD. I am humbly grateful for those kind remarks, spoken as they have been by the gentleman from Massachusetts.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield to the gentleman from Michigan.

Mr. RABAUT. I should like to add my congratulations to those who have preceded me. I hope the gentleman will strive to have his address put in small pamphlet form. I think it would be widely read if duly captioned. I congratulate the gentleman from West Virgina.

Mr. BYRD. I thank the distinguished gentleman, my colleague from Michigan.

The SPEAKER pro tempore [Mr. CANFIELD]. The time of the gentleman from West Virginia has expired.

SOCIAL SECURITY

The SPEAKER. Under special order heretofore entered, the gentleman from New Jersey [Mr. KEAN] is recognized for 40 minutes.

Mr. KEAN. Mr. Speaker, the Committee on Ways and Means will begin hearings tomorrow on President Eisenhower's recommendations for extending and improving social security. President Eisenhower's proposals have been embodied in a bill, H. R. 7199, introduced by the distinguished chairman of our committee, Mr. REED.

I am supporting Mr. REED's bill wholeheartedly. It is an excellent bill. It should command the support of every Member who wishes to improve our social-security program.

There are about 200 bills affecting social security pending in the Ways and Means Committee. Some of these bills would change the social-security program in a very fundamental way involving large sums of money and would call for weeks upon weeks of protracted and controversial hearings. It is impossible in the time remaining in this session to consider all these complex proposals. We must, therefore, not waste time and energy on proposals which have no chance of adoption but must concentrate our energy in getting Mr. REED's bill reported out promptly and passed by the House.

I have pledged the gentleman from New York [Mr. REED] my full support in getting his bill passed. I have introduced a companion bill, H. R. 8629, identical to his carrying out the President's recommendations.

BRIEF SUMMARY OF MAIN PROVISIONS OF THE BILL

What are the main provisions of our bill?

First, it extends coverage under OASI to some 10½ million additional persons. Among those covered would be farmers, the professional self-employed groups, many additional farmhands and domestic workers, and certain State and local governmental employees and clergymen on a voluntary-group basis.

Second, the bill increases benefits for those retiring in the future and will also increase the average benefits of persons already retired by about $6 to $7 a month. Dependents and survivors of insured workers would receive proportionate increases.

Third, the maximum-wage base on which contributions and benefits are computed is increased from $3,600 to $4,200 a year.

Fourth, a waiver-of-premium provision is added to protect the OASI rights of persons who become permanently and totally disabled.

Fifth, the retirement test is liberalized substantially. The exempt amount is increased from $75 a month to $1,000 a year. Thereafter each $80 of earnings in excess of $1,000 would result in deduction of 1 month's benefit.

Sixth, up to 4 years of low or no earnings would be eliminated in computing an individual's average wage upon which benefits are based.

I want to comment on each of these important improvements in the program.

EXTENDED COVERAGE

One of the most important recommendations made by the President is the extension of coverage to 10½ million additional people.

Included in this extension is OASI coverage for about 3 million self-employed farmers. Many farmers are in the older age groups and, therefore, would receive benefits under the program within a few years. As a matter of fact, many older farmers, farmers who have worked from time to time in industrial jobs covered under the insurance system, would be able to count these past earnings toward their eligibility for social-security benefits. For instance, a farmer now age 65, who had four quarters of coverage from work in a war plant during 1944, would be eligible to draw retirement benefits after 1 year of farm coverage under the bill.

The social-security amendments of 1950 extended coverage to millions of self-employed persons in large cities, in towns, and small villages throughout the country. The experience under these provisions has been very successful. Nearly 5 million self-employed persons have been covered by OASI since 1951. Three years of experience have indicated that the forms are reasonably simple to understand and fill out. There are no complicated additional records which have to be kept. The same general forms for farmers would be equally applicable and equally simple.

As an additional simplification for farmers the bill provides for a method by which a small-farm operator can determine his net income from farming for social-security purposes without keeping any special records. Farmers with gross incomes from farming of less than $1,800 a year can just report one-half of their gross income as their net income for social-security purposes. This is certainly simple and a convenient method to obtain social-security coverage.

The bill would extend the protection of the insurance program to many farm and household workers now excluded by removing the requirement that these individuals must work a specified number of days for one employer. The bill retains the provision that a worker's wages from any one employer must be $50 to be sufficient to give him a quarter of coverage. Besides bringing in many household workers who need coverage badly, these changes will have the additional advantage of making it easier and simpler for an employer to determine when his workers are included in the social-security program.

Many of the persons who are not protected today have worked in employment covered by social security from time to time and have paid contributions. Unless their earnings from their present employments are also credited to their social-security record the protection gained from past employment may be lost entirely.

The extension of coverage will result in higher benefits to the worker upon retirement and to his widow and dependent children. Persons who shift in and out of covered employment generally suffer a reduction in their benefit payments because not all their earnings can be counted in the computation of their benefits. Under a broader coverage system, the chances are greatly reduced that a shift in occupation will adversely affect a person's insurance benefits.

COVERAGE OF STATE AND LOCAL GOVERNMENTAL EMPLOYEES

The bill will enable many additional employees of States and localities to be covered by social security.

At present most State and local employees are not able to take advantage of social security because the law specifically prohibits OASI coverage for persons who are in positions covered under a retirement system on the date an agreement is made between the Federal Government and the State or locality.

This specific provision was written into the law in 1950 at the request of many State and local employee groups. However, there seems to have been a very important shift in attitude since 1950 among these employee groups. Practically all of them, with the possible exception of policemen and firemen, now wish to have the Social Security Act changed.

I believe that the law should be changed to permit those who wish to obtain coverage to do so. This is only fair and proper.

There are many State and local employees in my own State of New Jersey who wish to come under OASI but cannot obtain coverage. This is because due to age or other factors they are not members of a retirement system but still are technically in positions covered by a retirement system. This situation exists in my own county of Essex. The law should be changed to remedy this defect. I am sure the Ways and Means Commit-

tee will take prompt and effective action to make this change.

There are also groups such as teachers in my State who wish to be covered under OASI and then revise their retirement system to supplement OASI. In this way, they can have an improved retirement and survivorship program, but the present law prohibits them from accomplishing the purpose they have in mind. The bill would change the present law so that they could have old-age and survivors insurance coverage if they want it.

COVERAGE OF MILITARY SERVICE

While the draft is in existence, certainly there should be no gap in a worker's social-security record while he is in the military service. As it seems probable that the draft, or at least some form of military service, may continue indefinitely, we should give consideration as to whether it would not be wise to cover military service under OASI on a permanent basis.

This would not only improve the benefits for such persons but would strengthen the actuarial status of the OASI system.

INCREASED BENEFITS

The bill provides for an increase in insurance benefits to the aged and to widows and children.

There is no questioning the fact that benefits under the present law are inadequate. The average benefit for a retired person is only about $50 a month at present. Some beneficiaries receive as much as $85 a month but others, with low earnings or with only short periods of coverage prior to 1951, receive as little as $25 a month. Most aged beneficiaries have very little regular income outside of what they receive from the insurance program. When sickness strikes they have very meager financial resources to meet their medical bills. An increasing number of insurance beneficiaries have had to apply for public assistance because of the inadequacy of their insurance benefits. This trend will contine and increase unless we take steps now to raise insurance benefits.

The level of insurance benefits was first established in the law as enacted in 1935. In 1939, the law was changed to increase benefits in the early years but to decrease benefits in the later years. In 1950, benefits were raised to reflect the rapid increase in the cost of living which occurred between 1939 and 1950. In 1952, benefits were increased to reflect the increase in wages which occurred during 1950–51. All of these changes did not basically alter the fact that the benefits were too low when the law was originally enacted.

We have now had 14 years of experience with the payment of OASI benefits. As President Eisenhower has stated:

> For OASI to fulfill its purpose of helping to combat destitution, these benefits are too low.

The benefits now being received by retired workers would be increased under the bill by an average of about $6 to $7 a month. Dependents and survivors would receive proportionate increases. Increases would also be provided for persons retiring in the future, and for those who become eligible for benefits as widows or orphans. The minimum payment to a retired person would be increased from $25 to $30 a month. The maximum benefit would be raised from $168.75 to $190.

There is one proposal which has been introduced in the Congress and which is pending before the Ways and Means Committee which increases the insurance benefits only at the minimum level. I believe that it is important to increase the minimum benefit. But I am opposed to ignoring those who receive more than the minimum. Our insurance program is a wage-related program. We must retain a reasonable relationship between wages and benefits all along the line. We should raise the minimum and maximum benefits; we must increase the maximum wage base; we must increase benefits all along the line so that we maintain a wage-related benefit program with significant differentials for persons who have contributed on higher wages.

I believe we must be very careful not to adopt any proposals which, as attractive as they may sound at first blush, would undermine the contributory and wage-related principles underlying our present program.

INCREASE IN THE WAGE BASE

The bill increases the maximum wage base on which contributions and benefits are based from $3,600 to $4,200 a year. This is an important and essential improvement in the program.

As I have already pointed out, it is vital that we retain and strengthen the wage-related principle in the insurance program. But if the wage base is not increased, a larger and larger proportion of the benefits will fail to reflect the increased wage levels of the great majority of persons contributing to the system. If a larger and larger proportion of persons receive the same benefit, the system will tend to become more and more a uniform benefit program. This would be undesirable because of the great differentials in wages which exist in this country.

Wage and benefit differentials assure us that we will preserve and improve the incentive elements in our social-security system and in our economy. That is why I advocate both the benefit and wage-base increases in the bill. And that is why I shall vigorously oppose those proposals which fail to take these important factors into account.

I should particularly like to point out that both the A. F. of L. and the CIO have endorsed the principle of an increase in the maximum wage base even though they clearly recognize that it means the employees affected will have to pay higher contributions. All of the railroad labor groups are supporting an increase from $3,600 to $4,200 in the Railroad Retirement Act. This overwhelming support of labor for this important principle is a recognition of the fact that they too believe in the importance of this change in the bill.

PRESERVATION OF INSURANCE RIGHTS OF DISABLED

President Eisenhower's recommendation for a waiver of premium provision for the disabled is particularly gratifying to me. I originally sponsored this proposal in 1952 and in 1953. I am again urging its adoption now.

And I should like to repeat what I said on the floor of the House on June 16, 1952, when I urged passage of such a provision:

> The important issue, in my mind, is shall this inequity continue by which those who become totally and permanently disabled or blind after having regularly and faithfully paid their tax toward their retirement benefits now find themselves, when they reach the age of 65, receiving much lower social-security benefits owing to their misfortune?

The waiver of premium provision in the bill would eliminate the reduction in old-age and survivors insurance benefits now suffered by individuals who become permanently and totally disabled.

Under the existing law, if a worker should find himself totally and permanently disabled while still of working age he may lose his rights entirely or his ultimate benefit upon reaching retirement age may be sharply cut.

The reason for this inequity is that social-security benefits are based on the average wage received in covered employment—employment under which one contributes to social security—from the time a worker is first employed until he retires at 65 or over.

Under the present law, let us suppose that a worker aged 35 becomes permanently and totally disabled after having worked 10 years in covered employment at a yearly average wage of $2,400. By the time he reaches retirement age—65—his total wages spread over a period of 30 years—20 of them without any earnings—will yield an average of $800 rather than $2,400 per year, and his old-age insurance benefit under the present law would be about $33 a month.

This is manifestly unfair and the bill, among its provisions, would provide that the equity the worker built up before becoming permanently and totally disabled should be protected by freezing his wage record.

In the example I have cited my proposal would make $2,400 his average wage so that under this provision and the increased benefits in the bill he will receive a benefit of $78.50 a month when he reaches the retirement age instead of the $33 which he would receive under present law.

LIBERALIZING THE RETIREMENT TEST

A very important part of the bill is the section which improves, liberalizes, and simplifies the retirement test. Under the present law an OASI beneficiary who earns wages of more than $75 a month, loses his benefit for such month.

The bill exempts the first $1,000 of annual earnings under the retirement test, and for amounts earned above $1,000 a year only 1 month's benefit is deducted for each additional $80 earned.

The great liberalization which would result from this new test can be best understood from two illustrations. Under the present law a beneficiary drawing

$100 a month for himself and his wife would, if he worked throughout the year at $90 a month, lose all 12 months of benefits. But under the bill he would lose only 1 month's benefit—a gain of $1,100 a year.

A beneficiary receiving a benefit of $120 a month for himself and his wife who takes a $200-a-month job under the present law for 5 months loses 5 months' benefits—a loss of $600. Under the bill he would receive benefits for all 12 months in the year—a gain of 5 months' benefits or $600 a year.

There are some people who advocate complete repeal of the retirement test. I do not favor this proposal. It would increase the cost of the insurance program by about 1 percent of payroll. This would mean increasing the payroll tax on employers another one-half of 1 percent and on employees one-half of 1 percent. It would mean increasing the tax on the self-employed another three-quarters of 1 percent.

Social-security benefits were never envisioned as an annuity to be paid to all workers upon reaching the age of 65. It is a system by which benefits are to be paid only upon virtual retirement.

The revised retirement test contained in the bill eliminates some of the major inequities in the retirement provisions in the present law. It is an important step forward. After we have had some experience with it, perhaps we can liberalize it still further. But increasing the exempt amount in the retirement test from $1,000 to $1,200 and from $80 to $100 would increase the level-premium costs of the program an additional eight one-hundredths of 1 percent of payroll. This is a matter which deserves continued attention.

DROPPING OUT THE LOWEST 4 YEARS

Since the level of OASI benefits is related to the average of a worker's past earnings, periods of abnormally low earnings, or no earnings at all, are averaged in with periods of normal earnings, thereby reducing the benefits received by the retired worker. In many instances, a worker may earn little or nothing for a number of months or several years because of illness or other personal adversity beyond his power of prevention or remedy. Thus, the level of benefits is reduced below its true relation to the earning capabilities of the employee. Moreover, if the additional millions of persons recommended for inclusion under OASI are brought into the program in 1955 without modification of present law, their average earnings will be sharply lowered by the necessity of including as a period of no earnings the period from 1951 to 1955 when they were not in the program. The bill provides, therefore, that in the computation of a worker's average monthly wage, the 4 lowest years of earnings be eliminated.

FINANCING THE IMPROVEMENTS

These six changes in the insurance program will greatly improve the benefits, increase the number eligible for benefits, and strengthen the entire program. But improvements cost money. How will they be paid for?

The bill provides for an increase in the contribution schedule approximately equal to the net additional cost of the improvements. The insurance program is thus retained on a self-supporting basis without any subsidy from the Federal Treasury.

It should be remembered that the extension of coverage and the increase in the wage base from $3,600 to $4,200 a year result in increased income to the insurance system. These two changes offset to some extent the cost of the other benefit improvements. The net effect, after taking into account both these factors, is to increase the level-premium cost of the program about six-tenths of 1 percent of payroll. For the sake of simplicity and ease of making computations for employers and employees, the ultimate payroll contributions have been increased one-half of 1 percent to be shared equally between employers and employees.

To fully finance the entire net cost of the improvements the contribution rates would have had to be increased about six-tenths of 1 percent. However, this would have resulted in complex computation provisions for employers and employees. It was thought best to retain the rates in multiples of one-half of 1 percent on both parties. If subsequent actuarial evaluations indicate the need for upward or downward adjustment of these rates they can easily be made in sufficient time. The law already provides for the Board of Trustees of the OASI Trust Fund to report to the Congress each year on the actuarial status of the system.

The important point is that the bill makes reasonably adequate provision for financing the cost of the improvements. I believe that we must always take into account the long-run costs of improvements in the program. We must assure ourselves that any changes preserve and safeguard the financial integrity of the program. We must assure the contributors to the system that we have set up a fair and equitable financial arrangement for meeting future benefits and future costs.

The bill, in my opinion, accomplishes all these purposes. It improves the program. It maintains the financial soundness of the system. It makes changes in the areas which require immediate attention. It puts first things first. It is a balanced and sound program.

I have pointed out a number of times that a very important feature of our present insurance program is that benefits should be paid as an earned right without regard to a means test. I strongly believe that payments to individuals should come to them as a matter of right. The law specifically provides that persons have legally enforceable rights in very plain terms.

Section 205 (g) of the Social Security Act expressly provides that anyone who is denied benefits may go into court to enforce them. This provision was put into the law by Congress in 1939, and since that time there have been many cases decided by the courts. One case went to the Supreme Court of the United States, which decided that benefits should be paid in a situation where the administrative agency had thought they were not payable. There are many such cases which have been handled by the lower courts. So this provision of the law is anything but a dead letter, and it is used frequently.

We have today a contributory insurance system, with benefits assured by law and enforceable in court. There are those who have attacked the system claiming that it is not insurance because it is not contractual, and at the same time criticizing the system because it makes commitments to pay specific amounts indefinitely into the future. I submit that it is utterly impractical and would be grossly unfair to maintain a contributory system unless we are prepared also to maintain the commitment to pay benefits in the future, and to go on paying them as a matter of legal right.

By all means let us continue to study ways to better the system. But let us not be diverted from the real problem by semantics as to whether it was proper for Congress to refer to the system as an insurance program. Let those who do not believe in contributory insurance say so frankly, but let the rest of us accept the fact that the contributors to the system have, and are entitled to have, solid legal assurance that their benefits will be paid when due.

INCREASED INSURANCE BENEFITS FOR WIDOWS AND ORPHANS

A most important result of passage of the bill which has not been widely publicized is the increased insurance benefits for widows and orphans.

Most people know that social security provides insurance benefits to older persons when they retire. But many people do not realize that social security also provides monthly insurance benefits when the breadwinner dies and leaves a widow and dependent children. Of the 6 million persons drawing social-security benefits each month at the present time, over 1 million are children and 250,000 are widows caring for these children. In addition, there are over 500,000 widows age 65 and over and nearly 25,000 aged parents drawing benefits.

In my own State of New Jersey there are over 62,000 survivors drawing insurance benefits at the present time. Of this number 29,000 are children, over 8,000 are mothers caring for these children, 25,000 are widows age 65 or over, and 850 are parents age 65 and over.

Every one of the improvements in the bill will increase the insurance benefits for survivors as well as for the aged. The extension of coverage will extend the survivors protection to the families of the newly covered groups. Many a person in these groups such as a farmer, a farmhand, or a domestic worker has little or no private insurance at all to protect his widow and children. The bill will give them much needed protection. Many State and local governmental employees who are covered under a retirement plan have little or no survivors insurance protection in the event of their death. Many professional self-employed persons have very little survivors protec-

tion when they first begin to practice and while their family and financial responsibilities are increasing.

The increased insurance benefits will also help widows and orphans who are now drawing benefits or who will become eligible for benefits in the future. The maximum monthly benefit, for instance, to a widow and two young children will be increased from $168.75 to $190. Certainly $190 a month is not excessive in these times for a mother to feed, clothe, and educate children where the deceased father had been earning $300 a month or more. A widow with 2 children eligible for $140 a month under the present law would be increased to $157. A widow with 1 child now eligible for $93.80 would have her benefits increased to $120 a month. Survivors' families already drawing benefits would also have their benefits increased.

The waiver of premium provision would also be of substantial help to widows and orphans. Under the present law, the longer a disabled man lives, the greater is the possibility that when he dies his family will not get any survivors' insurance benefits whatsoever. This is due to the fact that the disability which prevents him from working and earning also prevents him from contributing to the social-security program. By preserving his insurance rights when he is disabled, thousands of widows and children will receive benefits where benefits would be lost under the present law. In other cases benefits will be increased by dropping out the period of disability in computing the individual's average wage for benefit purposes.

The liberalization of the retirement test will liberalize the provisions for mothers as well as aged persons. Likewise the 4-year dropout in the computation of the average wage will help to increase survivors' benefits.

The importance of the survivors' insurance benefits in the program—and the improvements made by the bill—cannot be overemphasized. These benefits help to keep families together. They enable children where fathers have died to have a fair chance for a healthy, happy life and an education. These family benefits are one of the most valuable and constructive parts of the whole social-security program.

I supported the improvements in the family benefits which were made to the insurance program in 1950 and 1952. The 1954 improvements are another step in the process of helping to preserve family life. I shall continue to urge strengthening and improvement of this essential aspect of the program.

AID TO DEPENDENT CHILDREN

In this connection I would like to discuss the implications of one proposal pending before the Ways and Means Committee which amends the Social Security Act by repealing the Federal grants to the States for aid to dependent children—title IV of the Social Security Act. This is part of a bill which would blanket all over 65 and widows and children into OASI, whether or not they had made contributions to the system. I gather the author of the amendment believed that if coverage was broader the OASI survivors benefits would take care of the problem, but this is not so. I wish to make it clear that I do not favor any such amendment. I believe it would be a backward step.

Repealing these provisions would result in very serious hardships on the States and on thousands of mothers and dependent children. In New Jersey, we have 12,700 children on the ADC rolls. They are receiving $31.80 a month per child. I do not want to see these children lose their assistance or have it reduced in any way. I am sure I speak for the citizens of New Jersey and many other States on this matter.

Today there are 2 million individuals receiving aid to dependent children in the United States. About 1,500,000 are children and 500,000 are mothers or the adult caretakers of the children. Less than 20 percent of the dependent children are on the rolls because of the death of the father. Over 80 percent of the children are on the rolls because of the disability or absence of a parent from the home.

It can be seen from these figures that the largest number of the children are on the rolls because of the separation or divorce of the parents or desertion of the father. Divorce and separation are not risks which can be handled by the insurance program. Consequently, improvements in the insurance program will not reduce these causes for States granting aid to dependent children. Divorce, separation, and disability are very serious social and family problems which require the careful consideration in each individual community. But I do not believe that children should suffer by any sweeping changes in the Federal law which would deny them the financial aid they need to grow up into healthy and productive American citizens.

The factors which bring about family separation and the refusal of a parent to support his children are complex. Desertion and nonsupport are symptoms of trouble with causes partly in the individual and in some instances also arising from social factors in the community. Some of these factors can be eliminated or their effects lessened. More help to troubled individuals and families before breakdown occurs would often prevent later disaster. Many private and public agencies provide such constructive social services in many parts of the country. It is hoped that experience in implementing the requirement notice to law-enforcement officials where a parent deserts a child, which the Congress placed in the Social Security Act in 1950 will lead to exploration of factors that might be eliminated or alleviated by concerted effort in each individual community. It is hoped that the notice provision will also help in discovering opportunities to help strengthen family and community responsibility. But in the meantime we should not make innocent children suffer for the sins of their parents and their community.

CONCLUSION

President Eisenhower in his constructive and progressive social-security message of January 14 stated that the OASI system "is not intended as a substitute for private savings, pension plans, and insurance protection." He pointed out in simple but effective terms that the system "is rather intended as the foundation upon which these other forms of protection can be soundly built. Thus the individual's own work, his planning, and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence, the system both encourages thrift and self-reliance and helps to prevent destitution in our national life." In other words, the program is consistent with and strengthens our free competitive economic system.

President Eisenhower specifically recommended preserving the two basic principles underlying the OASI program. These are, he said, that first, OASI is a contributory system, with both the worker and his employer making payments during the years of active work; and, second, the benefits received are related in part to the individual's earnings.

I am in complete accord with these principles. I believe they are sound and merit the support of all the American people.

There are some people in our country who fear that the improvement and extension of social security is but another step in the march toward the welfare state. There are others in our country who offer a package of amendments to social security under such attractive labels as "blanketing-in all the aged," and "repealing all Federal grants to the States for old-age assistance," but which would wreck the fundamental principles upon which the system has been built. The Eisenhower program is a middle of the road approach which recognizes the dangers of both extremes. The Eisenhower program rejects these extreme views and aims instead at constructively and soundly preserving and improving our social-security structure for the welfare of the entire Nation.

The Eisenhower program, for improving OASI is a humanitarian and at the same time a financially sound program. It is practical; it is feasible; it is necessary. It is essential for Congress to enact it into law at this session.

DISCRIMINATION

The SPEAKER pro tempore. Under special order of the House, the gentleman from New York [Mr. POWELL] is recognized for 30 minutes.

Mr. POWELL. Mr. Speaker, my attention has been called to a particularly flagrant case of discrimination against the Negro race now existing in Memphis, Tenn. It involves 90 Negro employees of Malone & Hyde Grocery there.

These men had satisfactory work records with Malone & Hyde for periods ranging up to 24 years. Now they are refused the opportunity of keeping their jobs.

The story of this gross violation of civil rights began early this year when drivers and warehouse workers of Malone & Hyde voted in a National Labor Relations Board election to affiliate with Local Union 984 of the International Brotherhood of Teamsters. The vote was almost 3 to 1 for affiliation. In attempting to carry out the normal process of collective bargaining with the employer, the union found itself faced with stony resistance.

Malone & Hyde refused any wage increase and, after several weeks of fruitless negotiation, the men decided to strike against the company.

In all, 92 men struck—of which 90 were Negroes. Their abnormally low wage scale ranged from 92 cents to $1.17 an hour.

The strike began February 16. The very next day, on February 17, Malone & Hyde had filled the strikers' jobs with strikebreaking labor. Of these, only 5 were Negroes.

It is plain that the company used the excuse of the strike to discharge its Negro employees and establish a discriminatory job policy.

It has been unwilling to consider any union proposal that specified that their regular employees be returned to their jobs. As recently as the 20th of March—at a meeting called by the Federal Mediation and Conciliation Service—Teamsters Local 984 offered to end the strike and accept the company's meager wage offer of 3 cents an hour increase if Malone & Hyde would not discriminate against their regular employees. The union further proposed that a disinterested outsider would be called in to settle the wage and hour items in dispute.

This eminently fair offer was unequivocally refused by the company, which ignored minimum standards of justice and moral decency by cynically pretending it could not agree to put their old employees back to work.

Incensed by this callous disregard for the needs and rights of these Negro workers, the officers of Teamsters Local 984; Teamsters Joint Council 87, and the Southern Conference of Teamsters have thrown their full resources behind the cause of these beleaguered men.

Their attorneys are examining the possibility of legal action to restore the rights of these employees.

Although the union has not asked for any fees or dues from the 90 victims of this gross act of discrimination, it has used a considerable amount of its treasury to provide them their barest essentials of life. In addition to several doctors' bills, the local has provided $2,000 worth of groceries and paid rent, gas, and electric bills totaling $1,700. These men—with families to support and obligations to meet—have been without salary for 42 days. Apparently Malone & Hyde is indifferent to their dire plight and is willing to ignore their fate. The company's attitude is made all the more callous by the fact that about 65 percent of its business is made possible by the patronage of Negro citizens in Memphis.

I call this particularly vicious situation to the attention of my colleagues in the House of Representatives in order to offer an example of how provisions of the Taft-Hartley Act can be used to further un-American ends.

Under the act, economic strikers are denied protection of their jobs. In times of economic distress—such as these—unscrupulous and racist employers can use the excuse of a company-inspired strike to replace its Negro employees with whites.

In this case, apparently Malone & Hyde had hired their Negro employees during periods of labor shortage when their absurdly low wage scales were unacceptable to white workers. Now, seeing the labor market considerably loosened, they have seized the opportunity to discard, without feeling, their loyal Negro employees and replace them with men of a more acceptable color. We can expect that if Malone & Hyde succeed in their scheme, the practice will be taken up by other anti-Negro employers.

I call upon all liberty-loving people of Memphis to boycott all Malone & Hyde stores. Let not 1 Negro spend 1 cent as long as this injustice continues.

Follow the leadership of the LeMoyne College NAACP who say:

> We of the LeMoyne College chapter of the NAACP are interested in the strike because of our contention that the worker's rights as free and equal human beings are being violated. The most powerful weapon of the NAACP is public opinion and public support, therefore we feel it our duty to remind you that 65 percent of Malone & Hyde business is in predominantly Negro neighborhoods. The major outlet for their products are Easyway, Leadway, Big Star Stores, National Brand and Bet-R-Valu stores, the most popular of their products being, Jack Sprat canned foods and Libby's frozen foods; therefore we are enabling them, through our trade, to stay in business and replace striking Negro workers with white workers.

WITNESSES WHO INVOKED THE FIFTH AMENDMENT DURING 1953 IN TESTIMONY BEFORE COMMITTEES OR SUBCOMMITTEES OF THE CONGRESS INVESTIGATING SUBVERSION

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from Illinois [Mr. BUSBEY] is recognized for 30 minutes.

Mr. BUSBEY. Mr. Speaker, it is always an occasion of special solemnity to me when the House has under consideration legislation affecting the hard-earned civil rights of Americans. These rights have been won for us through the struggles and with the blood of men down through the ages of human development. Those of us who, since birth, have enjoyed the rights and privileges of free men are sometimes prone to forget the intensity of the struggles and the extent of the sacrifices which have nurtured these rights into the vital, living factors they are today.

Immunity from self-incrimination is part of our heritage of rights, and we must protect it to the utmost limits consistent with the preservation of national security.

When we think of the issue of self-incrimination, our minds must inevitably conjure up the vision of torture chambers, of inquisitions, of trials by combat or ordeal—of all the sanguine brutalities of the past and the refined cruelties of the present—which have been used to extort confessions.

We want no part of those.

We want no suggestion of them.

We, as individuals and as a Nation, are dedicated to the preservation of the privilege against self-incrimination.

Fundamentally, the development of the protection against self-incrimination in our own legal system started in the days of Charles I of England. His brutal autocratic treatment of nonconformists—when innocent people in large numbers were tortured to make them confess to crimes they did not commit—made Englishmen give voice to the demand that the practice of forcing compulsory testimony be abolished. Within a few years, the privilege against self-incrimination was a well-established part of English common law.

The settlers of America brought this principle with them to our shores. They successfully resisted attempts of colonial governors to make use of compulsory testimony, with the result that the privilege against self-incrimination became a firm segment of our own common law. The protection against self-incrimination was included in the first amendments to the Constitution—our own Bill of Rights—and is now a portion of the constitutions of 46 of our States. In Iowa and New Jersey, where the constitutions do not include the privilege, that right is fixed firmly in the common law.

The United States Supreme Court has held that the constitutional privilege against self-incrimination is essentially a personal one, applying only to natural individuals; that it grows out of the high sentiment and regard for our jurisprudence for conducting criminal trials and investigatory proceedings upon a plane of dignity, humanity, and impartiality, and that it is designed to prevent the use of legal process to force from the lips of the accused individual the evidence necessary to convict him or to force him to produce and authenticate any personal documents or effects that might incriminate him.

At the same time, the Court declared that, though this constitutional privilege is subject to abuse and misuse, it is, nevertheless, firmly embedded in our constitutional and legal framework as a bulwark against iniquitous methods of prosecution.

Since the establishment of the American Constitution, there have been a number of attempts made to provide measures for obtaining information without destroying the constitutional privilege against self-incrimination. What we are undertaking now is neither

new nor unusual. The Congress has recognized in the past that there is need for this kind of legislation to protect the supreme interests of the Nation.

The 20th century has brought with it a new factor for destruction in internatianal and national affairs: the tactics of Marxist communism. Although the world and our Nation have been forced to deal with subversive conspiracies in the past, never before in history has conspiracy reached such a world-wide scale, such efficiency of organization, and, above all, such a strong central domination, as has the conspiracy of Soviet-sponsored communism in its program for world revolution.

Never before have free nations faced the danger of such wholesale extinction. They must take every measure possible for their self-protection. The keystone in that structure of self-protection is full knowledge of the nature of the conspiracy, its lifelines, and its participants.

It is for this important purpose that the Congress has established committees to investigate subversive activities. These committees have made such major contributions to our national security that anything which impedes their work must be corrected at once.

The history of the past few years has shown clearly that the constitutional privilege against self-incrimination has become a device in the hands of the conspirators to frustrate the legitimate activities of congressional committees.

To be legally entitled to this constitutional privilege against self-incrimination, one must honestly believe that his answer would incriminate him or that it would furnish a link in the chain of evidence needed to prosecute.

The fifth-amendment Communists have become legion. The oft-repeated phrase, "I refuse to answer on the ground that I might incriminate myself," is known to virtually every American.

The Smith Act was passed in 1940. Membership in, adherence to, or belief in the principles of, the Communist Party could not have justified a plea against self-incrimination prior to the passage of that act.

A casual review of the hearings before the House Committee on Un-American Activities will show that witnesses have invoked the fifth amendment in refusing to answer simple questions regarding the date and place of birth, educational background, and history of employment; when they well knew that a truthful answer could not possibly have incriminated them.

It is because of the abuses and misuses of this constitutional privilege that we have before us legislation to grant immunity from prosecution when the privilege against self-incrimination is invoked.

There is pending before the House Committee on the Judiciary, H. R. 6899, which was introduced by Representative KEATING of New York in language proposed by the Honorable Herbert Brownell, Jr., Attorney General of the United States. If enacted into law, this bill would go a long way toward preventing the abuse of our constitutional privileges by those who would destroy our Constitution.

Let us examine the magnitude of the problem.

During the first year of the Republican administration, a total of 305 witnesses before congressional committees hid behind the privilege against self-incrimination in their refusal to answer pertinent questions. It is important to point out that the number of such witnesses last year is higher than in any previous year. This gives a clear picture of the accelerated fight against the Communist conspiracy that has been waged under the leadership of the Republican Party.

Of these witnesses, 169 were before committees of the Senate and 148 before committees of the House. The apparent discrepancy in numbers is because of the fact that 12 witnesses appeared before 2 committees. The distribution of such witnesses by committees is as follows:

Summary of witnesses by congressional committees

Permanent Subcommittee on Investigations, Committee on Government Operations of the U. S. Senate	67
Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the U. S. Senate	102
Committee on Un-American Activities of the House of Representatives	144
Committee on Education and Labor of the House of Representatives	3
Special Subcommittees of the House Committees on Government Operations and Education and Labor	1
Total	317

One of the most startling aspects of this report is the large number of such witnesses who have been connected with government and with institutions of education—both of which are areas of great sensitivity to our national security and survival. The record shows that 85 of these witnesses were employed at one time by the Federal Government, while 7 were employed by 1 State government. Those in the elementary or secondary education fields numbered 40, and those in higher education 57, making a total of 97.

Other fields, in which Communists are afforded an opportunity to influence public opinions, shows the following: 26 were in the arts and entertainment; 28 were in the category of authors, editors, and literary critics; 13 in the fields of newspapers, printing, and publishing.

The actual distribution by occupations is as follows—and again may I point out that the discrepancy in totals results from the fact that some of these people have been active in more than one field:

Summary of occupations

International organizations	11
Federal Government	85
State of New York	7
Colleges and universities	57
Elementary and secondary schools	40
Arts and entertainment	26
Professions	27
Authors, editors, and literary critics	28

Summary of occupations—Continued

Newspapers, printers, publishers	13
Industry and small business	34
Service trades	17
Labor union officials and employees	23
Self-employed	11
Housewives	6
Clerical and secretarial	4
Unemployed	5
Other	18
Information lacking	15

Mr. Speaker, in order to show the real significance of the refusals to answer congressional committees in the past year, I believe it is necessary for the record to give the full facts and details. Here are the actual details, listing every witness who hid behind the fifth amendment, the committee before which he appeared, and other pertinent data. In addition, I am presenting summaries of the information for the guidance of the House.

Mr. Speaker, I sincerely believe this is the most comprehensive study of this subject that has ever been made.

The record—Mr. Speaker, the frightening record—speaks for itself. I strongly urge the Members of this body to study the material which is presented here. Having done so, they must inevitably agree with me that H. R. 6899 must be passed.

For the tremendous task of compiling the necessary data which is contained in this important report, I desire to give credit to the Legislative Reference Service of the Library of Congress, and to express my appreciation of the valuable assistance provided. Without their aid, I would not have been able to make such a detailed report.

It would be practically impossible to assemble so much data without some slight errors. I shall sincerely appreciate it if the Members will call to my attention any corrections, omissions, or additions which, in their judgment, should be made.

The following list of 305 persons who invoked the fifth amendment should be sufficient evidence to convince anyone that such a law should be enacted.

Mr. Speaker, it is my hope that the Committee on Un-American Activities will use this list of names, together with the other data, as an official document. I should also like to suggest that similar data be compiled for past years, and that the information be kept current from year to year.

The fact that 305 people invoked the fifth amendment before congressional committees in the calendar year of 1953, alone is proof that something must be done to correct this situation. Instead of it being a case of just one person identifying an individual as a Communist; under such a law, a congressional committee might be able to get the facts in the case from as many as 3 or 4 witnesses. This could leave little doubt that the guilt of such a Communist could be established when he is brought to trial. I believe that the proposed legislation providing authority to grant immunity to witnesses should be passed.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Permanent Subcommittee on Investigations, Committee on Government Operations of the United States Senate during 1953

Name	Identification	Federal employment if any	Date testified	Hearings citation
Allen, James S.	Author of World Monopoly and Peace and of World Cooperation and Postwar Prosperity.	No Federal employment listed	Mar. 24, 1953	Information Centers, pt. 1, p. 3 ff.[1]
Aptheker, Herbert	Author, Essays in the History of the American Negro.	do	May 6, 1953	Information Centers, pt. 6, p. 374 ff.
Archdeacon, Henry Canning	237 Talbott Ave., Boston, Mass.; employed by the General Electric Co. in Lynn, Mass., for the past 14 years.	do	Nov. 19, 1953	Subversion and Espionage in Defense Installations and Industry, p. 11 ff. (galley).
Aronson, Allan James	Address unknown; newspaperman	Office of War Information (1945); press control officer, War Department in Germany to mid-1946.	May 14, 1953	Information Centers, pt. 6, p. 397 ff.
Belfrage, Cedric Henning	Resident alien since 1937	Press control officer, Germany	do	Information Centers, pt. 6, p. 408 ff.
Berke, Sylvia, Miss	1545 Leland Ave., Bronx, New York, N. Y.; school clerk, Public School 50, Bronx, New York, N. Y.	Last Federal Government employment: Signal Corps, Fort Monmouth, N. J., December 1942 to September 1943.	Dec. 14, 1953	Army Signal Corps—Subversion and Espionage, p. 25 ff. (galley).
Bortz, Louis	Butler, Pa., R. D. 6; unemployed at present.	No Federal employment listed	June 18, 1953	Communist Party Activities, Western Pennsylvania, p. 7 ff.
Boyer, Richard O.	Author, The Dark Ship	do	July 1, 1953	Information Centers, pt. 7, p. 424 ff.
Brand, Millen	Editor and writer (fiction editor, Crown Publishers).	do	May 6, 1953	Information Centers, pt. 6, p. 358 ff.
Browder, Earl Russell	Author of Communism in the United States; until 1945, general secretary of the Communist Party of the United States.	do	Mar. 24, 1953	Information Centers, pt. 1, p. 17 ff.
Burgum, Edwin Berry	Author and literary critic; until Mar. 30, 1953, a professor at New York University for 28 years.	do	July 1, 1953	Information Centers, pt. 7, p. 433 ff.
Coe, V. Frank	Secretary of the International Monetary Fund until December 1952.	Last Federal Government employment: Director of Monetary Research, P-8, $9,800 per annum, Treasury Department, Division of Monetary Research, until June 17, 1946.	June 5, 1953 and June 8, 1953 Oct. 20, 1953	Austrian Incident, p. 20 ff. Transfer of Occupation Currency Plates—Espionage Phase, p. 21 ff.
Cooke, Marvel J., Mrs.	Born in Minnesota: 46 years of age: worked for Peoples Voice, 1943–47, as assistant managing editor.	No Federal employment listed	Sept. 8, 1953	Communist Infiltration Among Army Civilian Workers, p. 4 ff.
D'Usseau, Arnaud	Professional writer: author, Deep Are the Roots.	No Federal employment listed	July 7, 1953	Information Centers, pt. 7, p. 464 ff.
Evans, Gertrude, Mrs.	Washington, D. C.: executive secretary of the Progressive Party of the District of Columbia.	Clerk, Veterans' Administration 1918–1943, for which she draws $129 a month retirement.	Aug. 18, 1953	Security—Government Printing Office, pt. 1, p. 73 ff.
Fast, Howard	Author of Citizen Tom Paine	Employed by the Office of War Information, December 1942–January 1944.	Feb. 18, 1953	Voice of America, pt. 2, p. 98 ff.[2]
Foner, Philip S.	Author and teacher; formerly taught at the College of the City of New York.	No Federal employment listed	May 6, 1953	Information Centers, pt. 6, p. 386 ff.
Freedman, David M.	11 Park Pl.; New York, lawyer; member of Unger, Freedman & Fleischer.	do	Sept. 18, 1953	Security—United Nations, p. 31 ff.
Gelfan, Harriet Moore, Mrs.	Bronxville, N. Y., author of an article on the physical geography of Russia.	do	Sept. 28, 1953	Communist Infiltration in the Army, p. 30 ff.
Gift, Charles	Presently in the laundry business	Machinist, 1st class, Washington Naval Gun Factory, 1934–48.	Aug. 20, 1953	Security—Government Printing Office, pt. 2, p. 107 ff.
Glasser, Harold	Economist	Last Federal Government employment: Assistant Director, P-8, $10,000 per annum, Treasury Department, Office of International Finance, until Dec. 31, 1947.	Oct. 20, 1953	Transfer of Occupation Currency Plates—Espionage Phase, p. 19 ff.
Glassman, Sidney	4721 215th St., New York, N. Y.; present occupation not specified; previously employed in the Economic Division of the Secretariat, United Nations, 1946 to December 1952.	No Federal employment listed	Dec. 16, 1953	Army Signal Corps—Subversion and Espionage, p. 77 ff. (galley).
Goldfrank, Helen, Mrs.	Thornwood, N. Y.	do	Mar. 26, 1953	Information Centers, pt. 1, p. 90 ff.
Gropper, William	Painted a map entitled "America, Its Folk Lore, a Pictorial Map"; an artist by profession.	Painted a mural for the new Interior Bldg. in 1936 or 1937.	May 6, 1953	Information Centers, pt. 6, p. 388 ff.
Grundfest, Harry	4 East 9th St., New York, N. Y.; associate professor of neurology, Columbia University, since 1945.	Last Federal Government employment: Senior physiologist, Climatic Research Unit, Army Signal Corps, at Squier Laboratory, Fort Monmouth, N. J.	Nov. 25, 1953	Army Signal Corps—Subversion and Espionage, p. 27 ff. (galley).
Hammett, Samuel Dashiell	Author of detective stories	No Federal employment listed	Mar. 26, 1953	Information Centers, pt. 1, p. 84 ff.
Henderson, Donald	211–19 38th Ave., Bayside, Long Island, N. Y.; up to July 1, 1953, secretary-treasurer of Food, Tobacco, and Agricultural Workers, when he resigned.	Never employed by the Federal Government.	Mar. 5, 1953	Voice of America, pt. 7, pp. 473 ff.
Heyman, Ezekiel	255–22 74th Ave., Queens, N. Y.; present occupation not specified; previously employed by Federal Telecommunications Laboratory, 1943–47.	No Federal employment listed	Dec. 17, 1953	Army Signal Corps—Subversion and Espionage, p. 96 (galley).
Hlavaty, Julius H.	Chairman, department of mathematics, Bronx High School of Science, New York, N. Y.	Participated in a Voice of America broadcast on May 29, 1952.	Mar. 13, 1953	Voice of America, pt. 9, p. 678 ff.
Hutner, Eleanor Glassman, Mrs. (Mrs. Eugene Hutner).	144 Henry St., Brooklyn, N. Y.; until October 1953, school social worker, bureau of child guidance, New York City schools, September 1949–May 1950; February 1952–October 1953.	Last Federal Government employment: Junior professional assistant, Signal Corps, Fort Monmouth, N. J., June 1942–December 1943.	Dec. 15, 1953	Army Signal Corps—Subversion and Espionage, p. 29 ff. (galley).
Hyman, Harry A.	719 East 9th St., New York, N. Y.; present occupation not specified; until Oct. 31, 1951, employed by Federal Telecommunications Laboratory at Nutley, N. J., working on Army Signal Corps work.	No Federal employment listed	Nov. 25, 1953	Army Signal Corps—Subversion and Espionage, p. 20 ff. (galley).
			Dec. 17, 1953	Army Signal Corps—Subversion and Espionage, p. 2 ff. (galley).

[1] For the sake of brevity, "Information Centers" has been used in this report, instead of "State Department Information Program—Information Centers."
[2] The full title is State Department Information Program—Voice of America. For the sake of brevity, Voice of America will be used in this report as a title.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Permanent Subcommittee on Investigations, Committee on Government Operations of the United States Senate during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Ullmann, William Ludwig	Harvey Cedars, N. J.	Last Federal Government employment: Economic analyst, P-7, $8,179.50 per annum, Treasury Department, Division of Monetary Research, until Mar. 21, 1947.	Oct. 21, 1953	Transfer of Occupation Currency Plates—Espionage Phase, p. 40 ff.
Weltfish, Gene, Miss	Author Races of Mankind, In Henry's Back Yard; lecturer, Columbia University.	No Federal employment listed	Mar. 27, 1953	Information Centers, pt. 2, p. 119 ff.
Wilkerson, Doxey A	New York, N. Y.; author Special Problems of Negro Education.	Last Federal Government employment: Either education specialist, Education Division, Office of Price Administration, 1942-43, or member of the faculty, Howard University (Federal Security Agency), Washington, D. C., 1935-43.	July 2, 1953	Information Centers, pt. 7, p. 445 ff.
Wilkerson, Doxey A	Teacher, Jefferson School of Social Science, New York, N. Y.	Education specialist, Education Division, Office of Price Administration, 1942-43.	Sept. 8, 1953	Communist Infiltration Among Army Civilian Workers, p. 23 ff.
Wolman, Diana Molderber, Mrs. (Mrs. Benjamin Wolman).	505 Alabama Ave., New York, N. Y.; teacher, Thomas Jefferson High School, New York, N. Y., 1946 to date, apparently an instructor in Soviet literature and Russian, Jefferson School of Social Sciences, 1945, apparently chief of the export department, Four Continent Book Corp., 1943, born in Russia, became a United States citizen through the naturalization of her father.	Last Federal Government employment: Junior engineering aid, Army Signal Corps, Kearny, N. J., and New York, N. Y., 1942-43.	Dec. 15, 1953	Army Signal Corps—Subversion and Espionage, p. 43 ff. (galley).
Zucker, Jack	Philadelphia, Pa.	No Federal employment listed	Aug. 20, 1953	Security—Government Printing Office, pt. 2, p. 100 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate during 1953

Name	Identification	Federal employment if any	Date testified	Hearings citation
Abernethy, Milton A	Chapel Hill, N. C.; merchant	No Federal employment listed	Mar. 6, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 24 ff.
Abernethy, Minna, Mrs. (Mrs. Milton A. Abernethy).	305 North Columbia St., Chapel Hill, N. C.; until 1950, coowner with her husband of the Intimate Book Shop.	do	do	Communist Underground Printing Facilities and Illegal Propaganda, p. 3 ff.
Abt, John	444 Central Park West, New York, N. Y.; attorney.	Last Federal Government employment: Special Assistant to the Attorney General, $8,500 per annum, until Oct. 17, 1938.	May 26, 1953	Interlocking Subversion in Government Departments, pt. 10, p. 643 ff.
Anthony, Robenia F., Miss	312 Union St., Springfield, Mass.; retired teacher; taught 43 years in Springfield.	No Federal employment listed	Mar. 26, 1953	Subversive Influence in the Educational Process, pt. 6, p. 685 ff.
Aron, Paul Harvey	12 Fisher Dr., Mount Vernon, N. Y.; teacher at Sarah Lawrence College for 5 years.	do	Mar. 24, 1953	Subversive Influence in the Educational Process, pt. 5, p. 625 ff.
Austin, Richard H	50 Cambridge Rd., Great Neck, Long Island, N. Y.; employed in the registrar's office, College of the City of New York.	do	Feb. 10, 1953	Subversive Influence in the Educational Process, pt. 2, p. 450 ff.
Bancroft, Frank C	6534 167th St., Flushing, N. Y.; an editor; inactive minister on the rolls of the Protestant Episcopal Church's Diocese of Southern Ohio; previously employed in the Secretariat of the United Nations until 1952.	do	Sept. 25, 1953	Activities of United States Citizens Employed by the United Nations, pt. 4, p. 630 ff.
Barker, Elizabeth, Mrs. (Mrs. Guy Barker).	435 West 123d St., New York, N. Y.; apparently a housewife.	do	June 4, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1053 ff.
Barrows, Alice Prentice, Miss	East Blue Hill, Maine; retired Federal employee engaged in writing.	Last Federal Government employment: Educationist (specialist in school buildings) P-5, $4,800 per annum, Office of Education until Aug. 31, 1942.	June 23, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 831 ff.
Bazer, Julia Older, Mrs	601 East 20th St., New York, N. Y.; an editor, presently unemployed; until Sept. 15, 1953, employed by Herschaft Products, Inc., New York, N. Y.; previously employed by the United Nations.	Last Federal Government employment: Office of War Information until 1943.	Sept. 25, 1953	Activities of United States Citizens Employed by the United Nations, pt. 4, p. 584 ff.
Berman, Louise Rosenberg Bransten, Mrs.	New York, N. Y.; housewife	No Federal employment listed	Oct. 28, 1953	Interlocking Subversion in Government Departments, pt. 15, p. 1034 ff.
Blau, Harold Raymond	309 East 4th St., New York 9, N. Y.; teacher at Brooklyn Technical High School, New York, N. Y.	do	May 28, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1017.
Bressler, Joseph	15 Ludlum Pl., Brooklyn, N. Y.; assistant professor of health and physical education, Brooklyn College, for 26 or 27 years.	do	Feb. 10, 1953	Subversive Influence in the Educational Process, pt. 2, p. 434 ff.
Cameron, Angus	Upper Jay, N. Y.; book publisher, editor in chief, and vice president, Little, Brown, Publishing Co., 1943-51; currently with Cameron & Kahn, New York, N. Y.	do	May 7, 1953	Subversive Influence in the Educational Process, pt. 9, p. 885 ff.
Carson, Saul	New York, N. Y.; radio-television critic.	Office of War Information during World War II as a script editor.	June 16, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 793 ff.
Coe, Charles J. (Robert)	Brooklyn, N. Y.; writer and researcher; brother of V. Frank Coe: apparently associated with Farmer Research, Inc., 39 Cortlandt St. (Brooklyn?).	Last Federal Government employment: Code analyst, grade 12, $3,600 per annum; National Recovery Administration, Apr. 2, 1934-Nov. 24, 1934.	June 11, 1953	Interlocking Subversion in Government Departments, pt. 11, p. 707 ff.
Cohen, Morris U	2028 Mermaid Ave., Brooklyn, N. Y.; self-employed chemist; on the faculty of the College of the City of New York, 1930-41.	No Federal employment listed	May 19, 1953	Subversive Influence in the Educational Process, pt. 10, p. 995 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Permanent Subcommittee on Investigations, Committee on Government Operations of the United States Senate during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Kaplan, Louis	120 Taylor Ave., Neptune, N. J.; egg salesman, apparently for New Jersey Federated Egg Producers' Cooperative Association, Inc.	Last Federal Government employment: Signal Corps, Standards Agency, Eatontown, N. J., 1943-47.	Dec. 17, 1953	Army Signal Corps—Subversion and Espionage, p. 92 ff. (galley).
Kent, Rockwell	Author	No Federal employment listed	July 1, 1953	Information Centers, pt. 7, p. 419 ff.
Lewis, Helen, Mrs. (Mrs. Naphtali Lewis).	245 West 101st St., New York, N. Y.	do	June 10, 1953	State Department—Student-Teacher Exchange Program, p. 7 ff.
Levine, Ruth, Mrs	155 West 20th St., New York, N. Y.; until Dec. 14, 1953, employed by Federal Telecommunications Laboratory since July 1943.	do	Dec. 16, 1953	Army Signal Corps—Subversion and Espionage, p. 86 ff. (galley).
Levitsky, Joseph	65 Rutgers Pl., River Edge, N. J.; until Feb. 1953, employed at Federal Telecommunications Laboratories in Nutley, N. J.	Last Federal Government employment: Employed by the Army Signal Corps from 1940 to 1943.	Nov. 24, 1953	Army Signal Corps—Subversion and Espionage, p. 14 ff. (galley).
Linfield, David La Porte	1475 Townsend Ave., New York, N. Y.; private, U. S. Army, stationed at Murphy Army Hospital; previously employed by Federal Telecommunications Laboratory, 1952.	No Federal employment listed	Dec. 16, 1953	Army Signal Corps—Subversion and Espionage, p. 64 ff. (galley).
Lundmark, Carl J	See next column	Hand compositor, U. S. Government Printing Office since about 1941.	Aug. 29, 1953	Security—Government Printing Office, pt. 2, p. 129 ff.
Mandell, William Marx	Author of Soviet Far East and Central Asia; employed as copywriter by L. W. Frohlich & Co., 76 East 52d St., New York, N. Y.	No Federal employment listed	Mar. 24, 1953	Information Centers, pt. 1, p. 25 ff.
Mins, Leonard E	Employed by Walker Doran Teague (a firm), 1943-46. Present employment not specified.	Last Federal Government employment: Office of Strategic Services during World War II.	Dec. 14, 1953	Army Signal Corps—Subversion and Espionage, p. 18 ff. (galley).
Morrill, Donald Herbert	11 Seaside Terrace, Lynn, Mass.; employed at the River Works of the General Electric Co., Lynn, Mass., for 12½ years.	No Federal employment listed	Nov. 19, 1953	Subversion and Espionage in Defense Installations and Industry, p. 13 (galley).
Pataki, Ernest	343 East 8th St., New York, N. Y.; instructor of engineering, Cooper Union; employed by Federal Telecommunications Laboratory, June 1944-August 1950; became a naturalized citizen in 1944.	do	Dec. 15, 1953	Army Signal Corps—Subversion and Espionage, p. 38 ff. (galley).
Percoff, Joseph H	Home: 1840 Phaelen Pl., New York, N. Y.; business: 274 Madison Ave., New York, N. Y.; an attorney.	Last Federal Government employment: Signal Corps, Fort Monmouth, N. J., until 1945.	Dec. 11, 1953	Army Signal Corps—Subversion and Espionage, p. 98 ff. (galley).
Piekarski, Witulad W	Employed at the River Works of the General Electric Co., Lynn, Mass., since February 1941.	No Federal employment listed	Nov. 19, 1953	Subversion and Espionage in Defense Installations and Industry, p. 15 ff. (galley).
Powell, Doris Walters, Mrs	Previously employed by the Peoples Voice, a New York newspaper, 1945-47.	Employed by the U. S. Army Quartermaster Corps in New York when served with a subpena.	Sept. 8, 1953	Communist Infiltration Among Army Civilian Workers, p. 16.
Reiss, Julius	741 Westminster Rd, Brooklyn, N. Y. Employed by the Polish delegation to the United Nations since September 1950.	No Federal employment listed	Sept. 17, 1953	Security—United Nations, p. 5 ff.
Robeson, Eslanda Cardoza Goode, Mrs. (Mrs. Paul Robeson).	Author, African Journey, and biography, Paul Robeson (her husband).	do	July 7, 1953	Information Centers, pt. 7, p. 473 ff.
Rosinger, Lawrence K	Author of China's Wartime Politics, India and the United States, Restless India, State of Asia, China's Crisis, and Forging a New China.	Last Federal Government employment: Consultant (without compensation), Department of State, Office of Public Affairs, Oct. 6-8, 1949.	Mar. 25, 1953	Information Centers, pt. 1, p. 62 ff.
Rothschild, Edward M	See next column	Employed by U. S. Government Printing Office.	Aug. 18, 1953	Security—Government Printing Office, pt. 1, p. 62 ff.
Rothschild, Esther, Mrs	Wife of Edward M. Rothschild	No Federal employment listed	Aug. 19, 1953	Security—Government Printing Office, pt. 2, p. 73 ff.
Sarant, Louise, Mrs. (formerly Mrs. Al Sarant).		do	Dec. 11, 1953	Army Signal Corps—Subversion and Espionage, p. 6 ff. (galley).
Savitt, Morris	8515 66th Ave., Queens, New York, N. Y.; an electrical engineer employed by Slocum & Fuller, previously employed by the New York State Department of Public Works, Apr. 1947-June 1953.	Last Federal Government employment: Corps of Engineers, December 1939-March 1941; Brooklyn Navy Yard, March 1941-July 1945, June 1946-April 1947.	Dec. 14, 1953	Army Signal Corps—Subversion and Espionage, p. 14 ff. (galley).
Schappes, Morris U	94 Hamilton Pl., New York 31, N. Y.; self-employed, author of A Documentary History of the Jews in the United States.	No Federal employment listed	Apr. 2, 1953	Information Centers, pt. 2, p. 140 ff.
Sholket, Henry N	1337 55th St., Brooklyn, N. Y.; employed by Lawson Machinery Corp., 426 West 33d St., New York, N. Y., previously employed by the Boeing Aircraft Co., Seattle plant 3.	Last Federal Government employment: Engineer, Navy Department, Brooklyn Navy Yard, 1941-43, and at Mare Island, 1943-47.	Dec. 10, 1953	Army Signal Corps—Subversion and Espionage, p. 90 ff. (galley).
Sillers, Frederick, Jr	Rolla, Mo.; previously resided in Washington, D. C., being employed in several Government agencies.	U. S. Bureau of Mines until February 1953.	Aug. 17, 1953	Security—Government Printing Office, pt. 1, p. 56 ff.
Silvermaster, Nathan Gregory	Self-employed	Last Federal Government employment: Economist, P-8, $10,000 per annum, War Assets Administration, Economic and Market Research, until Nov. 30, 1946.	Oct. 21, 1953	Transfer of Occupation Currency Plates—Espionage Phase, p. 35 ff.
Snyder, Samuel Joseph	2141 34th Ave., Long Island City, N. Y.; patent attorney since 1932.	Last Federal Government employment: Army Signal Corps, 1949-52.	Dec. 16, 1953	Army Signal Corps—Subversion and Espionage, p. 70 ff. (galley).
Socol, Albert	419 West End Ave., Long Branch, N. J.; present employment not specified.	Last Federal Government employment: Evans Signal Laboratory, Fort Monmouth, N. J., 1942-47.	Dec. 14, 1953	Army Signal Corps—Subversion and Espionage, p. 10 ff. (galley).
Stern, Bernhard J	Professor of sociology, Columbia University.	No Federal employment listed	Mar. 27, 1953	Information Centers, pt. 2, p. 101 ff.
Stolberg, Sidney	27 North Rockdale Ave., Roseville, N. J.; manager, New Jersey Federated Egg Producers' Cooperative Association, Inc.	do	Dec. 16, 1953	Army Signal Corps—Subversion and Espionage, p. 80 ff. (galley).
Taylor, William C	Los Angeles, Calif.	do	Aug. 22, 1953	Security—Government Printing Office, pt. 2, p. 118 ff.
Ullmann, Marcel		Employed by the Army Signal Corps at Fort Monmouth, N. J., December 1941 to 1947.	Dec. 10, 1953	Army Signal Corps—Subversion and Espionage, p. 83 ff. (galley).

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Collins, Henry H., Jr.	Bronxville, N. Y.; writer	Last Federal Government employment: Administrative Assistant, grade 19A, $10,000 per annum, Reconstruction Finance Corporation, until Jan. 24, 1947.	Apr. 10, 1953	Interlocking Subversion in Government Departments, pt. 1, p. 4 ff.
Davin, Thomas	325 East 33d St., New York, N. Y.; presently unemployed; previously managing editor of the publications of the American Diabetes Association.	No Federal employment listed	June 2, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1050 ff.
Davis, Horace Bancroft	Kansas City, Mo.; associate professor of economics, University of Kansas City.	do	June 9, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1116 ff.
Einhorn, Nathan	1900 F St. NW., Washington, D. C.; 68 Montague St., Brooklyn, N. Y.; newspaperman, public relations man, publicity man; employed by the Embassy of Poland since 1951 in the press office.	do	Mar. 31, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 193 ff.
Fajans, Irving	New York, N. Y.; writer, coauthor of Heart of Spain with Alvah Vessie.	Assigned to the Office of Strategic Services while an infantry soldier and officer in the 42d and 3d Divisions.	June 16, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 788 ff.
Faxon, George R.	480 Center St., Jamaica Plain, Mass.; teacher at Boston Latin School in the Boston public school system.	No Federal employment listed	Mar. 26, 1953	Subversive Influence in the Educational Process, pt. 6, p. 683 ff.
Fitzgerald, Edward J.	New York, N. Y.; free-lance writer	Last Federal Government employment: Social science analyst, P-7, $8,179.50 per annum, Department of Commerce, until Sept. 19, 1947.	May 1, 1953	Interlocking Subversion in Government Departments, pt. 5, p. 245 ff.
Flato, Charles Sidney	Wellfleet, Mass.; presently unemployed.	Last Federal Government employment: Special assistant, $6,500 per annum, Office of War Mobilization and Reconversion, Surplus Property Board, until June 30, 1945.	May 19, 1953	Interlocking Subversion in Government Departments, pt. 8, p. 488 ff.
Frauenglass, William	17 Stoddard Pl., Brooklyn, N. Y.; teacher at James Madison High School, Brooklyn.	No Federal employment listed	Apr. 24, 1953	Subversive Influence in the Educational Process, pt. 8, p. 838 ff.
Friedman, Samuel	Palos Park, Ill.; truckdriver for the University of Chicago Press.	do	June 8, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1087.
Glaser, Mrs. Eda Habinsky	250 West 22d St., New York, N. Y.; born in Manchuria, became a citizen of the United States in 1932, clerk in the Reference Library, United Nations Security Council, with U. N. since 1947.	do	Feb. 19, 1953	Activities of United States Citizens Employed by the United Nations, pt. 2, p. 443 ff.
Glasser, Harold	8 Sheffield Rd., Great Neck, N. Y.; economist employed with the Council of Jewish Federations & Welfare Funds, 165 West 46th St., New York, N. Y.	Last Federal Government employment: Assistant Director, P-8, $10,000 per annum, Treasury Department, Office of International Finance, until Dec. 31, 1947.	Apr. 14, 1953	Interlocking Subversion in Government Departments, pt. 2, p. 54 ff.
Gold, Hyman	2801 141st St., Flushing, N. Y.; registrar's assistant, College of the City of New York for approximately 20 years.	No Federal employment listed	Feb. 10, 1953	Subversive Influence in the Educational Process, pt. 2, p. 440 ff.
Grauman, Jacob	20 Tuckerman St., NW., Washington, D. C.; until March 27, 1953, employed as an engineer by the International Bank for Reconstruction and Development, born in Austria, entered the United States in 1921, became a citizen of the United States by virtue of his father's citizenship.	Last Federal Government employment: Statistician, P-6, $6,440 per annum, Office of War Mobilization and Reconversion, up to February 1947.	Apr. 27, 1953	Activities of United States Citizens Employed by the United Nations, pt. 2, p. 473 ff.
Gruen, Sonia, Mrs.	250 West 22d St., New York, N. Y.; employed as a librarian by the United Nations doing general reference work, at a salary of $6,270 since 1947.	No Federal employment listed	Feb. 19, 1953	Activities of United States Citizens Employed by the United Nations, pt. 2, p. 441 ff.
Guarnaccia, Elizabeth, Miss	18 Day St., Somerville, Mass.; teacher at Somerville High School.	do	Mar. 27, 1953	Subversive Influence in the Educational Process, pt. 6, p. 706 ff.
Gustafson, Elton	139 Hoyt St., Brooklyn, N. Y.; instructor in health and physical education, Brooklyn College, since 1931.	do	Feb. 24, 1953	Subversive Influence in the Educational Process, pt. 2, p. 473 ff.
Halperin, Maurice	194 Kelton St., Boston, Mass.; chairman, regional studies department, Boston University since 1949. Previously observer and consultant to the Economic and Social Council of the United Nations under the employ of the American Jewish Conference and later the American Jewish Committee, 1946–49.	Last Federal Government employment: Chief, P-8, $8,750 per annum, State Department, research and analysis, Latin America, until May 31, 1946.	Mar. 26, 1953	Subversive Influence in the Educational Process, pt. 6, p. 667 ff
Harris, Lement U.	2865 Faber Ter., Far Rockaway, Long Island, N. Y.; self-employed doing research in agriculture previously resided in Chappagua, N. Y., apparently a research worker for Farm Research, Inc., at one time.	No Federal employment listed	Oct. 28, 1953	Interlocking Subversion in Government Departments, pt. 15, p. 1035 ff.
Hiskey, Clarence F.	Grace Courts, Brooklyn, N. Y.; chemist, formerly a professor at Brooklyn Polytechnical Institute.	Last Federal Government employment: Tennessee Valley Authority (sometime between 1939 and 1943).	do	Interlocking Subversion in Government Departments, pt. 15, p. 1030 ff.
Hoch, Myron L.	145 Henry St., Brooklyn, N. Y.; teacher at the College of the City of New York since 1931, with a break during World War II, 1941–47.	Last Federal Government employment: War Assets Administration, 1946–47.	Apr. 23, 1953	Subversive Influence in the Educational Process, pt. 8, p. 818 ff.
Hurlinger, Iven	1535 Walton Ave., New York, N. Y.; physicist for Physical Research Laboratories.	Apparently no Federal employment as such, though he worked on Federal contracts.	May 13, 1953	Subversive Influence in the Educational Process, pt. 10, p. 965 ff.
Hyams, Jacob Shalom	Washington, D. C.; secretary-treasurer and operator, Superior Press.	Last Federal Government employment: Offset cameraman or plateman, War Department, $1,620 per annum, 1940–42.	Mar. 13, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 101 ff.
Isenberg, Irvin	5112 South Ingleside Ave., Chicago, Ill.; teacher and researcher at the University of Chicago since 1949.	No Federal employment listed	June 9, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1109 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Jerome, Mrs. Alice (Mrs. V. J. Jerome).	320 2d Ave., New York, N. Y.; director of the Park Nursery School, 318 2d Ave., New York, N. Y.; wife of V. J. Jerome.	No Federal employment listed	Apr. 8, 1953	Subversive Influence in the Educational Process, pt. 7, p. 785 ff.
Joseph, Julius J	108 West 76th St., New York, N. Y.; economist presently unemployed.	Last Federal Government employment: Senior administrative officer, CAF-12, $4,600 per annum, Labor Department, War Manpower Commission, Bureau of Program Requirements, until June 7, 1943. Detailed to Office of Strategic Services during World War II.	May 26, 1953	Interlocking Subversion in Government Departments, pt. 10, p. 607 ff.
Josephson, Leon	160 West 16th St., New York, N. Y.; at present, in the restaurant business with his brother Warren Josephson; formerly a practicing attorney in New Jersey.	No Federal employment listed	Oct. 28, 1953	Interlocking Subversion in Government Departments, pt. 15, p. 1032 ff.
Kamin, Leon J	42 Quincy St., Cambridge, Mass.; employed part time as a teaching fellow at Harvard University since September 1951.	do	Mar. 26, 1953	Subversive Influence in the Educational Process, pt. 8, p. 677 ff.
King, Harold	625 East 14th St., New York, N. Y.; teacher at Straubenmuller Textile High School.	do	June 4, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1068 ff.
Kipnis, Ira Aaron	1352 East 48th St., Chicago, Ill.; full-time student at the University of Chicago Law School; previously a university instructor.	do	June 8, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1089 ff.
Knowles, Mary, Mrs	159 Cottage St., Norwood, Mass.; librarian of South Norwood Branch Library, Norwood, Mass., for 5 years.	do	May 21, 1953	Subversive Influence in the Educational Process, pt. 10, p. 1002 ff.
Kramer, Charles	83 Grand St., Croton, N. Y.; economist and research worker for the Progressive Party at 17 West 45th St., New York, N. Y.; his name up to 1935 was Charles Krivitsky.	Last Federal Government employment: Head economist, P-7, $6,500 per annum, Office of Price Administration, Office of the Administrator, until Nov. 23, 1944.	May 6, 1953	Interlocking Subversion in Government Departments, pt. 6, p. 328 ff.
Lubell, David Gabriel	53 Wendell St., Cambridge, Mass.; student at Harvard Law School; twin brother of Jonathan William Lubell.	No Federal employment listed	Mar. 27, 1953	Subversive Influence in the Educational Process, pt. 6, p. 700 ff.
Lubell, Jonathan William	53 Wendell St., Cambridge, Mass.; student at Harvard Law School; twin brother of David Gabriel Lubell.	do	do	Subversive Influence in the Educational Process, pt. 6, p. 694 ff.
Magdoff, Harry	6862 136th St., Flushing, N. Y.; research economist; self-employed.	Last Federal Government employment: Program planning officer, P-8, $9,975 per annum, Department of Commerce, Office of Small Business, until Dec. 27, 1946.	May 1, 1953	Interlocking Subversion in Government Departments, pt. 5, p. 286 ff.
Markham, Helen Wendler Dean, Mrs. (Mrs. George F. Markham).	387 Harvard St., Cambridge, Mass.; assistant professor, department of anatomy, Harvard Medical School.	No Federal employment listed	Mar. 27, 1953	Subversive Influence in the Educational Process, pt. 6, p. 691 ff.
Martineau, Paul Victor	Williamstown, Mass.; junior librarian at Williams College since July 1, 1952.	Last Federal Government employment: Airport engineer (disposal), P-4, $4,902 per annum, Department of Commerce, Civil Aeronautics Administration, until July 22, 1946; intelligence officer in OSS during World War II.	May 8, 1953	Subversive Influence in the Educational Process, pt. 9, p. 923 ff.
Marzani, Carl Aldo	111 West 88th St., New York, N. Y.; employed by United Electrical Workers in general publicity work.	Last Federal Government employment: Assistant Chief, Presentation Division, CAF-14, $8,179.50 per annum, State Department, until Dec. 20, 1946.	June 18, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 800 ff.
Mins, Leonard E	130 West 57th St., New York 19, N. Y.; playwright and translator.	Last Federal Government employment: Apparently research analyst on Soviet Union for Office of Strategic Services during World War II.	June 11, 1953	Interlocking Subversion in Government Departments, pt. 11, p. 680 ff.
Norton, Robert	2033 McGraw St., New York 62, N. Y.; employed by the news service of the American Chemical Society.	No Federal employment listed	Apr. 24, 1953	Subversive Influence in the Educational Process, pt. 8, p. 824 ff.
Novikoff, Alex Benjamin	Burlington, Vt.; professor of experimental pathology and associate professor of biochemistry, University of Vermont College of Medicine; born in Russia; entered the United States in 1913; derivative citizenship through his father's naturalization in 1918.	do	Apr. 23, 1953	Subversive Influence in the Educational Process, pt. 8, p. 804 ff.
Ober, Harry	7609 16th Ave., Takoma Park, Md.; economist; born in Poland; entered the United States in 1921. Became a citizen of the United States in 1927.	Last Federal Government employment: Labor economist, $9,600 per annum, Department of Labor, Bureau of Labor Statistics, until Oct. 22, 1952.	Apr. 22, 1953	Interlocking Subversion in Government Departments, pt. 4, p. 204 ff.
Oberwager, Jerome A	The Westover Hotel, West 72d St., New York, N. Y.; until Jan. 1953, employed as a teacher of film scripts by UNESCO.	No Federal employment listed	Feb. 19, 1953	Activities of United States Citizens Employed in the United Nations, pt. 2, p. 451 ff.
Olson, William	6574 Saunders St., Rego Park, Queens, N. Y.; teacher, New York University.	do	May 5, 1953	Subversive Influence in the Educational Process, pt. 8, p. 871 ff.
Perlo, Victor	Flushing, N. Y.; economic consultant in New York and author.	Last Federal Government employment: Economic analyst, P-7, $8,778 per annum, Treasury Department, Division of Monetary Research, until Mar. 27, 1947.	May 12, 1953	Interlocking Subversion in Government Departments, pt. 7, p. 384 ff.
Porter, Margaret B. Bennett, Mrs.	515 Ridgewood Lane, Pasadena, Calif.; housewife.	Last Federal Government employment: office attorney, P-3, $3,400 per annum, National Labor Relations Board, until Mar. 4, 1941.	June 12, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 741 ff.
Rein, David	711 14th St. NW., Washington, D. C.; an attorney, member of the law firm Forer & Rein.	Last Federal Government employment: Attorney, National Labor Relations Board, 1945-46.	Mar. 6, 1953	Communist Underground Printing Facilities and Illegal Propaganda p. 23.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Selsam, Howard	501 West 138th St., New York, N. Y., apparently director of the Jefferson School of Social Science, New York, N. Y.; previously taught at the American University of Beirut, Syria to 1927; at Columbia University to 1931; and at Brooklyn College to 1941.	No Federal employment listed	Apr. 8, 1953	Subversive Influence in the Educational Process, pt. 7, p. 772 ff.
Shaftel, Oscar H	3915 45th St., Queens, N. Y.; assistant professor, Queens College, N. Y.	do	Feb. 10, 1953	Subversive Influence in the Educational Process, pt. 2, p. 416 ff.
Silvermaster, Nathan Gregory	Harvey Cedars, N. J.; builder in partnership with William L. Ullmann; born in Russia; entered the United States in 1915; became a citizen of the United States in 1927.	Last Federal Government employment: Chief economist (Director), P-8, $10,000 per annum, War Assets Administration, Economic and Market Research, until Nov. 30, 1946.	Apr. 16, 1953	Interlocking Subversion in Government Departments, pt. 3 p. 102 ff.
Siporin, Mary R., Mrs	6060 South Kimbark St., Chicago, Ill.; until May 29, 1953, office manager, radio office at the University of Chicago.	No Federal employment listed	June 9, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1112, ff.
Smith, Edwin Seymour	107 State St., Brooklyn, N. Y.: operator of two news photograph agencies and a literary and music agency.	Last Federal Government employment: Member of Board, $10,000 per annum, National Labor Relations Board, by Presidential appointment, 1935-41.	May 21, 1953	Interlocking Subversion in Government Departments, pt. 9, p. 546 ff.
Socolar, Sidney J	6153 South Drexel Ave., Chicago, Ill.; instructor in physical sciences in the College of the University of Chicago.	No Federal employment listed	June 9, 1953	Subversive Influence in the Educational Process, pt. 12, p. 1096 ff.
Solomon, Benjamin	825 East Drexel Sq., Chicago, Ill.; research associate in economics, University of Chicago.	do	do	Subversive Influence in the Educational Process, pt. 12, p. 1105 ff.
Spitzer, Ralph	5200 Brookside Blvd., Kansas City, Mo.: associate professor, University of Kansas City.	do	do	Subversive Influence in the Educational Process, pt. 12, p. 1125 ff.
Steigman, Joseph	141 Joralemon St., Brooklyn, N. Y.; assistant professor of chemistry at Polytechnical Institute of Brooklyn.	do	May 21, 1953	Subversive Influence in the Educational Process, pt. 10, p. 1005 ff.
Stuart, John (also known as Harry Vinegar, Harry Winegar, Harry Vinacur, and Harry Vinacuar).	20 Sidney Pl., Brooklyn 1, N. Y.; 2460-16th St. NW., Washington, D. C.; journalist-editor by occupation.	do	Mar. 31, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 210 ff.
Studenberg, Irving	1509 Quinnwood St., Hyattsville, Md.; linotype operator, Progressive Printing Co., 219 H St. NE., Washington, D. C.	Last Federal Government employment: Linotype section, U. S. Government Printing Office, 1935-43.	Mar. 13, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 154 ff.
Tenney, Helen B., Miss	2 Horatio St., New York, N. Y., present occupation not listed.	Last Federal Government employment: Editorial analyst (chief of section), P-3, $4,275 per annum, War Department, Strategic Services Unit, until July 19, 1946.	June 16, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 772 ff.
Trinkhaus, Charles	30 Schermerhorn St., Brooklyn, N. Y.; teacher, Sarah Lawrence College.	No Federal employment listed	June 4, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1066.
Vincent, Craig S	San Cristobal, New Mexico; in conjunction with his wife, operates the San Cristobal Valley Ranch.	Last Federal Government employment: Chief of section, Domestic Division, War Shipping Administration, 1942-45.	June 12, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 752 ff.
Weber, Frederick Palmer	418 West 118th St., New York, N. Y.; research economist working for fees.	Last Federal Government employment: Head business adviser (War Mobilization) CAF-14, $6,500 per annum, War Production Board, Division of Personnel Management, until Jan. 28, 1944.	Apr. 21, 1953	Interlocking Subversion in Government Departments, pt. 4, p. 178 ff.
Wilkerson, Doxey A	New York, N. Y.; teacher, Jefferson School of Social Science, New York, N. Y.	Last Federal Government employment: member of the faculty, Howard University (Federal Security Agency), Washington, D. C., 1935-43.	Mar. 24, 1953	Subversive Influence in the Educational Process, pt. 5, p. 641 ff.
Witt, Nathan	160 West 77th St., New York, N. Y., attorney.	Last Federal Government employment: Secretary, National Labor Relations Board, CAF-14, $7,500 per annum, until Jan. 17, 1941.	Apr. 26, 1953	Interlocking Subversion in Government Departments, pt. 10, p. 623 ff.
Wolff, Milton	49 West 28th St., New York, N. Y., painter or artist, presently unemployed; national commander, Veterans of the Abraham Lincoln Brigade.	During his service in the U. S. Army, assigned to the Office of Strategic Services and stationed in Italy.	June 16, 1953	Interlocking Subversion in Government Departments, pt. 12, p. 767 ff.
Wortis, Joseph	152 Hicks St., Brooklyn, N. Y.; physician, psychiatrist, and author; teacher at Jefferson School of Social Science.	Veterans' Administration in Brooklyn, N. Y.	June 2, 1953	Subversive Influence in the Educational Process, pt. 11, p. 1037 ff.
Wuchinich, George S	12 Clarkson St., Malverne, N. Y.; employment not specified.	While in the U. S. Army, detailed to the Office of Strategic Services and assigned to Yugoslavia.	June 11, 1953	Interlocking Subversion in Government Departments, pt. 11, p. 702 ff.
Young, Murray	27 Grace Court, Brooklyn, N. Y.; instructor, Brooklyn College.	No Federal employment listed	Feb. 24, 1953	Subversive Influence in the Educational Process, pt. 2, p. 476 ff.
Zelitan, Elizabeth Aiken, Mrs. (also known as Miss Elizabeth Aiken).	30 West 105th St., New York, N. Y.; born in Russia; became a citizen of the United States in 1928.	do	June 11, 1953	Communist Underground Printing Facilities and Illegal Propaganda, p. 308 ff.
ADDENDUM				
Bliss, Willard	3709 Main St., Erie, Pa.; newspaper editor; edits the Union News, published by the United Electrical, Radio, and Machine Workers of America, local 506, since mid-1949.	No Federal employment listed	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 177 ff.
Briney, Harold K	322 Roup Ave., Pittsburgh, Pa.; an employee of the Westinghouse Air Brake Co.; president of local 601, United Electrical, Radio, and Machine Workers of America since 1948.	do	Nov. 10, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 87 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate during 1953—Continued

ADDENDUM—continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Elveson, Leon	2802 Olinville Ave., Bronx, New York, N. Y.; present employment not specified; previously employed by the United Nations.	No Federal employment listed	Oct. 29, 1953	Activities of United States Citizens Employed by the United Nations, pt. 5, p. 665 ff.
Fitzpatrick, Thomas J	915 Ramsey St., Wilkinsburg, Pa.; employed for 30 years and more by the Westinghouse Electric Co. in East Pittsburgh; president of district 6, United Electrical, Radio, and Machine Workers of America, 1946–47.	do	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 151 ff.
Flanagan, Thomas	409 Johnson Rd., Pittsburgh, 35, Pa.; international representative of the United Electrical, Radio, and Machine Workers of America since 1948.	do	Nov. 10, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 112 ff.
Glaser, Eda Habinsky, Mrs	250 West 22d St., New York, N. Y.; presently unemployed; previously employed by the United Nations, 1947–52; UNRRA, 1946–47; Soviet Government Purchasing Commission, 1944–45.	do	Dec. 22, 1953	Activities of United States Citizens Employed by the United Nations, pt. 5, p. 693.
Harris, Jack Sargent	Prior to 1939, his family name was Herscovitz; apparently was known as Russell Sumner during 1931–35; presently employed by Herrschaft Products, Inc., New York, N. Y.; previously employed as Political Affairs Officer, Division of Trusteeship, United Nations, 1947–52.	Last Federal Government employment: Office of Strategic Services, 1942–45.	Oct. 2, 1953	Activities of United States Citizens Employed by the United Nations, pt. 5, p. 649 ff.
Kirkwood, Robert C	Rural Delivery 3, Greensburg, Pa.; business agent, local 610, United Electrical, Radio, and Machine Workers of America since early 1948.	No Federal employment listed	Nov. 10, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 98 ff.
Loney, Stanley L	81 Thomas Ave., Crafton, Pa.; presently unemployed; formerly president of District 6, United Electrical, Radio, and Machine Workers of America from 1948 through October 1953.	do	do	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 68 ff.
McNeil, Allan D	7936 Takoma St., Pittsburgh, Pa.; district representative of District 6, United Electrical, Radio, and Machine Workers of America, in western Pennsylvania; apparently born in Calcutta, India; left India in 1918; currently under deportation proceedings pursuant to the McCarran-Walter Immigration and Nationality Act.	do	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 137 ff.
Nelson, John W	2110 East 10th St., Erie, Pa.; a setup man for the General Electric Co.; president of Local 506, United Electrical, Radio, and Machine Workers of America, for approximately 10 years.	do	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 130 ff.
Panzino, Frank	20-A Caruthers Dr., Turtle Creek, Pa.; employed as a bender at the Westinghouse Electric Co.; member of IUE-CIO.	do	Nov. 10, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 109 ff.
Quinn, Thomas J	1418 Wall Ave., Pitcairn, Pa.; welder at Westinghouse Electric Corp., East Pittsburgh, Pa.; president of Local 601, United Electrical, Radio, and Machine Workers of America, East Pittsburgh, Pa.	do	do	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 93 ff.
Stabor, Alexander	2802 Cascade St., Erie, Pa.; a grinder at the General Electric Co. since December 1950; steward in Local 506, District 6, United Electrical, Radio, and Machine Workers of America.	do	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 157 ff.
Svenchansky, Alexander	144–58 Village Rd., Jamaica, N. Y.; also known as Shura Swan; born in Theodosia (formerly Kaffa) in the Crimea, Russia; arrived in the United States on Sept. 1, 1923; became a citizen of the United States on May 29, 1929, by virtue of the naturalization of his father; present employment not specified; previous employment: United Nations as a radio broadcaster, 1946–52; Soviet Purchasing Commission, 1942; Amtorg Trading Corp., New York, N. Y., 1932–42; All Russian Textile Syndicate, 1928–31.	do	Oct. 29, 1953	Activities of United States Citizens Employed by the United Nations, pt. 5, p. 670 ff.
Ullmann, William Ludwig	Harvey Cedars, N. J	Last Federal Government employment: Economic analyst, P-7, $8,179.50 per annum, Treasury Department, Division of Monetary Research, until Mar. 21, 1947.	Dec. 2, 1953	Interlocking Subversion in Government Departments, pt. 16, p. 1191 ff.
Vuletich, Mike	R. D. 1, Box 56, Trafford, Pa.; a pipefitter employed by Fisher Body, General Motors, Dravosburg, Pa.; born in Poloy(?), a village in the Austro-Hungarian Empire, in 1908; entered the United States in 1921.	No Federal employment listed	Nov. 12, 1953	Subversive Influence in the United Electrical, Radio, and Machine Workers of America, Pittsburgh and Erie, Pa., p. 187 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the House Committee on Un-American Activities during 1953

Name	Identification	Federal employment if any	Date testified	Hearings citation
Albert, Sam	Los Angeles, Calif.; a violinist	No Federal employment listed	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 791 ff.
Andren, Carl	523 East 14th St., New York, N. Y.; a vice president of district 65, CIO.	do	July 6, 1953	Investigation of Communist Activities in the New York Area, pt. 5, p. 1982 ff.
Anton, Benjamin David	4336 Pine St., Philadelphia, Pa.; born in Russia; principal of the Baldwin Public School for 21 years.	do	Nov. 18, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2998 ff.
Atkinson, Sadie T., Mrs	2203 North 7th St., Philadelphia, Pa.; teacher, Clara Barton Elementary School; 1st grade teacher since 1943.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2988.
Attarian, Aram	24622 Traynor Court, Hayward, Calif.; apparently employed by Perry's Studio, 9334 East 14th St., Oakland, Calif.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 10 ff (galley).
Austin, Kenneth Craig	535 Columbus Ave., San Francisco, Calif., apartment 33; present occupation, longshoreman.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 69 ff (galley).
Bailey, William J	Presently unemployed	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 37 (galley).
Barnes, Carroll	1027 9th St., Oakland, Calif.; presently unemployed.	do	Dec. 4, 1943	Investigation of Communist Activities in the San Francisco Area, p. 8 (galley).
Bellan, Herman Aaron	7641 Thouron Ave., Philadelphia, Pa.; teacher in Grants High School.	do	Nov. 18, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 3014 ff.
Belfrage, Cedric Henning	310 West 99th St., New York, N. Y.; born in London, and a subject of Great Britain; a writer for motion-picture magazines.	Apparently a member of the Psychological Warfare Division of SHAEF.	May 5, 1953	Investigation of Communist Activities in the New York City Area, pt. 2, p. 1273 ff.
Belinky, Sidney	Albany, N. Y., laundry worker	No Federal employment listed	July 16, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2539 ff.
Benet, James Walker, II	2121 Vallejo St., San Francisco, Calif.; employed at the San Francisco Chronicle; previously engaged in journalism while living in New York, 1935–46.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 16 ff. (galley).
Black, Robert	1218 34th Ave., Oakland, Calif.; born in Dundee, Scotland; became a citizen through his father's naturalization in either 1930 or 1931; apparently employed as a printer by the Oakland Tribune.	do	do	Investigation of Communist Activities in the San Francisco Area, p. 11 ff. (galley).
Bowen, Mildred, Miss	604 28th St., Oakland, Calif.; presently unemployed.	do	do	Investigation of Communist Activities in the San Francisco Area, p. 100 (galley).
Burke, Libby, Miss	Professional dancer	do	Mar. 30, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 3, p. 662 ff.
Byrne, Norman	Los Angeles, Calif.; member of the staff, Los Angeles City College, 1929–42; plumber since 1947.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 751 ff.
Chown, Paul	Field organizer for the United Electrical, Radio and Machine Workers of America for 3 years; previously employed by the Joint Action Committee of Northern California Local Unions in 1950.	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 28 ff. (galley).
Darling, Barbara Ann, Mrs. (Mrs. Byron Thorwell Darling).	59 West 9th Ave., Columbus, Ohio; secretary, department of romance languages, Ohio State University.	do	June 17, 1953	Investigation of Communist Activities in the Columbus, Ohio, Area, p. 1789 ff.
Darling, Byron Thorwell	1870 North 4th St., Columbus, Ohio; theoretical physicist, Ohio State University.	do	Mar. 13, 1953	Communist Methods of Infiltration (Education), pt. 2, p. 130 ff.
Do	59 West 9th Ave., Columbus, Ohio; professor physics at Ohio State University.	do	June 18, 1953	Investigation of Communist Activities in the Columbus, Ohio, Area, p. 1801 ff.
Deacon, Thomas	1931 Spruce St., Philadelphia, Pa.; counselor, Sulzberger Junior High School; teacher since 1929.	do	Nov. 18, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 3019.
Delgado, John	Truck driver	do	Dec. 3, 1953	Investigation of Communist Activities in the San Francisco Area, p. 98 (galley).
Dodd, Rena, Miss	Albany, N. Y.; up to July 3, 1953, employee of the New York State Health Department, Division of Laboratories.	do	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2523 ff.
Douglas, Dorothy W., Mrs	54 Prospect St., Northampton, Mass.; formerly professor at Smith College; presently unemployed.	do	Mar. 13, 1953	Communist Methods of Infiltration (Education), pt. 2, p. 155 ff.
Duarte, Charles Alfred	1005 102d Ave., Oakland, Calif., president, local 6, ILWU.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 23 ff. (galley).
Dunham, Barrows	127 Bentley Ave., Cynwyd, Pa	do	Feb. 27, 1953	Communist Methods of Infiltration (Education), pt. 1, p. 118 ff.
D'Usseau, Arnaud	New York, N. Y.; playwright; author of Deep Are the Roots, Tomorrow the World, and Legend of Sarah.	do	May 5, 1953	Investigation of Communist Activities in the New York City Area, pt. 2, p. 1306 ff.
Eagle, Eugene	1324 Broadway, San Francisco, Calif.; an optometrist.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 67 ff. (galley).
Eastman, Philip Dey	Los Angeles, Calif.; artist and writer—freelance.	do	Mar. 23, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 1, p. 322 ff.
Elfont, Sophie, Miss	425 South Carlisle St., Philadelphia, Pa.; teacher at Stetson Junior High School since January 1944.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2982 ff.
Fagerhaugh, Ole	2285 East 19th St., Oakland, Calif.; born in Tromso, Norway; became a citizen by virtue of his father's naturalization in 1912; a warehouseman, apparently at the Illinois Glass Co., 601 36th Ave., Oakland, Calif.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 6 ff. (galley).

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the House Committee on Un-American Activities during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Faragoh, Francis Edward	Los Angeles, Calif.; born in Hungary; entered the United States in 1909; became a citizen of the United States in 1935.	No Federal employment listed	Mar. 24, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 1, p. 363 ff.
Fine, Daniel	721 Huntington Ave., Boston, Mass.; physician, Peter Bent Brigham Hospital, Boston, Mass.	do	Apr. 14, 1953	Communist Methods of Infiltration (Education), pt. 2, p. 227 ff.
Flacks, David	1444 Carroll St., New York, N. Y.; teacher for 26 years.	do	May 5, 1953	Investigation of Communist activities in the New York City Area, pt. 2, p. 1248 ff.
Flacks, Mildred, Mrs. (Mrs. David Flacks).	1444 Carroll St., New York, N. Y.; teacher for 20 years until dismissed in 1952.	do	do	Investigation of Communist Activities in the New York City Area, pt. 2, p. 1250 ff.
Flynn, Hulda Rees, Mrs	4831 St. Elmo Ave., Bethesda, Md.; housewife; formerly taught psychology at Smith College.	do	Mar. 17, 1953	Communist Methods of Infiltration (Education), pt. 2, p. 163 ff.
Frederick, George Van	2011 Bridgeway, Sausalito, Calif.; employed as a draftsman with Bechtel Corp. until the day he was served with a subpena.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 62 ff. (galley).
Fruit, Harry	7134 Horrocks St., Philadelphia, Pa.; teacher in Germantown High School, Philadelphia, Pa.	do	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2911 ff.
Furry, Wendell Hinkle	Associate professor of physics, Harvard University.	do	Feb. 26, 1953	Communist Methods of Infiltration (Education), pt. 1, p. 66 ff.
Gelbart, Abe	108 Carlton Dr., Syracuse, N. Y.; associate professor of mathematics, Syracuse University.	Member of the staff, National Advisory Committee on Aeronautics, December 1942 to July 1, 1943.	May 28, 1953	Communist Methods of Infiltration (Education), pt. 5, p. 1568 ff.
Geller, Louis	Albany, N. Y.; electrician in the city of Albany.	No Federal employment listed	July 14, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 1, p. 2462 ff.
George, Harrison	1923 East 4th St., Los Angeles 33, Calif.; employed in a clerical capacity in a commercial enterprise owned by a doctor in Los Angeles.	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 27 ff. (galley).
Gerber, Serrill	Los Angeles, Calif.; teacher of the 6th grade, Evergreen Ave., Los Angeles city schools, since 1946.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 759 ff.
Gilbert, Jody, Miss	1325½ North Bronson, Los Angeles, Calif.; actress in the theater and motion pictures.	do	Mar. 26, 1953	Investigation of Communist Activities in the Los Angeles area, pt. 2, p. 468.
Glasser, Abraham	37 Washington St., Newark, N. J. (mailing address); 59 Morton St., New York, N. Y. (home address); lawyer.	Special attorney for research, Department of Justice, December 1935 to October 1941, Enforcement Litigation Division, OPA.	Mar. 18, 1953	Communist Methods of Infiltration (Education), pt. 2, p. 195 ff.
Gold, Irving	Albany, N. Y.; on the staff, New York State Department of Civil Service until June 30, 1953, as an associate personnel technician.	No Federal employment listed	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., area, pt. 2, p. 2521 ff.
Goldstein, Evelyn, Mrs	Albany, N. Y.; bookkeeper for business establishments.	do	do	Investigation of Communist Activities in the Albany, N. Y., area, pt. 2, p. 2534 ff.
Goldstein, Theodora Mitzberg, Mrs.	Boston, Mass.; employed as an attorney's secretary.	do	Apr. 23, 1953	Communist Methods of Infiltration (Education), pt. 4, p. 1109 ff.
Gorney, Jay	Born in Poland and came to the United States in 1906; songwriter by profession.	do	May 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 3, p. 1375 ff.
Greenstein, William	New York, N. Y.; secretary of the brewery workers joint board since 1948.	do	July 20, 1953	Communist Methods of Infiltration (Government-Labor), pt. 2, p. 1958 ff.
Grier, Mary Catherine, Miss	2123 I St. NW., Washington, D. C.; bibliographer and indexer, Geological Society of America.	U. S. Hydrographic Office of the Navy, 1943–47.	Apr. 17, 1953	Communist Methods of Infiltration (Government-Labor) pt. 1, p. 1593 ff.
Haas, Solomon	5432 Sansom St., Philadelphia, Pa.; teacher at the Hunter Elementary Public School, 6A and 5B grades.	No Federal employment listed	Nov. 18, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 3011 ff.
Halling, Bjorne	596 Page St., San Francisco, Calif.; born in Norway; became a naturalized citizen in 1937; employed as a longshoreman.	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 31 (galley).
Harap, Louis	83 Horatio St., New York, N. Y.; writer and editor since 1939.	do	June 29, 1953	Communist Methods of Infiltration (Education), pt. 6, p. 1898 ff.
Hee, Kathleen Griffith, Mrs	2464 Prince St., Berkeley, Calif.; born in Vancouver, British Columbia, Canada; became an American citizen through the naturalization of her father in 1940; a waitress at the Clairmont Hotel.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 99 (galley).
Hudson, Roy	San Francisco, Calif.; presently unemployed; regular occupation, house painter since about 1930.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 36 ff. (galley).
Huebsch, Edward	Los Angeles, Calif.; screen writer since 1946.	do	Mar. 25, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 1, p. 375 ff.
Hurvich, Leo M	Rochester, N. Y.; experimental psychologist employed by the Eastman Kodak Co.	In the Ordnance Division, Frankford Arsenal, November 1943–May or June 1944 (6 months).	Apr. 21, 1953	Communist Methods of Infiltration (Education), pt. 3, p. 981 ff.
Itskowitz, Harry Gordon (also known as Harry Gordon).	Salesman	Communicator with the Civil Aeronautics Administration until 1947.	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2 p. 2532 ff.
Ivens, Louis	5314 Lebanon Ave., Philadelphia, Pa.; teacher in Stetson Junior High School.	No Federal employment listed	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2915 ff.
Jacobs, Florence H., Mrs. (Mrs. Julius G. Jacobs).	729 East 49th St., Brooklyn, 3, N. Y.; teacher 11 or 12 years.	do	May 5, 1953	Investigation of Communist Activities in the New York City Area, pt. 2, p. 1258 ff.
Jacobs, Julius G	729 East 49th St., Brooklyn 3, N. Y.; teacher since 1932.	do	do	Investigation of Communist Activities in the New York City Area, pt. 2, p. 1253 ff.
Kaplan, Samuel Meyer	1402 60th St., Philadelphia, Pa.; teacher at John Bartram High School.	WPA in late 1930's	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2937 ff.
Kaplan, Sol	Los Angeles, Calif.; musician and composer.	No Federal employment listed	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 832.
Kaufman, Sarah Schwartzman, Mrs.	Albany, N. Y.; born in Copenhagen, Denmark; became a citizen in June 1924.	do	July 14, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 1, p. 2460 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the House Committee on Un-American Activities during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Laros, Betty, Miss	1026 New Scotland Rd., Albany, N. Y.; until July 1, 1953, research for New York State Health Department, since 1937.	No Federal employment listed	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2525 ff.
Lazarus, Simon M	Monrovia, Calif.; born in Russia; entered the United States in 1914; became a citizen of the United States in 1924; motion-picture exhibitor since 1917; until Mar. 19, 1953, president of Independent Productions Corp.	do	Mar. 26, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 2, p. 482 ff.
Lehman, Lloyd	Present occupation not specified	do	Dec. 3, 1953	Investigation of Communist Activities in the San Francisco Area, p. 92 ff. (galley).
Levy, Arthur L	44-B Schuyler Heights, Menands, N. Y.; member of the staff, chemistry department, Rensselaer Polytechnic Institute, since 1948.	do	Apr. 23, 1953	Communist Methods of Infiltration (Education), pt. 4, p. 1125 ff.
Lewis, Matilda, Mrs	Laguna Beach, Calif.; principal Park Avenue School.	do	Apr. 13, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 5, p. 865.
Looschen, John	Malibu area, Los Angeles County; general building contractor.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 788.
Lowenfels, Lillian, Mrs	4510 Regent St., Philadelphia, Pa.; formerly a teacher in the Philadelphia school system.	do	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2933 ff.
Lubin, Louis J	Albany, N. Y.; profession is dentistry	do	July 16, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2538 ff.
Lusher, Bernard	Union organizer since 1941	do	Mar. 28, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 2, p. 593 ff.
Lynden, Richard	255 9th St., San Francisco, Calif.; secretary of the Warehouse Union, Local 6.	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 32 (galley).
McCombe, Dan	Los Angeles County; barber	do	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 838.
McGrath, Thomas Matthew	Los Angeles County; assistant professor at Los Angeles State College for 3½ years.	do	Apr. 13, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 5, p. 863 ff.
Maddow, Ben	Los Angeles, Calif.; screen writer since 1945.	do	Mar. 28, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 2, p. 601.
Mah, Dan Kew	San Francisco, Calif.; present occupation not specified.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 68 ff. (galley).
Margolis, Adele Pollock, Mrs. (Mrs. Nathan Walter Margolis).	840 Asbury Ter., Philadelphia, Pa.; teacher in Philadelphia schools, 1930–48.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2991 ff.
Margolis, Nathan Walter	840 Asbury Ter., Philadelphia, Pa.; teacher at John Bartram High School.	do	do	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2978 ff.
Markham, George F	Cambridge, Mass.; educational director in New England, International Fur and Leather Workers Union, since February 1947.	do	June 24, 1953	Communist Methods of Infiltration (Education), pt. 6, p. 1879 ff.
Mass, John W	Walnut Creek, Calif.; teacher at the City College of San Francisco, 1947 to date.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 43 ff. (galley).
Melia, Joseph	1617 Parker St., Berkeley, Calif.; present occupation not specified.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 1 ff. (galley).
Michelson, William	110–56 63d Dr., Forest Hills, N. Y.; organizational director of District 65, CIO.	do	July 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 5, pp. 1971 ff.
Minkus, Abraham	Los Angeles, Calif.; teacher in the Los Angeles city schools, 1937 to date.	do	Mar. 27, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 2, pp. 544 ff and pt. 3, p. 613 ff.
Mullen, Virginia, Mrs	Los Angeles, Calif.; character actress in motion pictures.	do	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, pp. 809 ff.
Naboisek, Herbert	837 San Luis Rd., Berkeley, Calif.; employed in research work in the department of psychology, University of California.	do	Dec. 5, 1953	Investigation of Communist Activities in the San Francisco Area, p. 33 ff. (galley).
Nixon, Russell Arthur	11 East 51st St., New York, N. Y.; Washington legislative representative of the United Electrical, Radio and Machine Workers of America.	Research on manpower problems, Economic Research Division, WPA, 1941.	June 9, 1953	Communist Methods of Infiltration (Government-Labor), pt. 1, p. 1654 ff.
Offner, Mortimer	Television producer and director	No Federal employment listed	May 5, 1953	Investigation of Communist Activities in New York City Area, pt. 2, p. 1263 ff.
Oliver, William E	Born in England; entered the United States in 1910; became a citizen of the United States in 1920; newspaper writer with the Evening Herald-Express since 1926.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 775 ff.
Osman, Arthur	2272 East 28th St., Brooklyn, N. Y.	do	July 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 5, p. 2005.
Page, Charles Albert	In the publishing business, 1921–25 or 1926; secretarial positions, 1934–41; currently no occupation.	Secretary in the U. S. Foreign Service, 1927–33; the auxiliary Foreign Service, 1941–46.	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 763 ff.
Paley, Jack	20 Cherry Ave., New Rochelle, N. Y.	No Federal employment listed	July 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 5, p. 2006.
Parry, William T	144 Englewood Ave., Buffalo, N. Y.; teacher of philosophy, University of Buffalo.	Writer's project, WPA, 1938–39	May 19, 1953	Communist Methods of Infiltration (Education), pt. 5, p. 1513 ff.
Perloff, Caroline Kramer, Mrs. (Mrs. David Perloff).	7024 Cedar Park Ave., Philadelphia, Pa.; teacher at Ferguson School.	No Federal employment listed	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2993.
Perloff, David	7024 Cedar Park Ave., Philadelphia, Pa.; teacher at Abraham Lincoln High School.	do	do	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2986 ff.
Pieper, Mary, Mrs	2940 Encinal Dr., Walnut Creek, Calif.; present employment not specified.	do	Dec. 3, 1953	Investigation of Communist Activities in the San Francisco Area, p. 93 (galley).

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the House Committee on Un-American Activities during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Polumbaum, Theodore S.	123 Norwood Ave., Newtonville, Mass.; television script writer, Boston Bureau of the United Press since July 1950.	No Federal employment listed	Apr. 21, 1953	Communist Methods of Infiltration (Education), pt. 3, p. 990 ff.
Posell, Rose, Mrs.	Los Angeles, Calif.; elementary school teacher, Los Angeles city schools since 1937.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 786.
Rappaport, Arpad David	Albany, N. Y.; born in Hungary; naturalized by derivation through his mother; employee of the State of New York.	do	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2512 ff.
Reivich, Isadore	2038 North 52d St., Philadelphia, Pa.; teacher at West Philadelphia High School since 1946.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2963 ff.
Reynolds, John Henry	Teacher at the University of Florida	do	Apr. 27, 1953	Communist Methods of Infiltration (Education), pt. 4, p. 1132 ff.
Roberson, Doris Brin Walker, Mrs.	1268 Clayton St., San Francisco, Calif.; an attorney.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 14 ff. (galley).
Robeson, Naomi, Mrs.	Los Angeles, Calif.; formerly an actress; currently a housewife.	do	Mar. 30, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 3, p. 673 ff.
Robinson, Jerome	North Hollywood, Calif.; commercial photographer.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 800; pt. 5, p. 858.
Robison, David	Los Angeles, Calif.; formerly a teacher at Columbia University in New York and at Fisk in Nashville; currently a writer.	do	Mar. 30, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 3, p. 653 ff.
Ruskin, Shimen	Los Angeles, Calif.; born in Poland; entered the United States in 1923; became a citizen of the United States in 1929; an actor.	do	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 820.
Rutman, Robert J.	6331 Ross St., Philadelphia, Pa.; assistant professor of biological chemistry at Jefferson Medical College, Philadelphia, Pa.	U. S. Coast and Geodetic Survey, Division of Water Analysis.	Nov. 18, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 3003 ff.
Sabinson, Lee S.	743 5th Ave., New York, N. Y.; producer of plays, e. g., Finian's Rainbow.	No Federal employment listed	May 7, 1953	Investigation of Communist Activities in the New York City Area, pt. 4, p. 1429 ff.
Schlipf, Paul	791 Prospect, Oakland, Calif.; a factory worker employed in an Oakland automobile plant.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 3 ff. (galley).
Schwarzbart, Elias M.	104 5th Ave., New York, N. Y.; title attorney, Office of the Attorney General, State of New York.	do	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2506 ff.
Scott, Janet, Miss	Albany, N. Y.; newspaper reporter	do	July 14, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 1, p. 2458 ff.
Shapiro, Hannah, Mrs.	Albany, N. Y.; born in Poland; entered the United States in 1920; naturalized by derivation through her father; received a teachers certificate in June 1953 from Albany State Teachers College.	do	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2528 ff.
Shepro, Harry	Los Angeles, Calif.; born in the Ukraine in Russia; entered the United States in 1903; a citizen by derivation; a teacher in Los Angeles city schools since 1922.	do	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 744.
Singer, Marcus	109 Iroquois Rd., Ithaca, N. Y.; associate professor of zoology, Cornell University.	do	May 26, 1953	Communist Methods of Infiltration (Education), pt. 5, p. 1545 ff.
Sipser, I. Philip	New York, N. Y.; practicing attorney since 1940.	do	July 20, 1953	Communist Methods of Infiltration (Government-Labor), pt. 2, p. 1954 ff.
Skadron, Bernard	Los Angeles, Calif.; public accountant, self-employed.	do	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 806.
Soler, Esther, Mrs.	5243 Lebanon Ave., Philadelphia, Pa.; teacher of the 4th grade, William B. Mann School.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2956 ff.
Soler, William Gordon	5243 Lebanon Ave., Philadelphia, Pa.; teacher at Central High School.	do	Nov. 17, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 2, p. 2969 ff.
Springer, Joseph	4237 Drucker St., Los Angeles 32, Calif.; born in Poland; became a citizen in 1928; proprietor of Camp Tenaya, Crestline, Calif.	do	Mar. 25, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 1, p. 400 ff.
Stander, Lionel	Actor, producer, and writer	do	May 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 3, p. 1364 ff.
Stein, Peter	1146 Ogden Ave., Bronx, N. Y.	do	July 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 6, p. 2006.
Steinmetz, Harry C.	San Diego, Calif.; teacher of psychology at San Diego State College since 1930.	Consultant in personnel research methods, United States Naval Training Station, San Diego, 1931.	Apr. 7, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 729 ff.
Tarloff, Frank	Los Angeles, Calif.; writer in radio and television for 12 to 13 years.	No Federal employment listed	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 817 ff.
Thomas, Estelle Naomi, Miss	4288 Parkside Ave., Philadelphia, Pa.; teacher at the Bache School, 2d grade, since February 1951.	Taught educational recreation in WPA, 1938; employed by the U. S. Signal Corps, Philadelphia, 1953.	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2925 ff.
Toopeekoff, Eugene Alexander	1050 Mountain Blvd., Oakland, Calif.; employed as a draftsman with C. C. Moore & Co. (engineers) 450 Mission St., San Francisco, Calif.; born in Russia; entered the United States in 1923; became a citizen in May 1934.	No Federal employment listed	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 65 ff. (galley).
Treuhaft, Robert E.	730 59th, Oakland, Calif.; an attorney	do	Dec. 3, 1953	Investigation of Communist Activities in the San Francisco Area, p. 96 (galley).
Velson, Irving Charles	1798 Bedford Ave., Brooklyn, N. Y.; an ironworker for Steel Fabricators, Long Island City.	Shipfitter, Brooklyn Navy Yard, 1931-39.	May 6, 1953	Investigation of Communist Activities in the New York City Area, pt. 3, p. 1420 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the House Committee on Un-American Activities during 1953—Continued

Name	Identification	Federal employment if any	Date testified	Hearings citation
Wachsman, Robert	Los Angeles, Calif.; publicist	No Federal employment listed	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 815.
Wagner, Murry	Van Nuys, Calif.; radio announcer	do	do	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 799.
Ward, Douglas Whitney	827 16th St., Sparks, Nev.; apparently employed by Southern Pacific RR. in Sparks, Nev.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 9 (galley).
Webster, Flora, Mrs. (Mrs. Willard Parker Webster).	4625 East 15th, Tucson, Ariz.; sister of Barbara Darling.	Currently an employee of the Post Office in Tucson, Ariz.	June 18, 1953	Investigation of Communist Activities in the Columbus, Ohio, Area, p. 1825 ff.
Weitzman, Max	Boston, Mass.; born in Poland; entered the United States in 1920; a citizen of the United States; teacher in the public schools of Boston.	No Federal employment listed	Apr. 22, 1953	Communist Methods of Infiltration (Education), pt. 3, p. 1063 ff.
Wepman, Sarah Walsh, Mrs	Solebury, Bucks County, Pa.; housewife; formerly a teacher at Penn Treaty Junior High School until 1946.	do	Nov. 16, 1953	Investigation of Communist Activities in the Philadelphia Area, pt. 1, p. 2928 ff.
Wheeler, Donald Niven	Sequim, Wash.; apparently a dairy farmer; formerly an instructor in government, Yale University, 1938–39.	Last Federal Government employment: Acting chief, P-6, $7,341.60 per annum, State Department, Research and Analysis, until Aug. 5, 1946.	Dec. 1, 1953	Investigation of Communist Activities in the San Francisco Area, p. 29 ff. (galley).
Wilenchick, Clement	Los Angeles, Calif.; artist and actor	No Federal employment listed	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 816.
Williams, Joy, Mrs	5646 Marywood Dr., Oakland, Calif.; present employment not specified.	do	Dec. 4, 1953	Investigation of Communist Activities in the San Francisco Area, p. 8 ff. (galley).
Woerner, Harold T., Jr	8450 Boulevard East, North Bergen, N. J.; salesman, Hauck Manufacturing Co.	do	Apr. 29, 1953	Communist Methods of Infiltration (Education), pt. 5, p. 1504 ff.
Wood, James Fenton	975 Grove St., San Francisco, Calif.; employed as a draftsman with Bechtel Corp. until served with a subpena.	do	Dec. 2, 1953	Investigation of Communist Activities in the San Francisco Area, p. 64 ff. (galley).
Wright, John	Albany, N. Y.; born in England; naturalized by derivation through his father; unemployed; previously employed by the Division of Parole, State of New York, since 1930.	do	July 15, 1953	Investigation of Communist Activities in the Albany, N. Y., Area, pt. 2, p. 2517 ff.
Young, Ned	Los Angeles County; actor and writer	do	Apr. 8, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 4, p. 825.
Zilsel, Paul Rudolph	Storrs, Conn.; born in Austria; became a citizen of the United States in November 1946; assistant professor of physics, University of Connecticut.	do	Apr. 22, 1953	Communist Methods of Infiltration (Education), pt. 3, p. 1036 ff.
Zuckman, Morris	62 Morris St., Albany, N. Y.; attorney and counselor at law since 1933.	do	July 14, 1953	Investigation of Communist Activities in the Albany, N. Y. Area, pt. 1, p. 2455.
ADDENDUM				
Brown, John	Los Angeles, Calif.; an actor in radio, motion pictures, and television; born in Yorkshire, England; entered the United States in 1915; became a United States citizen in 1923 through the naturalization of his father	No Federal employment listed	Nov. 23, 1953	Investigation of Communist Activities in the Los Angeles Area, pt. 8, p. 3509 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before a Special Subcommittee of the Committee on Education and Labor of the House of Representatives during 1953

Name	Identification	Federal employment if any	Date testified	Hearings citation
Connelly, Gerald Patrick	1535 East River Ter., Minneapolis, Minn.; previously resided in Chicago, Ill., and Florida; representative of Local 548, Teamsters Union, 706 1st Ave. NE., Minneapolis, Minn.	No Federal employment listed	Nov. 25, 1953	Investigation of Welfare Funds and Racketeering, p. 380 ff.
Dorfman, Allen	3420 Lake Shore Dr., Chicago, Ill.; engaged in the insurance business since 1949; manager, Union Insurance Agency of Illinois; previously taught at the University of Illinois, School of Physical Education.	do	Nov. 23, 1953	Investigation of Welfare Funds and Racketeering, p. 73 ff.
Dorfman, Paul J	7347 North Sheridan Rd., Chicago, Ill.; secretary-treasurer, Local 20467, Waste Material Handlers' Union, Chicago, Ill.; father of Allen Dorfman.	do	Nov. 25, 1953	Investigation of Welfare Funds and Racketeering, p. 310 ff.

Witnesses who invoked the fifth amendment of the United States Constitution in testimony before the special subcommittees of the Committee on Government Operations and Education and Labor of the House of Representatives during 1953

Name	Identification	Federal employment if any	Date testified	Hearings citation
Monteleone, Leonardo da Vinci	4659 Lakewood, Detroit, Mich.; employed by Swanson & Son, Detroit, Mich.	No Federal employment listed	June 11, 1953	Investigation of Racketeering, p. 96 ff.

SUMMARY OF WITNESSES BY CONGRESSIONAL COMMITTEE

Permanent Subcommittee on Investigations, Committee on Government Operations of the U. S. Senate 67
Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the U. S. Senate 102
Committee on Un-American Activities of the House of Representatives 144
Committee on Education and Labor of the House of Representatives 3
Special Subcommittees of the House Committees on Government Operations and Education and Labor 1

PERSONS WHO INVOKED THE FIFTH AMENDMENT BEFORE TWO DIFFERENT CONGRESSIONAL COMMITTEES IN 1953

Belfrage, Cedric Henning: House Committee on Un-American Activities, Senate Permanent Subcommittee on Investigations.

D'Usseau, Arnaud: House Committee on Un-American Activities, Senate Permanent Subcommittee on Investigations.

Glasser, Harold: Senate Internal Security Subcommittee, Senate Permanent Subcommittee on Investigations.

Mins, Leonard E.: Senate Internal Security Subcommittee, Senate Permanent Subcommittee on Investigations.

Silvermaster, Nathan Gregory: Senate Internal Security Subcommittee, Senate Permanent Subcommittee on Investigations.

Ullmann, William Ludwig: Senate Internal Security Subcommittee, Senate Permanent Subcommittee on Investigations.

Wilkerson, Doxey A.: Senate Internal Security Subcommittee, Senate Permanent Subcommittee on Investigations.

PERSONS WHO INVOKED THE FIFTH AMENDMENT BEFORE THE SAME CONGRESSIONAL COMMITTEE AT TWO SEPARATE APPEARANCES BEFORE THAT COMMITTEE IN 1953

Coe, V. Frank: Senate Permanent Subcommittee on Investigations.

Darling, Byron Thorwell: House Committee on Un-American Activities.

Glaser, Eda Habinsky, Mrs.: Senate Internal Security Subcommittee.

Hyman, Harry A.: Senate Permanent Subcommittee on Investigations.

Wilkerson, Doxey A.: Senate Permanent Subcommittee on Investigations.

UNION ALPHABETICAL LIST OF ALL PERSONS WHO INVOKED THE FIFTH AMENDMENT OF THE UNITED STATES CONSTITUTION IN TESTIMONY BEFORE COMMITTEES AND SUBCOMMITTEES OF THE UNITED STATES CONGRESS DURING 1953, TOGETHER WITH THE NAMES OF THE COMMITTEES

(In this list: Permanent Subcommittee on Investigations means Permanent Subcommittee on Investigations, Committee on Government Operations, U. S. Senate; Internal Security Subcommittee means Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, U. S. Senate; Committee on Un-American Activities means Committee on Un-American Activities, U. S. House of Representatives; Committee on Education and Labor means Special Subcommittee of the Committee on Education and Labor, U. S. House of Representatives; Committee on Government Operations means Special Subcommittees of the Committee on Government Operations and of Education and Labor, U. S. House of Representatives.)

Abernethy, Milton A., Internal Security Subcommittee.

Abernethy, Minna, Mrs. (Mrs. Milton A. Abernethy), Internal Security Subcommittee.

Abt, John, Internal Security Subcommittee.

Albert, Sam, Committee on Un-American Activities.

Allen, James S., Permanent Subcommittee on Investigations.

Andren, Carl, Committee on Un-American Activities.

Anthony, Robenia F., Miss, Internal Security Subcommittee.

Anton, Benjamin David, Committee on Un-American Activities.

Aptheker, Herbert, Permanent Subcommittee on Investigations.

Archdeacon, Henry Canning, Permanent Subcommittee on Investigations.

Aron, Paul Harvey, Internal Security Subcommittee.

Aronson, Allan James, Permanent Subcommittee on Investigations.

Atkinson, Sadie T., Mrs., Committee on Un-American Activities.

Atarian, Aram, Committee on Un-American Activities.

Austin, Kenneth Craig, Committee on Un-American Activities.

Austin, Richard H., Internal Security Subcommittee.

Bailey, William J., Committee on Un-American Activities.

Bancroft, Frank C., Internal Security Subcommittee.

Barker, Elizabeth, Mrs. (Mrs. Guy Barker), Internal Security Subcommittee.

Barnes, Carroll, Committee on Un-American Activities.

Barrows, Alice Prentice, Miss, Internal Security Subcommittee.

Bazer, Julia Older, Mrs., Internal Security Subcommittee.

Beilan, Herman Aaron, Committee on Un-American Activities.

Belfrage, Cedric Henning, Committee on Un-American Activities.

Belfrage, Cedric Henning, Permanent Subcommittee on Investigations.

Blinky, Sidney, Committee on Un-American Activities.

Benet, James Walker, II, Committee on Un-American Activities.

Berke, Sylvia, Miss, Permanent Subcommittee on Investigations.

Berman, Louise Rosenberg Bransten, Mrs., Internal Security Subcommittee.

Black, Robert, Committee on Un-American Activities.

Blau, Harold Raymond, Internal Security Subcommittee.

Bliss,[1] Willard, Internal Security Subcommittee.

Bortz, Louis, Permanent Subcommittee on Investigations.

Bowen, Mildred, Miss, Committee on Un-American Activities.

Boyer, Richard O., Permanent Subcommittee on Investigations.

Brand, Millen, Permanent Subcommittee on Investigations.

Bressler, Joseph, Internal Security Subcommittee.

Briney,[1] Harold K., Internal Security Subcommittee.

Browder, Earl Russell, Permanent Subcommittee on Investigations.

Brown,[1] John, Committee on Un-American Activities.

Burgum, Edwin Berry, Permanent Subcommittee on Investigations.

Burke, Libby, Miss, Committee on Un-American Activities.

Byrne, Norman, Committee on Un-American Activities.

Cameron, Angus, Internal Security Subcommittee.

Carson, Saul, Internal Security Subcommittee.

[1] Name listed in addendum to regular committee list.

Chown, Paul, Committee on Un-American Activities.

Coe, Charles J. (Robert), Internal Security Subcommittee.

Coe, V. Frank, Permanent Subcommittee on Investigations.

Cohen, Morris U., Internal Security Subcommittee.

Collins, Henry H., Jr., Internal Security Subcommittee.

Connelly, Gerald Patrick, Committee on Education and Labor.

Cooke, Marvel J., Mrs., Permanent Subcommittee on Investigations.

Darling, Barbara Ann, Mrs. (Mrs. Byron Thorwell Darling), Committee on Un-American Activities.

Darling, Byron Thorwell, Committee on Un-American Activities.

Davin, Thomas, Internal Security Subcommittee.

Davis, Horace Bancroft, Internal Security Subcommittee.

Deacon, Thomas, Committee on Un-American Activities.

Delgado, John, Committee on Un-American Activities.

Dodd, Rena, Miss, Committee on Un-American Activities.

Dorfman, Allen, Committee on Education and Labor.

Dorfman, Paul J., Committee on Education and Labor.

Douglas, Dorothy W., Mrs., Committee on Un-American Activities.

Duarte, Charles Alfred, Committee on Un-American Activities.

Dunham, Barrows, Committee on Un-American Activities.

D'Usseau, Arnaud, Committee on Un-American Activities.

D'Usseau, Arnaud, Permanent Subcommittee on Investigations.

Eagle, Eugene, Committee on Un-American Activities.

Eastman, Philip Dey, Committee on Un-American Activities.

Einhorn, Nathan, Internal Security Subcommittee.

Elfont, Sophie, Miss, Committee on Un-American Activities.

Elveson,[1] Leon, Internal Security Subcommittee.

Evans, Gertrude, Mrs., Permanent Subcommittee on Investigations.

Fagerhaugh, Ole, Committee on Un-American Activities.

Fajans, Irving, Internal Security Subcommittee.

Faragoh, Francis Edward, Committee on Un-American Activities.

Fast, Howard, Permanent Subcommittee on Investigations.

Faxon, George R., Internal Security Subcommittee.

Fine, Daniel, Committee on Un-American Activities.

Fitzgerald, Edward J., Internal Security Subcommittee.

Fitzpatrick,[1] Thomas J., Internal Security Subcommittee.

Flacks, David, Committee on Un-American Activities.

Flacks, Mildred, Mrs. (Mrs. David Flacks), Committee on Un-American Activities.

Flanagan,[1] Thomas, Internal Security Subcommittee.

Flato, Charles Sidney, Internal Security Subcommittee.

Flynn, Hulda Rees, Mrs., Committee on Un-American Activities.

Foner, Philip S., Permanent Subcommittee on Investigations.

Frauenglass, William, Internal Security Subcommittee.

[1] Name listed in addendum to regular committee list.

Frederick, George Van, Committee on Un-American Activities.
Freedman, David M., Permanent Subcommittee on Investigations.
Friedman, Samuel, Internal Security Subcommittee.
Fruit, Harry, Committee on Un-American Activities.
Furry, Wendell Hinkle, Committee on Un-American Activities.
Gelbart, Abe, Committee on Un-American Activities.
Gelfan, Harriet Moore, Mrs., Permanent Subcommittee on Investigations.
Geller, Louis, Committee on Un-American Activities.
George, Harrison, Committee on Un-American Activities.
Gerber, Serrill, Committee on Un-American Activities.
Gift, Charles, Permanent Subcommittee on Investigations.
Gilbert, Jody, Miss, Committee on Un-American Activities.
Glaser,[1] Eda Habinsky, Mrs., Internal Security Subcommittee.
Glasser, Abraham, Committee on Un-American Activities.
Glasser, Harold, Internal Security Subcommittee.
Glasser, Harold, Permanent Subcommittee on Investigations.
Glassman, Sidney, Permanent Subcommittee on Investigations.
Gold, Hyman, Internal Security Subcommittee.
Gold, Irving, Committee on Un-American Activities.
Goldfrank, Helen, Mrs., Permanent Subcommittee on Investigations.
Goldstein, Evelyn, Mrs., Committee on Un-American Activities.
Goldstein, Theodora Mitzberg, Mrs., Committee on Un-American Activities.
Gorney, Jay, Committee on Un-American Activities.
Grauman, Jacob, Internal Security Subcommittee.
Greenstein, William, Committee on Un-American Activities.
Grier, Mary Catherine, Miss, Committee on Un-American Activities.
Gropper, William, Permanent Subcommittee on Investigations.
Gruen, Sonia, Mrs., Internal Security Subcommittee.
Grundfest, Harry, Permanent Subcommittee on Investigations.
Guarnaccia, Elizabeth, Miss, Internal Security Subcommittee.
Gustafson, Elton, Internal Security Subcommittee.
Haas, Solomon, Committee on Un-American Activities.
Halling, Bjorne, Committee on Un-American Activities.
Halperin, Maurice, Internal Security Subcommittee.
Hammett, Samuel Dashiell, Permanent Subcommittee on Investigations.
Harap, Louis, Committee on Un-American Activities.
Harris,[1] Jack Sargent, Internal Security Subcommittee.
Harris, Lement U., Internal Security Subcommittee.
Hee, Kathleen Griffith, Mrs., Committee on Un-American Activities.
Henderson, Donald, Permanent Subcommittee on Investigations.
Heyman, Ezekiel, Permanent Subcommittee on Investigations.
Hiskey, Clarence F., Internal Security Subcommittee.
Hlavaty, Julius H., Permanent Subcommittee on Investigations.

[1] Name listed in addendum to regular committee list.

Hoch, Myron L., Internal Security Subcommittee.
Hudson, Roy, Committee on Un-American Activities.
Huebsch, Edward, Committee on Un-American Activities.
Hurlinger, Iven, Internal Security Subcommittee.
Hurvich, Leo M., Committee on Un-American Activities.
Hutner, Eleanor Glassman, Mrs., (Mrs. Eugent Hutner), Permanent Subcommittee on Investigations.
Hyams, Jacob Shalom, Internal Security Subcommittee.
Hyman, Harry A., Permanent Subcommittee on Investigations.
Isenberg, Irvin, Internal Security Subcommittee.
Itskowitz, Harry Gordon (also known as Harry Gordon), Committee on Un-American Activities.
Ivens, Louis, Committee on Un-American Activities.
Jacobs, Florence H., Mrs. (Mrs. Julius G. Jacobs), Committee on Un-American Activities.
Jacobs, Julius G., Committee on Un-American Activities.
Jerome, Alice, Mrs., Internal Security Subcommittee.
Joseph, Julius J., Internal Security Subcommittee.
Josephson, Leon, Internal Security Subcommittee.
Kamin, Leon J., Internal Security Subcommittee.
Kaplan, Louis, Permanent Subcommittee on Investigations.
Kaplan, Samuel Meyer, Committee on Un-American Activities.
Kaplan, Sol, Committee on Un-American Activities.
Kaufman, Sarah Schwartzman, Mrs., Committee on Un-American Activities.
Kent, Rockwell, Permanent Subcommittee on Investigations.
King, Harold, Internal Security Subcommittee.
Kipnis, Ira Aaron, Internal Security Subcommittee.
Kirkwood,[1] Robert C., Internal Security Subcommittee.
Knowles, Mary, Mrs., Internal Security Subcommittee.
Kramer, Charles, Internal Security Subcommittee.
Laros, Betty, Mrs., Committee on Un-American Activities.
Lazarus, Simon M., Committee on Un-American Activities.
Lehman, Lloyd, Committee on Un-American Activities.
Levine, Ruth, Mrs., Permanent Subcommittee on Investigations.
Levitsky, Joseph, Permanent Subcommittee on Investigations.
Levy, Arthur L., Committee on Un-American Activities.
Lewis, Helen, Mrs. (Mrs. Naphtali Lewis), Permanent Subcommittee on Investigations.
Lewis, Matilda, Mrs., Committee on Un-American Activities.
Linfield, David LaPorte, Permanent Subcommittee on Investigations.
Loney,[1] Stanley L., Internal Security Subcommittee.
Looschen, John, Committee on Un-American Activities.
Lowenfels, Lillian, Mrs., Committee on Un-American Activities.
Lubell, David Gabriel, Internal Security Subcommittee.
Lubell, Jonathan William, Internal Security Subcommittee.

[1] Name listed in addendum to regular committee list.

Lubin, Louis J., Committee on Un-American Activities.
Lundmark, Carl J., Permanent Subcommittee on Investigations.
Lusher, Bernard, Committee on Un-American Activities.
Lynden, Richard, Committee on Un-American Activities.
McCombe, Dan, Committee on Un-American Activities.
McGrath, Thomas Matthew, Committee on Un-American Activities.
McNeil,[1] Allan D., Internal Security Subcommittee.
Maddow, Ben, Committee on Un-American Activities.
Magdoff, Harry, Internal Security Subcommittee.
Mah, Dan Kew, Committee on Un-American Activities.
Mandell, William Marx, Permanent Subcommittee on Investigations.
Margolis, Adele Pollock, Mrs. (Mrs. Nathan Walter Margolis), Committee on Un-American Activities.
Margolis, Nathan Walter, Committee on Un-American Activities.
Markham, George F., Committee on Un-American Activities.
Markham, Helen Wendler Dean, Mrs. (Mrs. George F. Markham), Internal Security subcommittee.
Martineau, Paul Victor, Internal Security Subcommittee.
Marzani, Carl Aldo, Internal Security Subcommittee.
Mass, John W., Committee on Un-American Activities.
Melia, Joseph, Committee on Un-American Activities.
Michelson, William, Committee on Un-American Activities.
Minkus, Abraham, Committee on Un-American Activities.
Mins, Leonard E., Internal Security Subcommittee.
Mins, Leonard E., Permanent Subcommittee on Investigations.
Monteleone, Leonardo da Vinci, Committee on Government Operations.
Morrill, Donald Herbert, Permanent Subcommittee on Investigations.
Mullen, Virginia, Mrs., Committee on Un-American Activities.
Naboisek, Herbert, Committee on Un-American Activities.
Nelson,[1] John W., Internal Security Subcommittee.
Nixon, Russell Arthur, Committee on Un-American Activities.
Norton, Robert, Internal Security Subcommittee.
Novikoff, Alex Benjamin, Internal Security Subcommittee.
Ober, Harry, Internal Security Subcommittee.
Oberwager, Jerome A., Internal Security Subcommittee.
Offner, Mortimer, Committee on Un-American Activities.
Oliver, William E., Committee on Un-American Activities.
Olson, William, Internal Security Subcommittee.
Osman, Arthur, Committee on Un-American Activities.
Page, Charles Albert, Committee on Un-American Activities.
Paley, Jack, Committee on Un-American Activities.
Panzino,[1] Frank, Internal Security Subcommittee.
Parry, William T., Committee on Un-American Activities.

[1] Name listed in addendum to regular committee list.

Pataki, Ernest, Permanent Subcommittee on Investigations.

Percoff, Joseph H., Permanent Subcommittee on Investigations.

Perlo, Victor, Internal Security Subcommittee.

Perloff, Caroline Kramer, Mrs. (Mrs. David Perloff), Committee on Un-American Activities.

Perloff, David, Committee on Un-American Activities.

Piekarski, Witulad W., Permanent Subcommittee on Investigations.

Pieper, Mary, Mrs., Committee on Un-American Activities.

Polumbaum, Theodore S., Committee on Un-American Activities.

Porter, Margaret B. Bennett, Mrs., Internal Security Subcommittee.

Posell, Rose, Mrs., Committee on Un-American Activities.

Powell, Doris Walters, Mrs., Permanent Subcommittee on Investigations.

Quinn,[1] Thomas J., Internal Security Subcommittee.

Rappaport, Arpad David, Committee on Un-American Activities.

Rein, David, Internal Security Subcommittee.

Reiss, Julius, Permanent Subcommittee on Investigations.

Reivich, Isadore, Committee on Un-American Activities.

Reynolds, John Henry, Committee on Un-American Activities.

Roberson, Doris Brin Walker, Mrs., Committee on Un-American Activities.

Robeson, Eslanda Cardoza Goode (Mrs. Paul Robeson), Permanent Subcommittee on Investigations.

Robeson, Naomi, Mrs., Committee on Un-American Activities.

Robinson, Jerome, Committee on Un-American Activities.

Robison, David, Committee on Un-American Activities.

Rosinger, Lawrence K., Permanent Subcommittee on Investigations.

Rothschild, Edward M., Permanent Subcommittee on Investigations.

Rothschild, Esther, Mrs. (Mrs. Edward M. Rothschild), Permanent Subcommittee on Investigations.

Ruskin, Shimen, Committee on Un-American Activites.

Rutman, Robert J., Committee on Un-American Activities.

Sabinson, Lee S., Committee on Un-American Activities.

Sarant, Louise, Mrs. (formerly Mrs. Al Sarant), Permanent Subcommittee on Investigations.

Savitt, Morris, Permanent Subcommittee on Investigations.

Schappes, Morris U., Permanent Subcommittee on Investigations.

Schlipf, Paul, Committee on Un-American Activities.

Schwarzbart, Elias M., Committee on Un-American Activities.

Scott, Janet, Miss, Committee on Un-American Activities.

Selsam, Howard, Internal Security Subcommittee.

Shaftel, Oscar H., Internal Security Subcommittee.

Shapiro, Hannah, Mrs., Committee on Un-American Activities.

Shepro, Harry, Committee on Un-American Activities.

Shoiket, Henry N., Permanent Subcommittee on Investigations.

Sillers, Frederick, Jr., Permanent Subcommittee on Investigations.

Silvermaster, Nathan Gregory, Internal Security Subcommittee.

[1] Name listed in addendum to regular committee list.

Silvermaster, Nathan Gregory, Permanent Subcommittee on Investigations.

Singer, Marcus, Committee on Un-American Activities.

Siporin, Mary R., Mrs., Internal Security Subcommittee.

Sipser, I. Philip, Committee on Un-American Activities.

Skadron, Bernard, Committee on Un-American Activities.

Smith, Edwin Seymour, Internal Security Subcommittee.

Snyder, Samuel Joseph, Permanent Subcommittee on Investigations.

Socol, Albert, Permanent Subcommittee on Investigations.

Socolar, Sidney J., Internal Security Subcommittee.

Soler, Esther, Mrs., Committee on Un-American Activities.

Soler, William Gordon, Committee on Un-American Activities.

Solomon, Benjamin, Internal Security Subcommittee.

Spitzer, Ralph, Internal Security Subcommittee.

Springer, Joseph, Committee on Un-American Activities.

Stabor,[1] Alexander, Internal Security Subcommittee.

Stander, Lionel, Committee on Un-American Activities.

Steigman, Joseph, Internal Security Subcommittee.

Stein, Peter, Committee on Un-American Activities.

Steinmetz, Harry C., Committee on Un-American Activities.

Stern, Bernhard J., Permanent Subcommittee on Investigations.

Stolberg, Sidney, Permanent Subcommittee on Investigations.

Stuart, John (also known as Harry Vinegar, Harry Winegar, Harry Vinacur, and Harry Vinacuar), Internal Security Subcommittee.

Studenberg, Irving, Internal Security Subcommittee.

Svenchansky,[1] Alexander, Internal Security Subcommittee.

Tarloff, Frank, Committee on Un-American Activities.

Taylor, William C., Permanent Subcommittee on Investigations.

Tenney, Helen B., Miss, Internal Security Subcommittee.

Thomas, Estelle Naomi, Miss, Committee on Un-American Activities.

Toopeekoff, Eugene Alexander, Committee on Un-American Activities.

Treuhaft, Robert E., Committee on Un-American Activities.

Trinkhaus, Charles, Internal Security Subcommittee.

Ullmann, Marcel, Permanent Subcommittee on Investigations.

Ullmann,[1] William Ludwig, Internal Security Subcommittee.

Ullmann, William Ludwig, Permanent Subcommittee on Investigations.

Velson, Irving Charles, Committee on Un-American Activities.

Vincent, Craig S., Internal Security Subcommittee.

Vuletich,[1] Mike, Internal Security Subcommittee.

Wachsman, Robert, Committee on Un-American Activities.

Wagner, Murry, Committee on Un-American Activities.

Ward, Douglas Whitney, Committee on Un-American Activities.

Weber, Frederick Palmer, Internal Security Subcommittee.

[1] Name listed in addendum to regular committee list.

Webster, Flora, Mrs. (Mrs. Willard Parker Webster), Committee on Un-American Activities.

Weitzman, Max, Committee on Un-American Activities.

Weltfish, Gene, Miss, Permanent Subcommittee on Investigations.

Wepman, Sarah Walsh, Mrs., Committee on Un-American Activities.

Wheeler, Donald Niven, Committee on Un-American Activities.

Wilenchick, Clement, Committee on Un-American Activities.

Wilkerson, Doxey A., Internal Security Subcommittee.

Wilkerson, Doxey A., Permanent Subcommittee on Investigations.

Williams, Joy, Mrs., Committee on Un-American Activities.

Witt, Nathan, Internal Security Subcommittee.

Woerner, Harold T., Jr., Committee on Un-American Activities.

Wolff, Milton, Internal Security Subcommittee.

Wolman, Diana Molderber, Mrs. (Mrs. Benjamin Wolman), Permanent Subcommittee on Investigations.

Wood, James Fenton, Committee on Un-American Activities.

Wortis, Joseph, Internal Security Subcommittee.

Wright, John, Committee on Un-American Activities.

Wuchinich, George S., Internal Security Subcommittee.

Young, Murray, Internal Security Subcommittee.

Young, Ned, Committee on Un-American Activities.

Zelitan, Elizabeth Aiken, Mrs. (also known as Miss Elizabeth Aiken), Internal Security Subcommittee.

Zilsel, Paul Rudolph, Committee on Un-American Activities.

Zucker, Jack, Permanent Subcommittee on Investigations.

Zuckman, Morris, Committee on Un-American Activities.

STATISTICAL ANALYSIS

In the following tabulations of occupations, the grand total is greater than the total number of witnesses appearing before congressional committees. The reason for this fact is that a number of the witnesses mentioned more than one occupation in their testimony, and each such occupation has been recorded. An example of this is Mrs. Diana Molderber Wolman. She is listed in table 4 as a teacher, in table 2 as an employee of the Federal Government, and twice in table 5 as a teacher at the Jefferson School of Social Sciences and an employee of the Four Continent Book Corp.

There is, however, one exception to this rule of recording all occupations. The exception is those persons who listed an occupation and then noted that they were currently unemployed. In these cases the former occupation has been tabulated, but the individuals have not been counted again in the unemployed category. This classification includes only those persons who listed themselves as unemployed without giving any further occupational data.

The Jefferson School of Social Sciences in New York has been given special treatment in that it has not been included in the educational institutions table (table 4) since it is a Communist Party agency. It has been included in table 5 (other nongovernmental occupations).

The fact that a person is recorded as an employee of a particular educational institution or governmental agency (international,

Federal, or State) does not mean that he or she is presently in the employ of that institution or agency. The listing simply means that at sometime during his or her career, the person was in the employ of the institution or agency listed. This fact, of course, accounts for the presence of some Federal agencies which no longer exist, for example, the National Recovery Administration.

TABLE 1. *Employees of international organizations*

Employees of the United Nations and affiliates	9
International agencies other than the United Nations	2
Total	11

TABLE 2. *Employees of the Federal Government*

LEGISLATIVE BRANCH

Government Printing Office	3

EXECUTIVE BRANCH

Departments:	
State:	
Foreign Service	1
Office of Public Affairs	1
Presentation Division	1
Research and Analysis	2
Total	5
Treasury:	
Division of Monetary Research	3
Office of International Finance	1
Total	4
War (now Department of the Army):	
Army Signal Corps	11
Corps of Engineers	1
Frankford Arsenal	1
Press Control Officers	2
Quartermaster Corps	1
Unit Unknown	2
Total	18
Navy:	
Brooklyn Navy Yard	3
Hydrographic Office	1
Mare Island	1
Naval Training Station, San Diego	1
Washington Naval Gun Factory	1
Total	7
Justice:	
Special Assistant to the Attorney General	1
Unit unknown	1
Total	2
Post Office	1
Interior: Bureau of Mines	1
Commerce:	
Civil Aeronautics Administration	2
Coast and Geodetic Survey	1
Office of Small Business	1
Unit unknown	1
Total	5
Labor:	
Bureau of Labor Statistics	1
War Manpower Commission	1
Total	2
Independent agencies:	
Federal Security Agency (now the Department of Health, Education, and Welfare):	
Howard University	1
Office of Education	1
Total	2

TABLE 2. *Employees of the Federal Government*—Continued

EXECUTIVE BRANCH

Independent agencies—Continued	
National Advisory Committee on Aeronautics	1
National Labor Relations Board	4
National Recovery Administration	1
Office for Emergency Management:	
Office of War Information	4
War Assets Administration	2
War Production Board	1
War Shipping Administration	1
Total	8
Office of Price Administration	3
Office of Strategic Services	8
Office of War Mobilization and Reconversion	2
Reconstruction Finance Corporation	1
Tennessee Valley Authority	1
Veterans' Administration	2
Works Progress Administration	4
Total	85

TABLE 3. *Employees of State governments*

Employees of the State of New York	7

TABLE 4. *Employees of educational institutions*

College and university teachers:	
Boston University	1
Brooklyn College	4
Brooklyn Polytechnical Institute	2
City College of San Francisco	1
College of the City of New York	3
Columbia University	5
Cornell University	1
Fisk University	1
Harvard University	3
Howard University	1
Jefferson Medical College of Philadelphia	1
Los Angeles City College	2
New York University	2
Ohio State University	1
Queens College, N. Y	1
Rensselaer Polytechnic Institute	1
San Diego State College	1
Sarah Lawrence College	2
Smith College	2
Syracuse University	1
University of Buffalo	1
University of California (Berkeley)	1
University of Chicago	5
University of Connecticut	1
University of Florida	1
University of Illinois	1
University of Kansas City	2
University of Vermont	1
Yale University	1
Special school, Cooper Union	1
Total	51
College and university employees other than teachers	3
Elementary and secondary school teachers	38
Elementary and secondary school employees other than teachers	2
Students (college and university)	3

TABLE 5.—*Other nongovernmental occupations*

Actors and actresses	8
Artists	4
Attorneys	14
Authors, writers, editors, and literary critics	28
Barber	1
Bookkeeper	1
Clerical and secretarial personnel	3
Commercial photographer	1
Dairy farmer	1
Dentist	1
Draftsmen	3
Economists	6
Electrician	1

TABLE 5.—*Other nongovernmental occupations*—Continued

Employed in industry	15
Employed in small business	10
Employed in the laundry business	2
Employee of the Polish Delegation to the U. N	1
Employee of the Polish Embassy in the United States	1
Employees of learned societies, associations, etc	3
Employees of the Jefferson School of Social Science	4
Employees or officials of the Progressive Party	2
General contractor	1
Housepainter	1
Housewives	6
Inactive minister	1
Insurance	1
Labor union officials and employees	23
Laboratory employees:	
1. Federal Telecommunications Laboratory 6	
2. Physical Research Laboratories 1	7
Librarians	2
Longshoremen	2
Manager of a cooperative	1
Motion-picture industry other than actors and actresses	4
Musicians and composers	3
Newspapermen and women	8
Optometrist	1
Physicians	2
Play producer	1
Plumber	1
Printing trades	3
Professional dancer	1
Public accountant	1
Publicist	1
Publishers and publishing	2
Radio and television	5
Railroads and railroading	1
Salesmen	3
Self-employed	10
Summer-camp proprietor	1
Truckdriver	2
Unemployed	5
Waitress	1
Warehouseman	1
Information lacking	15
Total	227

TABLE 6. *Summary of occupations*

International organizations	11
Federal Government	85
State of New York	7
Colleges and universities	57
Elementary and secondary schools	40
Arts and entertainment	26
Professions	27
Authors, editors, and literary critics	28
Newspapers, printers, publishers	13
Industry and small business	34
Service trades	17
Labor union officials and employees	23
Self-employed	11
Housewives	6
Clerical and secretarial	4
Unemployed	5
Other	18
Information lacking	15

TABLE 7. *Place of birth of persons born outside the United States*

Austria	2
Canada	1
China (Manchuria)	1
Denmark	1
England	4
Hungary	3
India	1
Norway	2
Poland	6
Russia	9
Scotland	1
Unknown	1
Total	32

GEORGETOWN UNIVERSITY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 10 minutes.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a letter and other data.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, Georgetown University, a prominent Catholic seat of learning run by the Jesuit order, is well known to most of the Members of the House. A considerable number of the Members are proud to claim Georgetown University as their alma mater. Others of us have come to know and appreciate the great work of that university through the many important public services it renders.

One of these public services is performed through the Georgetown University Forum, which is carried on both television and radio. Through this forum millions of Americans have heard and seen vital public issues discussed and explained. The university has attained an enviable record for being objective, factual, and fearless in the presentation of the forum programs.

On February 16, 1954, I inserted in the daily CONGRESSIONAL RECORD, page A1236, a transcript of the Georgetown University Forum which had taken place on Sunday, November 15, 1953. I had the pleasure of hearing the radio portion of that program and seeing the television presentation of it, and was tremendously impressed by the facts presented therein by eminent American scholars who have spent many years on the study of communism and Russian imperialism. I felt the material presented in that program would be of special interest to the Members of Congress because of the bearing it had on the future security of the United States of America.

I was amazed when I had a telephone call several days later from the Reverend Daniel E. Power, S. J., program director of the forum, telling me of a complaint he had received from the Library of Congress concerning the forum program. There is a person called Mr. Sergius Yakobson, who holds the title of Chief, Slavic and East European Division of the Library of Congress, who made a serious allegation challenging the integrity of Georgetown University and the forum it sponsors. This Mr. Yakobson, in a memorandum to Mr. Ernest S. Griffith, Director, Legislative Reference Service of the Library of Congress, made the following charge:

> I watched the television program on What Is Russia? on the Georgetown University Forum; however, there was no reference to me, to the Legislative Reference Service, or to the Library. It must have been interpolated later for one reason or another.

In this same memorandum, Mr. Yakobson made some other statements which I am sure will be of interest to Members of Congress.

Georgetown University authorities immediately made a full investigation of the charge and found it to be completely unfounded. The university authorities naturally became interested in getting at the full facts behind the false charge and the other statements made by this Mr. Yakobson in his memorandum.

One of the participants in the Georgetown University Forum program which was challenged by Yakobson was Dr. Roman Smal-Stocki, professor at Marquette University, and a renowned international scholar. He was presented with a copy of Mr. Yakobson's memorandum and invited to present any comments he desired on the charges made. Dr. Smal-Stocki's reply is most enlightening. He draws attention to the fact that a book written by Corliss Lamont, a notorious pro-Communist and Russia-Firster, was used as an authoritative source in the preparation of House Document No. 754, entitled "Communism in Action." He also points out some important reasons why Sergius Yakobson is now seeking to escape from any responsibility for the compilation of House Document No. 754.

I have also received a communication under date of March 23, 1954, from the Reverend Daniel E. Power, S. J., concerning this matter. Father Power makes it clear that he has the highest regard for Mr. Ernest S. Griffith, Director of Legislative Reference Service, Library of Congress, as a sound scholar and who is likewise concerned about the charges made by Mr. Sergius Yakobson. There are other important questions raised in this letter which, as yet, are unanswered. I am therefore asking unanimous consent to insert it in the RECORD.

In view of the material provided me, which I have very carefully studied, I think it is fair to ask the question, "What is Mr. Sergius Yakobson up to?" Others may very well ask themselves after they have read this material, "For whom is Mr. Sergius Yakobson working?"

GEORGETOWN UNIVERSITY,
Washington, D. C., March 23, 1954.

The Honorable MICHAEL A. FEIGHAN,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN FEIGHAN: I am writing to you in reference to the Georgetown University Radio Forum program entitled "What Is Russia?" produced November 15, 1953. You were kind indeed to have it inserted in the daily CONGRESSIONAL RECORD under the date of February 16, 1954. Its appearance therein occasioned a protest by Dr. Sergius Yakobson, Chief, Slavic and European Division, Library of Congress. You will recall that I phoned you immediately to inform you of the protest. I now wish to tell you the sequel.

Under the date of February 23, 1954, Dr. Yakobson sent a memorandum to Mr. Ernest S. Griffith, Director, Legislative Reference Service of the Library of Congress. That memorandum contained the following words:

"1. I watched the televised program on 'What Is Russia?' on the Georgetown University Forum; however, there are no reference to me, to Legislative Reference Service, or to the Library. It must have been interpolated later for one reason or another."

This was clearly an allegation of interpolation by Georgetown University officials of words not appearing on the spoken program, for reasons not known to the writer of the memorandum.

Mr. Griffith, a sound scholar and personal friend of mine, who had also appeared on our forum program some time ago, immediately phoned me, to tell me of Dr. Yakobson's allegation.

I checked the original tape and found that the printed transcript which you had inserted in the daily RECORD was an exact reproduction, word for word. Therefore, on page A1237, there was no interpolation and therefore the allegation was as unfounded as it was hasty and unfair.

The explanation is as follows: Dr. Yakobson, reputedly a competent scholar, either did not read the entire text or read parts of it hurriedly. On page A1236 it is clearly stated radio Forum. Had Dr. Yakobson scanned the entire insertion with the same eagerness he manifested in imputing motives for alleged interpolation, he, as a sound scholar, would not have confused the television Forum which he says he saw and the radio Forum, part of the transcript of which he could not possibly have read.

Thank you for your interest in our Forum. I feel sure that Mr. Griffith will suggest that Dr. Yakobson's unfounded allegation will be corrected.

Sincerely,

DANIEL E. POWER, S. J.,
Program Director.

OFFICE MEMORANDUM, UNITED STATES GOVERNMENT

FEBRUARY 23, 1954.

To: Ernest S. Griffith, Director, Legislative Reference Service.

From: Sergius Yakobson, Chief, Slavic and East European Division.

Subject: Criticism—Tensions Within Soviet Union.

Just to keep the record straight, here are a few comments with regard to page A1237 in the daily CONGRESSIONAL RECORD of February 16, 1954:

1. I watched the television program on What Is Russia? on the Georgetown University Forum; however, there was no reference to me, to LRS or to the Library. It must have been interpolated later for one reason or another.

2. As far as I can see the nationality problem in the Soviet Union is touched upon in Communism in Action (H. Doc. No. 754) twice in chapter 10 on pages 93–94 and in chapter 15 on page 134. Corliss Lamont's book is quoted only once, on page 134. Besides, I would like to point out that I did not write a single chapter of Communism in Action. The authors of chapter 10 were Nancy Baster, Virginia Brewer, and Dudley B. Ball, and of chapter 15, Dr. Hugh L. Elsbree, who, as you remember, was also the editor and thus responsible for the whole study.

3. That I have minimized the non-Russian nations in my report Tensions Within the Soviet Union is not correct. Out of 11 chapters, 2 chapters—4 and 5—deal with religious groups and the minorities in the Soviet Union and fill 20 pages, page 31 to 50 of the 92-page text. Thus, over 21 percent of the report is devoted to the subject.

4. The accusation that by the use of the word "sect" I have insulted the Ukrainian Catholic Church is fallacious and absurd. The word "sect" is certainly not a derogatory term. It means, according to Webster's, "one of the organized bodies of Christians; a denomination." Besides, if the quotation taken from Tensions and which is full of errors had been extended three more lines,

the malicious character of the attack on the report would become self-evident. These additional lines prove convincingly that I am perfectly aware of the existence of a Uniate Church and referred to it as such regardless of whether Soviet terminology does or not. Here is the whole quotation:

"Important among these [the nonconformists], and perhaps typical in pattern, is the Uniate group of the Ukraine. This group certainly is a potential enemy of the Soviet regime. This sect, which acknowledges the supremacy of Rome, has had a long history of suppression at the hands of the Russian Orthodoxy and the state, and more recently at the hands of the Politburo. When the Bolsheviks defeated the Germans on the territories of Poland inhabited by the Uniates, and since incorporated into the Soviet Union, the Uniate Church bishops and clergy were, for the most part, arrested and deported."

Finally, I would like to mention here that the Ukrainian newspaper Suchasna Ukraina, published in Munich, devoted a whole page in its issue of October 4, 1953 to a review of the Tensions which praises it as being "correct," "objective," and "free of any propaganda undertones" in its presentation of the nationality and minority problems in the Soviet Union.

MEMO ON THE OFFICE MEMORANDUM, FEBRUARY 23, 1954, FROM SERGIUS YAKOBSON, CHIEF, SLAVIC AND EAST EUROPEAN DIVISION, TO ERNEST S. GRIFFITH, DIRECTOR, LEGISLATIVE REFERENCE SERVICE, ON SUBJECT: CRITICISM—TENSIONS WITHIN SOVIET UNION

I call attention to the fact that the subject of the memo is not correctly formulated by Mr. Sergius Yakobson; the criticism refers not only to Tension Within Soviet Union but also to Communism in Action. To his points I make the following remarks:

1. I did refer to him personally and to the Library of Congress in the Georgetown University Forum, November 15, 1953; this discussion was tape-recorded.

2. Regarding Communism in Action (House Doc. No. 754) I wish to state:

(a) Mr. Sergius Yakobson's statement that not he, but Dr. Hugh L. Elsbree, its editor, was responsible for the whole study, is contradicted by the fact (cf. my book, the Nationality Problem of the Soviet Union, p. 361) printed on page 7 of the mentioned House document that Dr. Sergius Yakobson, Library consultant, reviewed the entire study. Taking this officially printed statement into consideration, Dr. Sergius Yakobson, then Library consultant, is also responsible for the misinformation about the problem of the non-Russian nations of the Soviet Union submitted by the Library of Congress to the American Congress despite his asseveration: "I did not write a single chapter of Communism in Action." As a consultant and expert on Soviet matters for the Library of Congress he reviewed the entire study and regarded the information as objective and truthful.

(b) But, in spite of his rejection for any responsibility for the misinformation given to the Congress—and this rejection is in reality an avowal about the quality of that information—the former consultant of the Library attempts to minimize the basic importance of the quotation from Corliss Lamont's book by stating "Corliss Lamont's book is quoted once." But the whole chapter "Nationalities" is based on Corliss Lamont's book, and the pro-Soviet propaganda of this chapter is strengthened and intensified by a quotation from Hans Kohn, Nationalism in the Soviet Union, London, 1933. I stress that since 1933 Prof. Hans Kohn has gone through a deep evolution in these matters and his excellent new book Pan-Slavism (1953) demonstrates that he grasped facts about Russia proper, present, and past, which he did not realize before. Nevertheless it is a fact that the book, from which the quotation was taken, is still today a classic of Communist propaganda in the Anglo-Saxon world against the struggle for liberty of all non-Russian nations of the Soviet Union (cf. my book, p. 182–196).

Thus the tragic fact is on record that the Library of Congress, with the approval of its consultant, Sergius Yakobson, presented to the Congress the crucial problem of the Soviet Union, the fight of the non-Russian nations against the Russian Communist dictatorship, on the basis of pro-Communist books, silencing in bibliographical references the whole anti-Communist literature on that subject.

I am not questioning the right of the American pro-Communist scholars to present their views to the American Congress through the Library of Congress. I am only questioning the right of a Library consultant (a) to approve information based on pro-Communist literature as objective and truthful, and (b) his right to silence the whole literature of the anti-Communist Americans in a study submitted to the Congress. Even the application for a quarter of a century of the outrageous linguistic theory of Marr was silenced, about which I published as long ago as 1936, a book: Ukrainska Mowa w Sovietskiy Ukraini, Warsaw, where I vehemently attacked Mr. Sergius Yakobson's brother, now a professor of Slavistics in Harvard, for his pro-Communist activities, defending the linguistic policy of Stalin in the Soviet Union.

Mr. Sergius Yakobson, an employee of the Library of Congress, as a scholar, used a similar method of silencing the anti-Communist publications from 1946–50 in the compilations of the bibliography of articles in the American Historical Review, section: Russia and Slavic Countries (cf. my book The Nationality Problem of the Soviet Union) and in the bibliography of 500 Books About Russia, published by the Library of Congress. This term "Russia" includes here the whole Soviet Union, but the bibliography which influenced all university libraries, lists only three books on the peoples of Russia. Any objective bibliography about the Soviet Union, where academic freedom does not exist, should in addition include the free voice of the scholars who have been emigrees since 1920 and have created a whole literature about all aspects of the non-Russian nations and the Russian regime itself.

3. Sergius Yakobson regards as not correct my statement that he minimized the non-Russian nations in his report Tensions Within the Soviet Union: "Out of 11 chapters, 2 chapters, 4 and 5, deal with religious groups and the minorities in the Soviet Union and fill 20 pages, pages 31 to 50, of the 92-page text. Thus, over 21 percent of the report is devoted to the subject." To this I reply:

(a) he minimized the whole problem presenting the non-Russian nations as minorities, thus creating a false connotation and association because in international political terminology this term has a clearly established meaning. He himself demonstrates excellently in his above statement, his scholarly method by now calling them (for his own defense) "non-Russian nations," but using for the chapter in the report the term "minorities" in spite of the fact that he knows that according to Lenin, the Russians constituted before World War I a minority of 43 percent. They constitute also presently a minority in the Soviet Union. Besides how can the Legislative Reference Service ignore, by the use of such a terminology, article 13 of the Soviet Constitution: "The Union of Soviet Socialist Republics is a federal state formed on the basis of a voluntary union of equal Soviet Socialist Republics," followed by the enumeration of all 16 national republics of whom one is Russian? This terminological acrobatics must have some reason. In Communism in Action where the life of the non-Russian nations was presented according to Corliss Lamont and Hans Kohn, the chapter was still entitled "Nationalities"; in the Tensions Within the Soviet Union where a part of the truth was by Sergius Yakobson presented, the non-Russian nations are degraded to "minorities," being in reality majorities in their national republics (with the exception of the Karelo-Finnish Republic).

(b) In order to increase the number of pages dedicated to the problem of the non-Russian nations, Mr. Sergius Yakobson includes now into the nationality problem the Religious Groups chapter 31–42, thus reaching his "21 percent"; but a fact is that nearly 5 pages of the chapter Religious Groups are dedicated to the Russians. Besides he simply eliminated the nationality problem from the presentation of the Orthodox Church by silencing the whole struggle of the Ukrainian Orthodox Church and the fight of the recently deceased Metropolitan Polikarp. Therefore, his percentage is false. But in spite of some important connections with the nationality problem, the "Religious Groups" must be separated from the first one; thus it remains a fact that only 9 pages of 92 present the cancerous problem of the non-Russian nations in the Soviet Union, in addition, under the completely misleading title Minorities.

(c) These minorities as a tension problem in the Soviet Union were put in the report in fourth place, behind the Soviet Youth and Soviet Intelligentsia chapter, thus creating the impression (so dear to official Soviet propaganda) that the Russian Communist regime has already formed a "Soviet people" with a Soviet youth, Soviet intelligentsia and Soviet scholars. But that the problem of the non-Russian nations is the paramount tension in the Soviet Union is clearly shown by the Beria case, the present celebrations of the 300th anniversary of the alliance of Ukraine and Muscovy, by all the ideological troubles of the Russian Communists with history, literature, philology of all non-Russian nations (cf. the last 30 copies of the Current Digest of the Soviet Press) and finally by the history of the last 30 years. And Russian cultural imperialism, the reason for the tension, is also not sufficiently elaborated. Marr's linguistic theory, which was a most important aspect of this Russification of non-Russian languages for the last quarter of a century, has now been discovered by Sergius Yakobson but put into a footnote on page 19, and my mentioned book (Nationality Problem of the Soviet Union) presenting this problem, is silenced, obviously for the reason that there are submitted the facts how his brother, a former cultural attaché of the Soviet Mission in Prague, now in Harvard, glorified Stalin's linguistic policy in Europe, thus fighting the anti-Communist scholars.

In connection with the problem of the non-Russian nations in the Soviet Union, a most important tension is completely silenced, that is, the existence and activities outside the Soviet Union of the exiled national democratic governments, national committees, and revolutionary organizations of the non-Russian nations.

Summing up, Tensions Within the Soviet Union, published 1952, with the chapter Minorities, written by Sergius Yakobson,

Chief Slavic and East European Division, is a striking refutation of the chapter Nationalities reviewed by Sergius Yakobson, Library consultant, published in Communism in Action, 1946. But not a complete one, because this tension in regard to importance and dynamism is minimized according to "Russian Menshevik Marxist world outlook."

4. Mr. Sergius Yakobson states that my accusation that he insulted the Ukrainian Catholic Church by the use of the term "sect" is "fallacious and absurd. The word is certainly not a derogatory term. It means, according to Webster's, 'one of the organized bodies of Christians, a denomination'." My remarks are as follows:

(a) According to his scholarly methods he quoted from Webster's Dictionary only the fifth meaning, but overlooked the previous fourth meaning, presenting the meaning of the word "sect" in religion just in the sphere he applied it. I quote: "Sect, 4, in religion, the believers in a particular creed, or upholders of a particular practice; especially, now a party dissenting from an established church; a religious denomination, a separate religious organization. Historically, a sect differs from a religion in that it differs from other sects of the same religion in its interpretation or application of what is recognized by all as the same revelation, while different religions differ as to what is to be taken as revelation." I supplement this information with Funk & Wagnalls' New Standard Dictionary: "Sect, 1, a body of persons distinguished by peculiarities of faith and practice from other bodies adhering to the same general system. Specifically: the adherents collectively of a particular creed or confession; a denomination, communion; as, the Presbyterian sect, the various sects of Jews, Mohammedans, or Christians; 2, especially, an organized body of dissenters from an established or older form of faith: often with derogatory implication; as the sects of the Gnostics, the sect of Montanists."

After carefully examining the whole chapter, I was, and I am, convinced Mr. Sergius Yakobson used the term "sect" for the Catholic Church in Ukraine in the meaning of "a party dissenting from the established church" and that the established church he had in mind was the Church of the Orthodox Patriarch in Moscow because the term is also used in reference to the footnote: R. S. Journal of the Moscow Patriarchy—II. op. cit. 132. Every reader should have this impression because the subdivision the Uniate Group of the Ukraine immediately follows his discussion of the Orthodox Church and it was not presented as a part of Catholicism in the next subdivision, Roman Catholics. Thus the Ukrainian Catholics are presented as a sect which must be separated from the Roman Catholics.

He apparently does not know that all Catholics are Roman Catholics and they differ only according to rite; the Byzantine-Slavic rite of the Ukrainians and the Latin rite of the Americans or Irish, as all other rites are Roman Catholic according to official terminology. And the publications prepared by the Library of Congress should keep it.

(b) Whether the term "sect" for the Catholics in Ukraine is an insult or not, derogatory or not, I propose to ask for a statement from the Most Reverend Apostolic Exarch for Americans of this rite, the Most Reverend Apostolic Exarch Konstantyn Bohachevsky, Philadelphia, or I propose Mr. Sergius Yakobson may introduce into the publications of the Library of Congress this term for the Roman Catholics of the Latin rite in the United States and watch the consequences.

Besides, I call attention to the fact that in that chapter Mr. Sergius Yakobson again ignored an important pamphlet by Walter Dushnyck, Martyrdom in Ukraine, with the imprimatur of Francis Cardinal Spellman, published 1946 by the America Press, but the publications of the New Leader authors are by him carefully, often by quotations and footnotes, used and registered in the whole study.

(c) Mr. Sergius Yakobson states that "the quotation taken from Tensions * * * is full of errors." I should like to state that my quotation on the tape recorder surely has no single error because I read from the original. The transcript of the Georgetown University Forum, November 15, 1953, and the CONGRESSIONAL RECORD have the following errors: (1) instead "modern Russia"—"more than;" (2) instead "Uniate group"—"unique group;" thus two errors are exaggerated by Sergius Yakobson to "full of errors."

Next, Mr. Sergius Yakobson states that "if the quotation * * * had been extended three more lines the malicious character of the attack on the report would become self-evident. I am perfectly aware of the existence of the Uniate Church and referred to it as such regardless of whether Soviet terminology does or not. Here is the whole quotation, and he quotes now my given quotation, adding the following lines: 'When the Bolsheviks defeated the Germans on the territories of Poland inhabited by the Uniates, and since incorporated into the Soviet Union, the Uniate Church bishops and clergy were, for the most part, arrested and deported'."

First, I stress the term Uniate Church is used clearly in the connection with Poland. Secondly, Sergius Yakobson promised the whole quotation with the addition of three lines, but simultaneously he let magically disappear the three first lines of my quotation: "Furthermore, there are many large groups of traditional nonconformists within the territories that comprise modern Russia." The three disappeared lines dominate the whole meaning of the next sentence. Any student of Russian history knows that the term nonconformist is used for the Russian Orthodox sects, and into such nonconformists sects is here included the Catholic Church in Ukraine, under the term "Uniate Group of the Ukraine," exactly in line with present Soviet terminology. Webster shows why he eliminated the three lines: "Nonconformist, 1. One who does not conform to an established church, its doctrine, discipline, or polity; esp. (often capitalized) one who does not conform to the established church of England; orig., a member who refused to conform to its discipline or practice in certain respects, specif., one of the clergymen (about 2,000) who left the Church of England in 1662, rather than submit to the Act of Uniformity; later a member of a religious body separated from it; a dissenter, now chiefly a Protestant dissenter;" Funk & Wagnalls: "Nonconformist, 1. One who does not conform to established usage or law, especially in church matters, specif., a person especially a Protestant clergyman, refusing to conform to the Book of Common Prayer where the Church of England is established by law; a dissenter."

Everybody knows what must be regarded as the established church in the Soviet Union, and anyone knows whom this church regards as "nonconformists" and sects. How can an integral part of the Catholic Church be classified in the Soviet Union as one of the nonconformist sects of or with Russian orthodoxy? According to this Soviet terminology Sergius Yakobson eliminated the "Uniate group" or Uniate Church from the Roman Catholic subdivision and included them into the sects which are nonconformists with the Russian Orthodox Church of the present Patriarch. But to use such a terminology for the Ukrainian Catholic Church (which has also many believers in America) here in the United States is inadmissible, misleading, and insulting. These eliminated three lines (and also the beginning of the subdivision "The Uniate Group in the Ukraine") also settle the question in what meaning the term "sect" was used by Mr. Sergius Yakobson and whether it is derogatory for Catholics or not to be included among the Russian Old Believers, Dukhobors, Molokany, etc. The term "sect" and "nonconformists" and the elimination of "The Uniate Group of the Ukraine" from the Catholic subdivision support my point of view.

I regarded it as my duty as an American university professor to request the use of objective and scientific terminology in the publications of the Library of Congress prepared for the Congress; I regarded it as my duty as an American Catholic of the Byzantine-Slavic rite to object to the insulting classification of my Catholic Church as a Russian sect (the Soviet term "sect" is in American literature translated "sect," cf. p. 37, footnote 113, V. G. Sokolov, Present-Day Sects and Their Reactionary Role. Translated and condensed in the Current Digest of the Soviet Press (N. Y.), vol. II, December 16, 1950, p. 9).

Mr. Sergius Yakobson qualifies my objections, based on religious feelings and scientific reasons, as well as my efforts to improve and to correct the information for the Congress as a "malicious attack" on his report. He is intolerant and unjust; he assumes the role of an infallible judge in his own case.

5. At the end of his memorandum, Sergius Yakobson mentions that the Ukrainian newspaper Suchasna Ukraina, October 4, 1953, in a review of the Tensions, praises it as being "correct," "objective," and "free of any propaganda undertones" in its presentation of the nationality and minority problems in the Soviet Union." I reply:

(a) Sergius Yakobson again demonstrates his terminological acrobatics and now speaks about "nationality and minority problems." Apparently he understands that the term "minority problem" or "minorities" is incorrect.

(b) He selected for his justification words out of context from the mentioned paper and again he is simply dropping lines which are not in his favor. I supplement the sentences from the mentioned book review:

"We already mentioned the unsuitable term 'minorities' and the partly used term 'Russian people,' which constantly obscure the picture of the true reality in the Soviet Union, and this is the expression of a planned tendency in many of the current publications in the United States. We remark that in the study in question these errors have a rather formal character. The introduction about the minorities is edited after all (in the groundwork) correct and objective."

In the previous part of the review is stated regarding the nationality problem in the study:

"Thus are examined the youth, Soviet intelligentsia, religious groups, minorities, Soviet army, women, workers, Kolkhoz-workers, the prisoners and forced laborers, etc. Depsite the fact that such a method decides in advance an all-Soviet evaluation of the interior problems and a strong stress on social aspects, the national problems of

the Soviet Union also found in the pamphlet a serious place and for the most part they are objectively summed up. * * * From the methodological point of view a whole series of theses supported by a large literature of well known authors in America, or better to say in the Anglo-Saxon world, experts on Soviet problems, is presented in the study. Among them are, we are sorry to say, a large number of decided enemies of the non-Russian nations of the Soviet Union, like Boris Shub, Michael Koriakov, Isaak Don Levine, David Dallin. Of the Ukrainians, Lev Dobriansky and Professor Reshetar are mentioned. * * * But we deplore that the last work of Professor Smal Stocki which exhausts the national policy of the bolsheviks, remained unused in the study. The official bolshevist literature is very broadly used and therefore the study has character (of a work) based on primary sources, and is free of any propaganda undertones, in spite of the fact that one cannot agree with all theses of the author."

The review also contains a rather strong criticism concerning the disregard of the heroic struggle of the Ukrainian Orthodox Church, the presentation of the Uniates, and the presentation of the famine in Ukraine, etc. Thus the words selected and presented by Sergius Yakobson can be evaluated only on the background of these excerpts from the review.

I am astonished that Sergius Yakobson now, in the year 1954, has begun this whole discussion against my statement, that his report minimized the nationality problem in the Soviet Union. Prof. Lev Dobriansky, immediately after the publication of his report, reviewed it, and wrote: "Indeed, in the face of overwhelming evidence easily accessible to those responsible for this document, it appears that the importance of this crucial subject of national relationships, in which the imperialist Russian Bolsheviks have failed miserably, has been intentionally minimized." It is frankly inconceivable that the two experts engaged in the preparation of this work are ignorant of the mass of outstanding literature on this subject. As a direct result, their depreciation of this highly important problem accounts for the fact that in his lucid summary of the report, Senator WILEY is helplessly left with the notion that the minority groups merely "suffer from policies of a centralistic totalitarian system." (The Ukrainian Quarterly, vol. VII, No. 3, p. 259–260.)

The problems and tensions of the non-Russian nations in the Soviet Union are stimulated by the continuous radiation behind the Iron Curtain of the memorable ideas of the American Declaration of Independence and the principles of Woodrow Wilson and, therefore, they deserve to be presented to the Congress according to the full truth. How the Congress was informed in these matters by the Library of Congress through Communism in Action and Tensions is on record.

ROMAN SMAL-STOCKI,
Marquette University.

MILWAUKEE, WIS., *March 15, 1954.*

BILL PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 8224. An act to reduce excise taxes, and for other purposes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. LANE and to include additional matter.

Mr. EVINS.

Mr. JONES of Alabama to include certain charts and tables in remarks he expects to make today in Committee of the Whole on the bill, H. R. 8583.

Mr. HELLER in two instances and to include additional matter.

Mr. RHODES of Pennsylvania.

Mr. RAY.

Mr. BURDICK.

Mr. DEANE to include extraneous matter in his remarks on the housing bill.

Mr. BYRNE of Pennsylvania in two instances.

Mr. MARTIN of Iowa.

Mr. FARRINGTON in three instances.

Mr. O'HARA of Illinois in the debate on TVA in the Committee of the Whole and to include extraneous matter.

Mr. PRIEST, the remarks he made in the Committee of the Whole today and to include three letters.

Mr. METCALF in two instances and to include extraneous matter.

Mr. BYRD.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. GREEN of Pennsylvania (at the request of Mr. CHUDOFF), for March 31, 1954, on account of illness in family.

Mr. JONES of Missouri (at the request of Mr. DURHAM), for today, on account of illness.

ADJOURNMENT

Mr. BUSBEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to accordingly (at 6 o'clock and 3 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, April 1, 1954, 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:

1405. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend sections 2151, 2153, 2154, 2155, and 2156 of title 18, United States Code, relating to sabotage"; to the Committee on the Judiciary.

1406. A letter from the Attorney General, transmitting a report of the activities of the Department of Justice for the fiscal year ended June 30, 1953, pursuant to law; to the Committee on the Judiciary.

1407. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1955 in the amount of $1,825,000 for the Department of the Interior (H. Doc. No. 361); to the Committee on Appropriations and ordered to be printed.

1408. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission, entitled, "Rates of Return (After Taxes) for 516 Identical Companies in 25 Selected Manufacturing Industries—1940, 1947–52," pursuant to section 6 of the act creating the Federal Trade Commission; to the Committee on Interstate and Foreign Commerce.

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. GRAHAM: Committee of conference. House Joint Resolution 238. Joint resolution granting the status of permanent residence to certain aliens (Rept. No. 1453). Ordered to be printed.

Mr. SHORT: Committee on Armed Services. H. R. 8539. A bill to extend the period of election under the Uniformed Services Contingency Option Act of 1953 for certain members of the uniformed services; without amendment (Rept. No. 1454). Referred to the Committee of the Whole House on the State of the Union.

Mr. CRUMPACKER: Committee on the Judiciary. H. R. 5420. A bill to amend section 161, title 35, United States Code, relating to the patenting of plants; with amendment (Rept. No. 1455). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois; Committee on Rules. House Resolution 488. Resolution for consideration of H. R. 2556, a bill to amend section 3185 of title 18, United States Code; without amendment (Rept. No. 1456). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 7306. A bill to amend the act of December 23, 1944, to make permanent the authorization for certain transactions by disbursing officers of the United States; without amendment (Rept. No. 1457). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOLLIVER: Committee on Interstate and Foreign Commerce. Progress report on port of Seattle transportation difficulties pursuant to House Resolution 127 (83d Cong.); without amendment (Rept. No. 1458). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. Twelfth intermediate report of the Committee on Government Operations entitled, "Army Budget Justifications for Procurement of Overcoats"; without amendment (Rept. No. 1459). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WAINWRIGHT:

H. R. 8647. A bill to amend Revised Statute 4426; to the Committee on Merchant Marine and Fisheries.

By Mr. REES of Kansas:

H. R. 8648. A bill to establish for postmasters, officers, and employees in the postal field service an equitable system for classification of positions and determination of rates of basic compensation, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KEATING:

H. R. 8649. A bill to authorize the admission into evidence in certain criminal proceedings of information intercepted in national security investigations, and for other purposes; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 8650. A bill to amend the District of Columbia Barber Act; to the Committee on the District of Columbia.

By Mr. CANNON:

H. R. 8651. A bill to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.; to the Committee on Public Works.

By Mr. COLMER:

H. R. 8652. A bill to regulate commerce among the several States, with and among the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of tung oil and of those engaged in the domestic tung nut and tung oil-producing industry, to promote the export trade of the United States; and for other purposes; to the Committee on Agriculture.

By Mr. ENGLE:

H. R. 8653. A bill to authorize the establishment of a National Minerals Advisory Council; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 8654. A bill to prohibit the sending of unsolicited merchandise through the mails; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 8655. A bill to authorize the Secretary of Agriculture to grant a permit to the county of Los Angeles, Calif., to occupy certain land in the Angeles National Forest; to the Committee on Agriculture.

By Mr. HOPE:

H. R. 8656. A bill to amend the Bankhead-Jones Farm Tenant Act, as amended, so as to provide for a variable interest rate, second mortgage security for loans under title I, insurance of mortgages not exceeding the reasonable value of the farm, and for other purposes; to the Committee on Agriculture.

By Mr. MILLER of Nebraska:

H. R. 8657. A bill to authorize the establishment of a National Minerals Advisory Council; to the Committee on Interior and Insular Affairs.

By Mr. POFF:

H. R. 8658. A bill to amend title 18, United States Code, to provide for the punishment of persons who jump bail; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 8659. A bill to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. TRIMBLE:

H. R. 8660. A bill to grant military leave of absence with pay to classified substitute employees in the postal field service; to the Committee on Armed Services.

By Mr. ELLSWORTH:

H. R. 8661. A bill to provide for the construction, operation, and maintenance of the Green Peter Dam and Reservoir and the White Bridge Dam and Reregulating Reservoir on the Middle Santiam River, Oreg., with participation for power by a licensee under the Federal Power Act; to the Committee on Public Works.

By Mr. HIESTAND:

H. R. 8662. A bill to provide pension for certain widows of Civil War veterans; to the Committee on Veterans' Affairs.

By Mr. KEARNS:

H. R. 8663. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953 to correct certain inequities; to the Committee on the District of Columbia.

By Mr. PROUTY:

H. R. 8664. A bill to amend the Agricultural Act of 1949 with respect to price supports for dairy products; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 8665. A bill to extend the time limitations in certain cases during which veterans may commence and pursue training under the Veterans' Readjustment Assistance Act of 1952, and under the acts providing vocational rehabilitation training for disabled veterans of World War II and the Korean service period; to the Committee on Veterans' Affairs.

By Mr. SAYLOR:

H. R. 8666. A bill to authorize the Territory of Alaska to incur indebtedness, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H. R. 8667. A bill to regulate commerce among the several States, with and among the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of tung oil and of those engaged in the domestic tung-nut and tung-oil-producing industry; to promote the export trade of the United States; and for other purposes; to the Committee on Agriculture.

By Mr. SMITH of Mississippi:

H. R. 8668. A bill to provide that only acreage allotted, under marketing quotas, for, and actually devoted to, the production of certain crops shall be excluded in determining acreage allotments for cotton; to the Committee on Agriculture.

By Mr. TEAGUE:

H. R. 8669. A bill providing for the withholding of veterans' benefits from persons who refuse to file a loyalty oath; to the Committee on Armed Services.

By Mr. HELLER:

H. J. Res. 487. Joint resolution establishing a Joint Committee on Unemployment; to the Committee on Rules.

By Mr. GWINN:

H. J. Res. 488. Joint resolution proposing an amendment to the Constitution of the United States relating to taxes and the national debt; to the Committee on the Judiciary.

By Mr. HILL:

H. J. Res. 489. Joint resolution making an additional appropriation for the Department of Agriculture for the 1954 agricultural conservation program; to the Committee on Appropriations.

By Mr. RAY:

H. Res. 487. Resolution for the appointment of a special committee to investigate the strike of dockworkers in New York; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDONIZIO:

H. R. 8670. A bill for the relief of Gerardo Vano; to the Committee of the Judiciary.

H. R. 8671. A bill for the relief of Mrs. Concetta Saccatti Salliani; to the Committee on the Judiciary.

By Mr. ARENDS (by request):

H. R. 8672. A bill for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska); to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 8673. A bill for the relief of James Flying Horse; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 8674. A bill for the relief of Charles A. Waleski; to the Committee on the Judiciary.

By Mr. CHENOWETH:

H. R. 8675. A bill for the relief of Mrs. Marie Monchen; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 8676. A bill for the relief of Jose Ramos; to the Committee on the Judiciary.

By Mr. KING of Pennsylvania:

H. R. 8677. A bill for the relief of Milad S. Isaac; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 8678. A bill for the relief of Gennaro Savarese; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 8679. A bill for the relief of Mrs. Emma Green; 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:

604. By Mr. SMITH of Wisconsin: Resolution of the Farm Bureau Federation local of Raymond Center, Racine County, Wis., that the central offices of the Farm Bureau Federation and the Representatives in Congress from the State of Wisconsin be requested and invited to oppose reduction of 15 percent on the price of milk and to offer instead as a counterproposal that the reduction on the price support of milk be limited to no more than 5 percent effective until December 31, 1955; to the Committee on Agriculture.

605. By the SPEAKER: Petition of the secretary, American Bar Association, Chicago, Ill., relative to endorsing statehood for Hawaii; to the Committee on Interior and Insular Affairs.

606. Also, petition of the chairman, Democratic Party of Hawaii, Honolulu, T. H., opposing and condemning the illegal commonwealth amendment to S. 49; to the Committee on Interior and Insular Affairs.

607. Also, petition of Mrs. Effie Baker and others, Fort Myers, Fla., requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

608. Also, petition of I. T. Boyd and others, Orlando, Fla., requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

609. Also, petition of Mrs. Alice P. Yarnell and others, Tampa, Fla., requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Hawaii Is Contiguous to Mainland of United States in Truest Sense

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. FARRINGTON. Mr. Speaker, Hawaii is contiguous to the mainland of the United States in the true meaning of the word.

Webster's New International Dictionary gives this definition of contiguity:

1. State of being contiguous, intimate association of relation; nearness; proximity.

The same volume contains this definition of contiguous:

1. In actual contact; touching; also, near though not in contact; neighboring; adjoining.

What appears to be a difference in meaning is merely a shade of the overall picture which strengthens the position of Hawaii in its desire to enter upon its rightful status in the United States. The Hawaiian Islands fulfill every test of contiguity except the mere physical indication of contact.

Modern communication and transportation facilities have wiped out any drawback previously faced for this reason as fully explored in the two congressional reports on the statehood bills. March 3, 1953, the Committee on Interior and Insular Affairs of the House of Representatives declared in its report:

The argument that the half million American citizens living in Hawaii should forever be denied full participation in the Government to which they have made and will continue to make such great contributions because the area happens to be geographically noncontiguous to any State of the United States has no basis either in present-day or historical precedent.

Factually, in the light of modern-day communication and transportation, Hawaii is far closer to Washington than were New York and Boston at the time the pattern of our national growth was formed by the Founding Fathers.

Historically, the issue was thoroughly debated by Daniel Webster and other Members of the 31st Congress in 1850 and found to be no bar to the 55th and 56th Congresses in incorporating Hawaii into the United States as an integral part thereof.

More important, the people of Hawaii have proved to the committee, and the world, that noncontiguity in a geographical sense, has been no bar to the development of a typically American society, with American ideals and traditions, in an extremely rich and fertile area.

Almost a year later the Senate Committee on Interior and Insular Affairs detailed an identical stand in its report on its bill calling for Hawaiian statehood with these words:

The argument that Hawaii should forever be denied statehood because their islands are not physically contiguous by land to the continental United States is in our judgment fallacious. It should play no part in consideration of this measure. Hawaii has for many decades been completely incorporated within the American system in every respect despite its lack of land contiguity. It is within the American judicial, customs, and internal revenue systems. Its churches, fraternities, veterans' and other organizations; its business groups and banking systems are closely linked with their counterparts on the mainland. In terms of modern communication and transportation Hawaii is today far closer to Washington than were many of the Original Thirteen States when the Constitution was adopted. In short, Hawaii is an integral part of the American scene.

With modern methods of transportation and communication—air, sea, radio, and telephone—the argument that Hawaii is noncontiguous is purely a technical one. Hawaii is, in fact, contiguous to the mainland for all practical purposes. The committee believes that the Union of States that is the United States is more than a mere geographical arrangement. It is a Union that comes of a common loyalty and a common purpose. In this respect, Hawaii is in fact contiguous.

Mr. Speaker, the noncontiguity argument has failed time and time again in our history to block the acceptance of Territories as States, notably when similar opposition was expressed against the admittance of Western Territories such as California.

In those days the western portion of the country could be reached only after tortuous days by covered wagons or sailing ships. This problem has faded entirely today. Tomorrow, with jetplanes and atomic propulsion of seagoing vessels, the islands will be closer to the mainland than New York is to San Francisco.

The shortsightedness of opposing Hawaiian statehood on this flimsy subject of contiguity can be readily understood if one would try to imagine how this Nation's growth would have been retarded had the East refused to accept the citizens of the Western Territories into full statehood because their land area extended beyond the Mississippi River or the Rocky Mountains. Certainly these two natural elements were greater obstacles in our earlier history to contact between the East and the West than the Pacific is today between the mainland and Hawaii.

Behind this front of contiguity there also lurks the shadow of homogeneity. It is said that contiguity is so important because the islands are not homogeneous to the United States.

The very history of the annexation and incorporation of Hawaii belies that insinuation. Its falsity is attested by the record and pattern of everyday life in this American Territory.

Hawaii has its chamber of commerce, Rotary, Lions, Kiwanis, and almost countless other civic organizations; it has its Elks, Eagles, Moose, and branches of almost every other national American fraternal order; its American Legion, Veterans of Foreign Wars, Sons and Daughters of the American Revolution and other patriotic organizations; its free public schools with standards surpassing those of many States; libraries and all manner of educational opportunities; its Federal-aid highways, cars galore, hotdog stands, motion-picture houses, and popcorn; its baseball and football teams, with world champions in boxing, swimming, and other sports; its Memorial Day, Fourth of July, Thanksgiving, Christmas, and other American celebrations, and child imitators of Hopalong Cassidy and the G-men; in fact, practically every other manifestation of a community life that is in the fullest and best sense American. It has its politics with Democrats and Republicans, but without voting national representation. It has its vigorous drive against Communism and its hope for peace and freedom from alien aggression.

The man who knows the Pacific better than any leader in American life on the mainland today—Gen. Douglas MacArthur—fully answered all doubts on the question of contiguity when he said:

Hawaii to all intents and purposes is a part of the Pacific coast from the standpoint of national defense; Hawaii cannot be considered (separate) * * * from the Pacific coast in the defense of the Pacific * * * therefore, statehood or anything which tends to impress the islands of Hawaii into our system is a beneficial contribution to the defense posture of this country in the Pacific. I favor and support Hawaiian statehood for that reason.

The Excise Tax Reduction Act of 1954

EXTENSION OF REMARKS

OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. MARTIN of Iowa. Mr. Speaker, on February 25, 1954, I introduced a bill, H. R. 8087, to eliminate farm-tractor fuel, benzol, benzine, naphtha, and other gasoline substitutes from the manufacturer's excise tax on gasoline. I was pleased indeed when the Senate Committee on Finance and the Congress itself adopted an amendment to the excise tax reduction bill of 1954 containing all the provisions of my bill.

In my opinion, the above amendment is one of the most important points in the new excise tax law. It removes the manufacturer's tax on tractor fuel, benzine, benzol, naphtha, and other gasoline substitutes and makes it unnecessary for the users of these materials to pay the tax and then follow tedious procedure to secure the refund of the tax paid when these fuels are used for nonhighway purposes.

When these class B fuels are used for the propulsion of a motor vehicle, motorboat, or airplane, this amendment does not repeal the tax but transfers it from the manufacturers' level to the retail dealers' level.

In other words, my bill, H. R. 8087, now a part of the new Excise Tax Reduction Act of 1954, eliminates a cumbersome and needless administrative process required by the previous tax laws. I commend and congratulate the Senate Committee on Finance and Congress for incorporating this amendment.

Improving the Employment Situation

EXTENSION OF REMARKS

OF

HON. JAMES A. BYRNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. BYRNE of Pennsylvania. Mr. Speaker, I have introduced H. R. 8586 in order to help alleviate the situation with respect to unemployment which exists throughout the country, and particularly in the city of Philadelphia, part of which I represent, where many persons have been terminated from their jobs in the various military installations and commercial enterprises. This bill would authorize the appointment of a Public Works Administrator who would be empowered to receive applications from States, Territories, and so forth, for Federal assistance in projects of construction, alteration, expansion, or repair of public facilities and public improvements. And right now seems to be a good time to legislate in this direction. This would not be a handout, as some individuals seem to think the old WPA was, but would be authorization for needed public improvements.

I understand the Census Bureau has recently compiled figures which show that unemployment in February rose by 584,000 to a total of 3,671,000, and that the Labor Department reports the number of persons claiming unemployment insurance rose to 2,211,300 in the last week of February, a new peak for this year. The Labor Department has also reported that the number of persons filing initial claims—notices of unemployment—rose 10 percent in the first week of March.

We have a large percentage of these individuals in Philadelphia. Cutbacks in production and job terminations are really hitting our people hard. The lines are long at the unemployment offices; I have taken time to observe the great number of those who find it necessary to collect unemployment insurance to help tide them over. The employment offices are besieged daily by these people, who are finding it increasingly difficult to maintain their homes and provide for their families.

This administration has seen fit to reduce forces in our Military Establishments, and I have protested the unusual and what appears to me unnecessary cutbacks in my particular section. It would seem there is undue discrimination against the Delaware Valley with its large industrial area, and I do not believe the savings that may be realized from such changes are justified. The security of this country demands adequate military facilities, and I believe they should be maintained for our protection and to ease the economic distress now being felt. And some legislation, like the bill I have just introduced, authorizing public works with Federal and local assistance will aid the unemployment situation and certainly bolster the morale of our people.

Immigration to Hawaii Subject to Same Limitations as Immigration to States—Charge That Statehood Would Open Floodgates to Alien Hordes False—Same United States Laws Apply to Alien Communists and Naturalization

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. FARRINGTON. Mr. Speaker, assertions that the floodgates would be opened to admit a horde of aliens into the mainland of the United States if Hawaii were granted statehood are unsupported by fact. They are based on gross misrepresentation of the immigration and naturalization laws governing Hawaii. They are illogical and represent the immoderate opinions of prejudiced minds.

Basically the Hawaiian Islands are covered under exactly the same immigration and naturalization laws that prevail in the 48 States. Since these islands became American Territory by annexation in 1898, they have served as this country's western frontier and outpost for protection of our country and the enforcement of Federal law. The immigration station in Honolulu has served in many respects as an Ellis Island. Hawaii has been and is, therefore, a guardian against invasion by undesirable aliens, not a hole in the dike.

The truth of the matter is that the alien population in Hawaii is decreasing. Census Bureau records show that in 1900 the number of persons living on the islands totaled 154,001. At that time 64,221 were citizens and 89,780 were aliens. The last census in 1950 showed that the population had increased to 499,794. In that 50-year period the number of United States citizens increased to 433,324 while the aliens dropped to 66,470.

Actually the few aliens remaining in Hawaii today are divided mainly into two groups, the elder Japanese and the Filipino nationals. An accurate examination of the Japanese element reveals that their average age is well past 60 years. They are remnants of the original immigrants to Hawaii prior to its annexation to this country and have well-established homes in Hawaii that they are not going to give up. They have not become citizens because this opportunity has been refused them all these years until Congress recently removed racial restrictions from our naturalization law. However, their desire to become citizens and share the responsibilities and privileges of our country, despite the legal barriers to citizenship then in existence, was made clear by their record during the World War II. Their sons are full-fledged Americans and many made brilliant military records on the field of battle.

The Filipinos who came to Hawaii following the establishment of American sovereignty over their home country at the turn of the century were free to travel to the States also and many of them did. The enactment of the Tydings-McDuffie law in 1934 prevented further immigration to Hawaii until a serious labor shortage arose when they could be admitted under special restrictions. During this entire period only one group of 6,000 workers came in under this provision, now repealed, to become well-established residents of Hawaii and in many instances American citizens.

Up until 1946 the Filipinos were considered American nationals. Then the granting of independence to the Philippines changed the status of the Filipino in Hawaii to that of Philippine nationals. They are allowed to become United States citizens through naturalization but at present are restricted to Hawaiian residence. There would be no change in the naturalization laws when Hawaii becomes a State, and the likelihood that many of the Filipinos would give up their residence in Hawaii is extremely remote. Certainly they do not constitute a "horde" and if there are among them any "undesirable aliens" they are subject to deportation from Hawaii as readily as they are from the States. Exactly the same laws apply and if these are inadequate to deal with the situation they can and should be changed, whether or not Hawaii is a State, in view of Hawaii's great military importance.

It should be apparent from the foregoing that any attempt to represent the admission of Hawaii to the Union as a State as opening the gates of the country to the influx of alien Communists cannot possibly be supported by the fact. There is no truth whatsoever to this charge.

Aliens who are not admissible to the mainland of the United States are likewise barred from entry into Hawaii where Federal laws pertaining to customs, naturalization and immigration apply with equal force as at any other port of entry.

Any Communist attempt at infiltration, therefore, is now and will always be exposed just as it is done in any of the 48 States. The same laws apply to this

problem in Hawaii as they do in the rest of the country and the vigilance of both Federal and local officials there to the necessity of meeting it vigorously and effectively is well established.

Ignorance of the true facts has also brought some sincere persons to accept the statement that there are many known Communists in the Hawaiian Islands who will be allowed to travel to the United States mainland if statehood is granted to Hawaii.

Here are the facts—the known Communists in Hawaii are American citizens. They can travel now anywhere in the United States, there being no travel restrictions on American citizens between the States or the States and the Territories. Three of the seven persons recently convicted of criminal conspiracy under the Smith Act in Honolulu were United States citizens who were born on the mainland. The other four held citizenship due to their birth in the islands.

Hawaii has the same deportation law for alien Communists as they have in the 48 States. And the responsibility for enforcement of that law by Federal officials is the same today as it will be when Hawaii becomes a State.

Paul Crouch, a witness before the Senate Interior and Insular Affairs Committee, was quoted as saying statehood would make it easier to smuggle spies and saboteurs into the United States. Mr. Crouch immediately branded the story as misleading. He said in his explanation:

> I had been testifying in executive session on legislative steps Congress should take to weaken the grip of communism in Hawaii, regardless of whether Hawaii becomes a State soon or not.
>
> Then I turned to additional legislation, I believe should be enacted if the Territory becomes a State to prevent weakening of United States security by permitting hundreds of self-advertised subversive aliens from coming to the mainland and through the establishment of a border patrol to prevent entry of Soviet espionage and sabotage through Hawaii.

Mr. Crouch completely fails to substantiate his allegation that there are hundreds of self-advertised subversive aliens who would be permitted entry to the mainland if Hawaii becomes a State. And, moreover, he does not offer this as an argument against statehood, but in support of his contention that laws against invasion of the country by subversives at every point on the border of the country should be strengthened.

In correcting the distorted interpretation given his testimony Mr. Crouch was fully aware that enemy aliens are now barred from Hawaii as they are from the mainland and that statehood would not change this status in any particular.

Elmer E. Poston, in charge of the United States Immigration and Naturalization Service in Hawaii, scoffed at the charge that Hawaii as a State might offer an opening for enemy spies and saboteurs. He pointed out that it would be much "easier and cheaper" for spies and saboteurs to come into the United States over the Canadian or Mexican borders or they could come to the United States as diplomats from the Iron Curtain countries.

The record shows, therefore, that the allegation that Hawaiian statehood would result in an influx of aliens or Communists is superficial and not supported by the facts when the truth is that admission of Hawaii to the Union would strengthen its fight against communism. By making Hawaii an equal partner in the National Government the force of its effort to combat Communist influence both locally and in the national field would be greatly encouraged and strengthened.

The misunderstanding that has arisen over this problem also has been fostered in the economic phase of the debate on Hawaiian statehood.

It has been alleged that if we—the United States—take the cheap oriental laborers in the cane fields and pineapple plantations of Hawaii and make them full and free citizens of the United States, we cannot keep them away from this country.

First of all the majority of those working in the canefields and sugar industry of Hawaii are American citizens. They can travel to the mainland now just as a citizen living in the voteless District of Columbia can go where he pleases. And, under the 1952 Immigration and Naturalization Act the race barrier was removed and all permanent residents of Hawaii are now eligible for naturalization and many of them are becoming citizens. They, too, will be allowed to travel freely, whether Hawaii is a State or a Territory, but only if they pass the tests required for all who seek citizenship, no matter where they apply.

Also, there is grave doubt in the minds of those who know the Hawaiian situation intimately that any considerable number of those employed in the island industries would want to move to the mainland.

Official labor statistics show that the so-called cheap labor is paid $10.19 a day on the sugar plantations—the highest regular daily agriculture wage in the world.

In 1952 the agriculture scale in Florida was $6.98; Louisiana, $4.37, and Puerto Rico, $2.99 a day.

No fairminded or honest person can overlook the obvious truth that these unwarranted fears and smears directed at the patriotic and highly cultured American citizens residing in Hawaii are not based on actual fact. They are mere campaign talk of partisan manufacture.

Middle East Cooperation

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, March 31, 1954

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me on the formation of the American-Israel Society.

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

STATEMENT BY SENATOR HUMPHREY

The America-Israel Society has recently been formed by a group of distinguished Americans for the purpose of strengthening the bonds of friendship between the people of the United States and Israel through cooperation and interchange in cultural activities.

Governor McKeldin, of Maryland, is the president of the society and Mr. F. Joseph Donohue, former President of the Board of Commissioners of the District of Columbia, is chairman of the board of governors. Founders include many leaders in the fields of religion, government, business, literature, and the arts.

The reasons for the formation of this nonsectarian, nonpolitical society were well summarized by Mr. Donohue on the occasion of the opening of its national headquarters in the Willard Hotel. Mr. Donohue said:

"The America-Israel Society has been brought into being by a group of American leaders of all faiths and in many lines of endeavor who believe that there is need for a nonsectarian, nonpolitical, all-inclusive American organization to work for the fullest interchange of ideas and cultural materials between the oldest and the youngest of the world's present-day democracies.

"Our two countries are bound together by a similar historic experience and by a common devotion to democracy. Both nations uphold three great and basic principles—individual morality, social justice, and universal peace.

"We hope that the society will help Americans to a fuller appreciation of the culture of Israel, and encourage the people of that nation to a better understanding of America and its way of life. The society will seek to interpret the spiritual tradition and democratic heritage that bind the two nations together and to give added meaning to the unity of purpose that characterizes freedom-loving peoples.

"Friendship between the peoples of the two countries is firmly based in their common traditions, pioneering experience, and democratic aspirations. Now that Israel is firmly established and is engaged in molding its democratic way of life, it is more important than ever to promote increased understanding and cultural exchange on a permanent basis. For Americans there will be a rewarding experience in reviving the roots of an ancient culture in which our own civilization is founded."

Low-Rent Public Housing

EXTENSION OF REMARKS

OF

HON. JAMES A. BYRNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. BYRNE of Pennsylvania. Mr. Speaker, as the congressional representative of a heavily populated district in the center of Philadelphia the provisions of the present housing bill are of vital interest to me. Like most large cities,

Philadelphia suffers from a lack of adequate housing facilities for its low-income bracket citizens. My constituents are mainly from this group.

One of the biggest and most urgent problems facing us today is the overcrowded conditions prevalent among these people. It has been shown that such inhuman conditions are directly related to the high crime rate with which all of us are concerned. Juvenile delinquency flourishes in poverty-stricken areas. The full, well-rounded development of our growing children is hindered by unsavory living facilities. Do not these youngsters, the citizens and voters of the coming years, have a right to expect decent housing, adequate facilities, and a respectable neighborhood?

The demand for low-rent housing far exceeds the foreseeable supply. To argue that housing projects should be undertaken by private companies is senseless. New housing in Philadelphia averages $11,500. This figure puts these houses out of reach of most of my constituents. While local housing projects, under State or city grants, are helpful, they, too, rent or sell for prices which are too high for low-income families. In addition, few of them make adequate provision for large families and the result of crowding several people into a room, as is common now, would defeat the purpose of such an undertaking. We must have a provision for at least 35,000 housing units if this situation is to be remedied.

The public housing program carries with it the promise of a future for many of today's youths. Without it we may expect even more slums, greater crime rates, and increasing despair and decadence.

Slum clearance projects and low-rent public housing units will afford low-income families an opportunity to live rather than merely exist. It is within our jurisdiction to provide these things. Furthermore, in my opinion, it is our duty to see that they are provided.

Hawaii Grateful for Recognition Given by Texans to Great War Record of Japanese-Americans

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. FARRINGTON. Mr. Speaker, Hawaii is grateful that her plea for statehood has emphasized the loyalty and sacrifice of the Japanese-American veterans who made such a remarkable record in World War II and the unusually heavy sacrifices made by troops from Hawaii in the Korean conflict.

We are happy that the bond that exists between the fighting men of the islands and the soldiers of Texas is being recognized. Much of what is said and written on the subject may be familiar to some, but in this era of haste and turmoil its significance may have been missed. Because Japan was our enemy in the war that started with the attack on Pearl Harbor, some bear a resentment that blinds their eyes to the unassailable evidence that Hawaii instilled the principles of freedom and love for America so strongly in the hearts of their citizens of Japanese descent that the island soldier-patriots set an example of sacrifice and courage that drew the admiration of military men the world around.

Senator PRICE DANIEL, of Texas, recently said:

I have served with the citizens of Hawaii in the Armed Forces, and was stationed for a short time in the islands at Honolulu. I am acquainted with the gallant manner in which men from Hawaii served in all branches of the Armed Forces, and especially with the record of those who served with many men from my own State in the Italian campaigns.

In World War II the 442d Regimental Combat Team, composed of 2,600 Americans of Japanese ancestry, helped write into the annals of American history one of the greatest records of heroism. Gen. Mark W. Clark has pointed out that the 442d was the most decorated unit in the entire military history of the United States.

Moreover, I am fully aware of the fact that the civilian population of Hawaii gave its complete and wholehearted wartime cooperation, as Fleet Adm. Chester W. Nimitz has testified, and oversubscribed its war bond quota.

In the more recent Korean war a substantial percentage of soldiers from Hawaii, both Caucasian and non-Caucasian, were in the 24th and 25th Divisions in Japan when the outbreak occurred. They were the first divisions committed to action in Korea. The 24th Division was soon afterward strengthened by the Fifth Regimental Combat Team from Hawaii.

I say all this in order that it may be clear that I have a high regard and sincere respect for the people of Hawaii. I am certain that the great majority of them are patriotic and loyal American citizens.

His mention of the tie that binds Texas to Hawaii by the service record of the 442d will rekindle the feeling of brotherhood between the citizen soldiers of this State and Hawaii, and make appropriate a slight review of what happened at Fort Worth on October 18, 1950, and the events that led up to it. It may help to sharpen the memories of those in other parts of this great Nation. For this I am indebted to Mike M. Masaoka, one of those who participated in the ceremony in which members of the 442d Combat Team were made honorary citizens of Texas. Under date of March 24 he wrote me:

In response to your inquiry regarding the conferring of honorary citizenship by the State of Texas on the men of the 442d Regimental Combat Team, may I say that this was done on two separate occasions.

The first time was following the rescue of the Lost Texas Battalion in the Vosges Mountains of northeastern France around the first week in November 1944. During World War II, I was in charge of public relations for the 442d and remember that we were told by newspapermen attached to the 36th Texas Division that the then Governor of Texas had issued such a proclamation, naming all members of the combat team honorary Texans. I believe that the Stars and Stripes, official Army newspaper, also carried the story.

The second time was during the 25th annual reunion of the 36th Division Association in Fort Worth, Tex., on October 28, 1950, which was the 6th anniversary of the rescue of the 1st Battalion of the 141st Alamo Regiment of the 36th Texas Division, the so-called Lost Battalion, by the 442d Combat Team in France.

On that occasion Brig. Gen. William H. Martin, president of the 36th Division Association and adjutant general of the State of Texas, in the name of Gov. Allen Shivers, confirmed the action of an earlier Governor conferring honorary Texas citizenship on the men of the 442d by reading a proclamation once again designating all 442d veterans as honorary citizens of Texas.

At the Fort Worth reunion Wilson Makabe, a double-amputee veteran of the 442d, and I were present and received individual white 10-gallon hats as symbols of the honorary citizenship that had been conferred upon all members of the 442d Japanese American Combat Team.

Trusting that this information will be useful in illustrating the esteem in which the members of the 442d are held by the people of Texas, I am,

Sincerely,

MIKE M. MASAOKA,
Washington Representative, Japanese American Citizens League.
WASHINGTON, D. C.

It was this, the 442d Combat Team, that in October 1944 rescued the Lost Battalion of Texas in the foothills of the Vosges Mountains near Bruyeres, France, after several other attempts had failed. Many thousands of words have been written about that heroic victory. The motion picture, Go for Broke, took its theme from the battle. Hawaii is proud of this record.

All fair-minded Americans now join in recognizing that these Americans of Japanese descent showed in this action, beyond any doubt, that they were made of the stuff that has sustained this country throughout its history of privation and sacrifice on the battlefield.

One of the most notable phases of this record is that the Japanese American Team suffered more casualties than the number of men they rescued. It was a heavy military price, but a lesson in loyalty and devotion to duty that matches any in our history.

It would only be fair to add that about two-thirds of the 442d was composed of Japanese Americans from Hawaii who volunteered for service. It is also appropriate to point out the fact that not a single case of sabotage by a citizen of Hawaii was reported during the war, despite the presence there of many persons of the Japanese race, both citizens and others.

Americans of Japanese ancestry in Hawaii constitute about a third of the whole. They are not in the majority. Yet the evidence shows that whatever their relative numerical position may be, they are, in fact, good American citizens that all of us are proud of. This point needs to be made so that any questions or doubts that are raised in the statehood debate about the character of Hawaii's people, and particularly those of the Japanese race, may be resolved completely and finally in Hawaii's favor.

The New York City Dock Strike

EXTENSION OF REMARKS

OF

HON. JOHN H. RAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. RAY. Mr. Speaker, I introduced in the House today a resolution calling for the appointment of a nine-member special House committee to investigate the paralyzing New York City dock strike, with some industrial production seriously handicapped as far west as the Mississippi River.

I ask that the special committee determine the extent, if any, in which the strike or its continuance is related to delays or inaction on the part of the National Labor Relations Board.

Also, to determine why an injunction issued by the United States District Court of the Southern District of New York, March 4, 1954, has not been complied with or enforced.

The special committee should also inquire into the reasons public authorities have not provided adequate protection for persons and property during the strike.

If we are ever to correct waterfront conditions that have degenerated into outright violence, in defiance of law and order, we must act now.

What we have here is a small group of individuals whose past records bar them from obtaining licenses to work on the docks, plotting the tactics that have all but wrecked the greatest gateway to the Nation's vital commerce.

Thousands are out of work; many others have been injured; property has been destroyed. Police and other law-enforcement officials have displayed an unwillingness or inability to maintain law and order, or protect life and property that is being endangered by a small group of willful men whose records reveal their dependence on violence.

There are orderly processes for settling such disputes as have arisen on the New York waterfront. The courts and the NLRB have already entered the deliberations.

As a nation we are on the threshold of a long-delayed economic expansion, free from the restrictions of war and the terror of industrial strife.

It is of the utmost importance, therefore, that a special committee of Congress begin its investigations of the New York dock strike at once—and that it determine wherein the due processes of law have been weakened or neglected to the point where a few disgruntled union leaders are able to stand in defiance of proper legal procedures.

It is the function of the local enforcement agencies to clean up local conditions, such as those existing on the New York City waterfront. When the forces of law and order, however, are defied as a result of clean-up attempts, then it becomes the business of the Congress to determine where the sinews of our economic security are in need of strengthening.

"The President Can Declare War Without Congress"—Dulles

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. BURDICK. Mr. Speaker, we are getting new light on the Bricker amendment, but not until after the measure was killed in the Senate by one vote.

The sponsors of that amendment were afraid of what Dulles now says—that "the President has power to enter war without consulting Congress." He adds the usual assurance clause by saying:

> Of course the President would not necessarily go to war without getting constitutional approval from Congress.

It means, however, that the President could go to war without the approval of Congress.

We have had cases before of this kind, where the President did not consult Congress for constitutional authority, and that is exactly what the Bricker amendment was seeking to prevent. If Mr. Dulles had presented these views to the Senate when the bill was under debate, or before the debate, there would be little question about the approval of the measure by Congress. He was perfectly silent on this interpretation until after the measure had been killed. With the Bricker amendment out of the way, the Secretary of State now deems it advisable for him to say what common honesty required him to say when it was before the Senate.

He implies that this President would not use that power, but he wants him to have it—in case, I suppose, that an unruly Congress might be opposed to going to war. In other words, he wants to permit any President to shove us into war without the consent of the people. He supports unequivocally the Dean Acheson policy of the Korean war. There is not a dime's worth of difference between Acheson and Dulles, only Dulles can back up quicker and take a new course just the opposite of what he has been advocating, and do it with more finesse than Acheson.

The press has carried the news that there are any number of executive agreements now outstanding, of which the general public knows nothing. While the President has said that there will be no secret agreements, the facts as reported are that there are many agreements made with foreign countries during this administration that have not been made public.

It would seem that this situation is the very reason why the President fought so bitterly against the passage of the Bricker amendment. What is said in campaigns seem to mean very little to some candidates. I can remember the news in the press that candidate Eisenhower said at many places that he would retain the 90 percent of parity formula. Now he says he will reduce the support prices and give the farmers more money. Unless the farmers are on the English gratuity list, I do not see how the reduction of support prices will do what the President says it would do.

Congress is making some cuts in foreign spending, and is to be congratulated for it. These cuts mostly concern foreign aid, and do not jeopardize our national defense, and the concern of Congress for the United States is gradually returning. Three years ago we had only 12 Members of the House who fought against the appropriation of these billions to scatter throughout the world, but as of today, there are 128 Members of the House who are alert to the assininity of this spree in foreign spending. When the Senate approved the Charter of the United Nations only two Senators of the United States voted "No." Now almost two-thirds of the Senate wants to undo what they have already done. We are nearer to genuine concern over own own country than we have been for several years. The majority—almost two-thirds of the Members of the Senate—want to prevent any treaty with a foreign power from abrogating the Constitution and laws of the United States, and I think this majority represents the public opinion of the Nation.

In the coming elections the voters are going to ask many candidates where they stand on this issue. They are going to ask one question above all others, and that is, "Are you in favor of permitting any treaty with a foreign power, or with agents of foreign powers, to override the Constitution and laws of the United States?"

The "one-worlders" have had their day, almost unmolested, on the promise that if they were followed we would have world peace. That promise has not materialized and it is becoming more evident every day to millions of the citizens of the United States that this great Government, founded by the people for themselves, is a doctrine of government that can never merge with that of countries which believe that the people exist for the Government.

Challenge of Abundance

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. RHODES of Pennsylvania. Mr. Speaker, in other lands nations are struggling with the problem of hunger and want because of a scarcity of food

and other essentials of life. In the United States we face the challenge of abundance. We have great surpluses of food, clothing, household equipment, automobiles, TV sets, and other products that should insure good living to all of our citizens.

Because we have so much of these good things people are being compelled to go without. For great productive effort workers are rewarded with unemployment and reduced purchasing power. Farmers who have produced food in great quantity must now accept a lower standard of living. It does not make much sense.

Even more puzzling are the remedies which are being offered. Some of the Nation's top businessmen, who advise the President, caution him against any hasty Government action to do something about the economic decline and the plight of almost 4 million jobless American families. Farmers and small businessmen have also felt the impact of what Eisenhower's advisers call a healthy adjustment. George Humphrey, Eisenhower's Secretary of the Treasury, refused to view the rising unemployment figures with any great show of concern. Humphrey contended before a Senate committee that 4 million unemployed was a relatively low figure. Nothing to be alarmed about.

Any suggestion that would put adequate purchasing power in the hands of the average citizen seems to frighten our so-called best brains. Proposals of Democratic Members of Congress to launch a public-works program, to raise pensions and social security benefits, or to raise income-tax exemptions are frowned upon by GOP leaders.

TEXTILE SITUATION

Many families in Berks County, the district I am privileged to represent, are among the victims of abundance, surpluses, and unemployment. There are many hosiery and textile mills in my district. The industry there, as elsewhere, seems to be in a bad way. There seem to be more factories, more men and more machines in the Nation than are needed to satisfy demands. In this field, too, we hear strange and weird proposals to solve the problem.

It has been suggested that the wages of working people be cut. It has also been suggested that the workweek be lengthened and that extra shifts of women be permitted to work. Just how this would help solve the problem of jobs and surpluses is difficult to understand. Just plain horsesense tells us that it would only make the situation worse.

Since the report of Governor Fine's committee on the textile situation was made I have contacted a number of Congressmen from southern industrial districts. I have learned that southern workers are also hit with unemployment and they, too, are being asked to accept lower wages. In one Alabama district unemployment has reached 9 percent. Food supplies are being sent in for relief of destitute families. A Representative from North Carolina tells me of growing unemployment and part-time work that has hit the hosiery and textile centers of his State.

It is about time for the average citizen to speak up and tell the soothsayers that the Hoover solution will not work today any more than it did a generation ago.

The Upper Limits Regulation by the Forest Service

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. METCALF. Mr. Speaker, during the hearings on S. 2548, Mr. Lyle F. Watts, formerly Chief Forester, expressed concern over the effect of H. R. 6787 and S. 2548 on the upper limits regulation by the Forest Service.

When the Forest Service first began to issue grazing permits the policy was laid down that there should be benefit for the greatest number of users rather than encouragement of large outfits. This wise and beneficial policy received judicial approval in *Light* v. *U. S.* (220 U. S. 523). As an example of this historic policy of permitting as many users as could be accommodated consistent with sound conservation practice, I quote from a letter written by Chief Forester Harry S. Graves in 1918 to District Forester Frank Pooler at Albuquerque, N. Mex.:

> The grazing policy of the Forest Service is essentially in the interest of the small man. That policy must be carried out in practice.

That was the policy in 1918, that is the policy today. I hope that will continue to be the policy of the Forest Service in the future.

In carrying out a grazing policy for the primary interest of the small man the Forest Service has established maximum size limits. These vary in different areas but they are designed to prevent the publicly owned grazing resources from being monopolized by one individual.

Under section 2 suppose a permittee is grazing the maximum number of cattle permitted by the local regulations and he makes the range improvements described in the section. Will he thereby be permitted to graze more stock than the local upper limits allow? If so, what happens when the lease is transferred? Section 3 prohibits any reduction in the number of permitted livestock solely on the basis that the permit is being transferred. If a permit is transferred to a permittee who is already grazing the maximum does this mean that the upper limits are to be disregarded? If so, the maximum size regulation is destroyed for any practical use. The bill should definitely state that it is not intended to abolish the upper limit regulations.

A similar expression of concern has recently appeared in a thoughful editorial in the Denver Post. The editorial follows:

NEW ERA IN RANCHING

Ever since the national forests were established, the Government has tried to spread the benefits of cheap grazing permits among as many ranchers as possible.

The Aiken-Thye-Hope bill, which has passed the Senate and is now pending in the House, would upset that time-tested policy. It would tend to concentrate forest grazing rights in the hands of fewer but larger and wealthier stockmen.

It is a rich man's bill, advocated by the few big operators who control the policies of such organizations as the American National Cattlemen's Association.

To promote family-size ranch operations, the United States Forest Service has always had a limit on the total number of cattle or sheep one stockman could graze on a national forest.

If "X" national forest is capable of providing grazing at cheap Government rates for 2,500 cattle and if the limit per rancher is set at 100 head, at least 25 stockmen can share in the bargain-rate grass.

Jones, who has a permit for 100 cattle, might be willing to buy the ranch of Smith, who also has a permit for 100 head, if in that way he could add Smith's permit to his own and thus have cheap grass for 200 cattle.

Such consolidation of ranches and grazing permits has been prevented in the past by the Forest Service rule limiting the number of cattle that one operator may graze on the forest.

Under the Aiken-Thye-Hope bill the Forest Service is given no right to enforce existing limits. The omission is glaring and obvious. The bill sets up only one legal qualification for those who would become permitees—the applicant for grazing privileges must own a ranch of the type which by "customary practice" has had a forest permit in the past.

The Aiken-Thye-Hope bill would in numerous instances require the Forest Service to transfer Smith's permit to Jones if Jones bought Smith's property.

Nor is there anything in the bill to prevent a wealthy rancher or corporation from buying all the ranches having grazing privileges in "X" National Forest and thereby acquiring exclusive forage rights in that particular area.

Most economists believe it is in the public interest to keep the ranch business of the West in the hands of family-size operators. The forests now provide forage for some 18,000 ranchers, each of whom is an owner, an entrepreneur, in his own right.

The Aiken-Thye-Hope bill would tend to make fewer and larger operations. It would tend to increase the number of wage-earning ranch workers and decrease the number of owner-workers. In view of the loud concern frequently expressed in Washington on behalf of "small business," it is surprising to find so many Congressmen willing to vote for a bill which would promote big ranching.

Cash Payments Into the United States Treasury by the TVA

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. EVINS. Mr. Speaker, the TVA Act provide for the repayment into the

Treasury of the United States funds appropriated for power facilities—this over a 40-year period.

Repayments are being made annually into the Treasury by the TVA—up-to-date and according to schedule.

To date, the TVA has turned back into the Treasury a total of $79,598,165.57 from power operations and a total of $36,072,500 on redemption of bonds—a grand total of $115,670,665.57 repaid by the TVA into the United States Treasury.

This information should be of interest to the Members of the Congress and the public generally. I ask therefore, Mr. Speaker, that a statement of TVA repayments into the Treasury be reproduced in the RECORD.

The statement follows:

Repayments of U. S. Treasury funds from revenues of the Tennessee Valley Authority, total to Jan. 15, 1954

PAYMENTS TO GENERAL FUND OF U. S. TREASURY

Year of payment:	*Power proceeds and other proceeds, total*
1945	$12,597,743.81
1946	10,336,264.01
1947	3,000,000.00
1948	5,036,325.61
1949	4,174,462.00
1950	3,000,000.00
1951	15,047,124.61
1952	4,229,268.07
1953	22,176,976.78
Total	79,598,165.57

REDEMPTION OF BONDS SOLD TO U. S. TREASURY AND RECONSTRUCTION FINANCE CORPORATION

Year:	
1943	$2,000,000.00
1945	3,000,000.00
1946	1,572,500.00
1947	2,000,000.00
1948	2,500,000.00
1949	5,000,000.00
1950	5,000,000.00
1951	5,000,000.00
1952	5,000,000.00
1953	5,000,000.00
Total	36,072,500.00

Payments for power	79,598,165.57
Redemption of bonds	36,072,500.00
Total repayments by TVA	$115,670,665.57

The Late James J. Crawford

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. HELLER. Mr. Speaker, I was deeply saddened to learn of the death on Tuesday of this week of my dear friend, former State Senator James J. Crawford, who represented the Williamsburgh area of my district in the New York State Senate for many years.

Senator Crawford was 82 years old at the time of his death. He was born in Manhattan, but moved to Brooklyn during his childhood and lived in our borough throughout his long life. He was a successful businessman and an able leader in the political sphere. In his business career he was president and treasurer of the Supreme Products Co., a well-known flavoring extracts firm with plants and offices in Brooklyn and Manhattan. He was also a member of the board of directors of the Williamsburgh branch of the Bank of Manhattan, and was chairman of the board of the United Industrial Loan Bank. He served for a number of years as president of the Williamsburgh Manufacturers and Merchants Association.

His political career began in 1928, when he was first elected to the State senate. He served continuously in that post until the end of 1952, when he retired from public office. During the period when the Democrats were in control of the State senate, he served as majority chairman and later as chairman of minority for finance. He represented the people of his district most ably in the State legislature, where he was assigned to the committees on banks, agriculture, excise, and finance.

Senator Crawford is survived by his wife, Anna, three sons and two daughters, and many grandchildren and great-grandchildren.

To his widow, his children, and to other members of the family, I wish to extend my condolences and my deepest sympathy in their hour of great bereavement. Those of us who knew Senator Crawford intimately and were privileged to work with him closely will always miss him. We shall remember him for his friendship, his confidence, and his untiring efforts on behalf of the people he so ably represented.

May his family be consoled by the thought that he leaves behind a fine and honorable name and a great record of faithful and devoted service to his family, his district, and the State of New York.

Aid for Vets of World War I

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following, which I delivered before the House Veterans' Affairs Committee this morning, urging approval of H. R. 4596:

Their ranks are thinning every day. Many of the veterans who served in World War I have since joined their comrades who died at Belleau Wood and in the Argonne Forest.

Some of the survivors are 62 years of age and older. The rest are nearing retirement age.

And they wonder—sometimes bitterly—why their country has passed them by.

A grateful nation has provided well for the veterans of the Spanish-American War, the veterans of World War II, and the veterans of Korea.

These veterans benefit from generous pensions and from the comprehensive advantages granted to them by the GI bill of rights.

Why have the men and women of 1917–18 been ignored?

Why have they not been given the same consideration as their comrades of 1898, the 1940's, and the 1950's?

They were the only veterans to endure a war and a depression.

As I recall, they were the only ones to be exposed to the ravages of poison gas.

They were the only veterans in our history to fight in the mud and filth of trench warfare, which undermined their health in many unseen ways.

And they came home to take up the burden of the most unsettled and wide-swinging economic cycle that we have ever experienced as a nation.

Some of them became the "lost generation" of the 1920's and never found their footing again in civilian life.

In every city and hamlet you can see them—heroes once, harmless drifters now.

The more fortunate majority—those of their comrades who married and settled down and brought up families—where are they today?

Many of them receive no compensation of any kind for their past military service.

They are the ones in my neighborhood who have lost their jobs in the closed mills, and who are finding it almost impossible to get any other kind of employment—because of their age.

Not much is being said about this in any discussion of business and employment. It is almost as if we were ashamed to mention this discrimination, as we should be.

In economic America men and women are being denied employment—not because they are honest, reliable, and experienced—but simply because they are 58, 60, or 62.

That this is a loss to American industry itself, and to the Nation as a whole, cannot be challenged.

The signs read: "No room for older displaced workers."

Even efficient management in our private enterprise system, can be blind, and short-sighted, at times. I do not say that they are without conscience, because this would not be admissible as economic evidence.

But what of those veterans of 1917–18 who are working?

The slight, the feeling of injustice done toward them, remains.

Pensions—given to veterans of other wars—in all fairness should be extended to cover the veterans of World War I without examination as to means, or disability.

There is ample precedent for this in our national policy toward veterans, that goes far back to wars of long ago.

Concerning one criticism of the bill under consideration I would like to point out that it was never intended to apply to a veteran with 1 day's service, but only to those who had served at least 30 days before November 11, 1918, or were discharged for disability incurred in service and in line of duty, even though they did not serve the minimum required.

One day's service is not enough to qualify a man or a woman for the honors and privileges inuring to veterans.

Aside from this, I would like to emphasize that the initial outlay would be the largest, declining steadily in each succeeding year.

Less than 600,000 would be eligible for pension benefits for the first year, and the number would dip sharply as time rapidly decimates their ranks.

The cost, of course, cannot be glossed over.

But I suggest that the veterans of World War I did not count the cost when they offered their lives in defense of freedoms.

The financial cost can be offset, by a reduction in foreign aid, for instance.

Because the time has come when we must consider the needs of our own people. There is the problem of national security as well as international pump priming.

Even if we had to maintain some taxes to provide for these pensions of $100 a month to those 62 and older I am sure that most people would agree that we owe this much to the veterans of World War I.

They also served and we cannot default on our debt to these old soldiers.

Their entitlement to a pension at 62 is a right—and an implied promise to them because of their service—that we cannot violate without forfeiting part of our national honor.

Economy is no justification for running out on our obligations to the veterans of World War I.

H. R. 4596 is a test of this Nation's sincerity toward those who served it so well.

Libby Dam

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. METCALF. Mr. Speaker, one of the most important development projects in this Nation is going begging. I refer to the proposed Libby Dam in extreme northwestern Montana, which has been pigeonholed for the past year by the same administration which says this is a key dam.

Libby Dam, a $263 million multipurpose project authorized by Congress, would span the Kootenai River, an important Columbia River tributary. Its powerplant would have an initial installed capacity at the site of 600,000 kilowatts and an ultimate installed capacity of 800,000 kilowatts of power badly needed in the Northwest. In addition, Libby Dam storage would provide for 540,000 kilowatts of continuous power at downstream plants and 720,000 kilowatts of firm power or dependable capacity. The dam would afford almost complete control of floods along Kootenai River, especially in the Kootenai Flats between Bonners Ferry, Idaho, and the Kootenay Lake, British Columbia, and would substantially reduce flood stages along the lower Columbia River. In addition, the project would provide recreation and conservation benefits.

Among administration leaders on record on the importance of this dam is Secretary of the Interior Douglas McKay. At a hearing before the Senate Civil Functions Subcommittee last year Mr. McKay said:

I think the project at Libby is probably the most important project in the Northwest because it is a reasonable cost and it firms up the Columbia River upstream as well as the lower Columbia. At the present time, the only thing on the lower Columbia is Bonneville. The Snake River installation ultimately would firm up McNary and the Dalles but Libby would firm up all of them.

During Army civil-functions hearings conducted this year by a subcommittee of the House Committee on Appropriations, Col. William Whipple, executive officer to the Chief of Engineers for civil works, had this to say:

It would be very unfortunate to have such a wonderful potential site for development and not take the maximum advantage of it.

The people of the area favor the project.

About a month ago, I sent out a postcard questionnaire to determine the local sentiment in Lincoln County, Mont., the county in which this dam would be built, on whether the dam should be built now and, if so, where.

I sent out 4,100 questionnaires, 1 to each registered voter in the county. Thanks to excellent newspaper and radio cooperation, I received almost a 50-percent return. Here are the questions and the answers:

Do you favor construction of Libby Dam? Yes, 1,872; no, 161.

If so, which of these sites do you favor? River mile 217—15 miles upstream from Libby, recommended by the Corps of Engineers—1,580; river mile 204—2 miles from Libby—211; another site, 88.

Should we press for construction of Libby Dam now at any site instead of delaying construction until the site you prefer is accepted? Yes, 1,343; no, 431.

Now this project, a key unit in the Columbia River Basin in the words of our Secretary of Interior, and one which has the overwhelming approval of the people of the area, has been in limbo for nearly a year.

On March 25, 1953, Assistant Secretary of State Thruston Morton transmitted to Army Secretary Robert Stevens a letter received that day from the chairman of the Senate Subcommittee on Flood Control.

In that letter the view was expressed "that the approval of the construction of this project by the International Joint Commission would not be in conformity with the President's program with respect to balancing the budget."

Mr. Morton relayed to Mr. Stevens the suggestion "that this Department advise the International Joint Commission before April 7, 1953, that the application to the Commission for its approval of the construction of the Libby Dam project is withdrawn and that the Commission is requested to take no further action with respect to the matter until it is requested to do so."

On April 8, 1953, Secretary of State John Foster Dulles withdrew the United States application from the International Joint Commission.

IJC approval is needed for the project because the huge concrete dam would back up a reservoir 100 miles long, about 40 miles into Canada. The International Joint Commission was set up to handle international boundary water problems.

Withdrawal of that application left Libby Dam hanging in the air.

Recently I wrote the Secretary of State, reminding him that when he withdrew the application last year he indicated that the action was taken in order to examine certain domestic questions, such as selection of the axis for the dam, relocations, and related matters that could be dealt with in accordance with regularly established procedures, rather than intermingled with investigation of the international aspects of the case.

Late last year the Corps of Engineers recommended an axis for the dam and announced that the recommendation now places the Libby project in favorable position for its resubmission to the International Joint Commission. I also have copies of a detailed technical report titled "Impact of the Proposed Libby Dam Upon the Forest Economy of Lincoln County, Mont." This report on an investigation by the Corps of Engineers and the United States Forest Service contains recommendations on relocations and related matters and was published last August.

In my recent letter, I told Mr. Dulles that it was my impression that, with the recommendation of the axis and the relocation report, the project is ready for resubmission to the International Joint Commission.

Mr. Morton replied to that letter. He said:

No request for the resubmission to the International Joint Commission of an application relating to this project has been received from the Secretary of the Army. Consequently it has not been resubmitted to the International Joint Commission.

In other words, Mr. Morton now says it is up to the Secretary of the Army to start the ball rolling to get this application reinstated.

I relayed the contents of Mr. Morton's letter to Mr. Stevens, urging that the application be resubmitted to the Commission.

In closing, I am moved to comment that to date there is a vast gulf between this administration's preelection promises and performance.

During the campaign, the Republican candidate for President said at Seattle:

Certainly more upstream storage is needed—new dams to impound floodwaters and increase the continuous power output of existing dams. Power development in the Northwest must and will go forward. In this continuing program, the Federal Government will play its full part.

When he was seeking the office, our President said we need more upstream storage in the Northwest. The man who is his Secretary of the Interior says Libby Dam is "probably the most important project in the Northwest." Where is this key project? In a pigeonhole.

Ten Virgins—"Five of Them Were Wise, and Five Were Foolish"

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. BYRD. Mr. Speaker, it is gratifying to know that the United States and Canada are proceeding with the construction of a new radar fence across the far north to forewarn all of North America against the approach of enemy aircraft. It is said that the new barrier will signal an attack via the polar cap well in advance of its detection by radar stations presently operating.

In planning for the next war, we must keep in mind that the real opponents will be America and Russia. With the advent of atomic bombs, hydrogen bombs, and guided missiles, the final decision will be reached in the air. Polar flights will be the new element in aerial war if the struggle comes. The best route to the United States for the long-range Red bomber is over the polar cap, and this enemy route to the heart of America is inadequately defended.

It is a matter of consequence that most of the great industrial areas of Russia, the United States, and Europe are north of the 40th parallel. These vital centers are all within 2,800 miles from the top of the world. From the Russian Arctic island—Franz Josef Land—the Russians can look down upon the majority of the great industrial cities of this Nation. From this strategic Russian base it is only about 3,750 miles to Hartford, 3,800 miles to Chicago, 3,850 miles to Detroit, and 4,000 miles to Pittsburgh. Contrary to general opinion, flying conditions are favorable over the polar cap. From Red air bases in the Polar region, atomic assaults can be launched against America's war industry in the Northwest and in critical industrial areas of the East.

Several years ago the Kremlin served notice that it was determined to build air supremacy. When World War II ended, the Russians took an unknown number of German scientists, technicians, and industrialists into Russia. Great German industrial plants were dismantled and shipped to Russia. A few British and American scientists traitorously gave atomic and engineering secrets to Russia, and today Russia has achieved her goal of air supremacy and she is still building.

In the meantime, what has been our program? Our program for aircraft procurement is at best a stop-and-go policy. No traffic light, blinking red and green, was ever busier regulating the flow of traffic than are those who flash the stop-and-go signal for our aircraft procurement. I am told that in 1944 the American aircraft industry produced 96,000 military planes; in March of that year, 9,100 military planes rolled off production lines. The end of the war struck the aircraft industry like an earthquake. The Air Force shrank from 243 combat groups to 2. The Navy retired all but 11 of its 100 carriers. B-29's in various stages of assembly were reportedly crushed by road roller and sold as scrap. By mid-1946, aircraft production had been cut to 66 planes a month.

At the same time, Russia, fully alert to the potency of airpower, had thrown production and expansion of the Red Air Force into high gear. Frantic strides were made to turn the lagging Red Air Force into the largest and most powerful in the world.

Finally, the 80th Congress, alarmed at the miniature Air Force we then possessed and alert to the growing Red Air Force threat, voted funds for a 70-group Air Force. But the President impounded $735 million of the funds and gave as his reason, according to the Forrestal diary, that 48 groups were quite sufficient.

It was not until North Korean Red forces crossed into South Korea that our policy toward the size of the Air Force changed. We wanted planes. The stoplight was off, and the green light was on.

During the past session of Congress, an economy wave again possessed our leaders, and it struck the most vital appropriations for our defense—those for the air arm. The red light was not on, but the green light was off and the caution light burning.

This lack of clear concept for an airpower program has inflicted gross injustice upon the aircraft industry, it has been unfair to the taxpayers, and it has all but wrecked our national security.

Drastic drops, followed by sudden enormous expansions in our air procurement program, totally disrupt efficient production methods. The cost in dollars of this nonsensical hesitant program is among its lesser evils. This stop-and-go program has caused us to yield American air supremacy; without American air supremacy, we are toying with our national destiny. It matters not that we possess atomic bombs stacked like stove wood all the way from New York to San Francisco. If we lack sufficient airpower to deliver them, they are useless.

The free world faces the menacing spectacle of a third of humanity—an enslaved third—being rapidly armed with the deadliest of weapons and controlled by the most ruthless, godless leadership imaginable. The sinister nature of this Red threat is not sufficiently recognized. It is real; it is immediate; it is inescapable.

In a decade we have passed from the world's most secure Nation to a position of insecurity. All the while we have poured out blood and treasure. We have sought peace, but vainly. We have long been dreamers, but now we must be realists.

If the United States will build sufficient airpower to cover the advance of its sea and land forces, sufficient to defend its industrial areas and population centers from aerial attack, sufficient to destroy enemy manufacturing centers deep in the heart of Russia—then, and only then, our worry about allies will be ended. They will come to us for support and protection. We shall not have to bargain for them with dollars as we, in the past, have endeavored so desperately to do. Largely because of our giveaway programs we have lost the respect of our foreign friends. But friendship cannot be bought nor can communism be stopped by a money transfusion into defunct empires. America must prepare while there is yet time, lest, like the five virgins, she be found wanting at the critical hour.

School-Lunch Program

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1954

Mr. HELLER. Mr. Speaker, I am very much perturbed over the request of the Secretary of Agriculture to reduce the appropriation for the school-lunch program by $15 million for the coming fiscal year. With the amount of surplus food commodities available at the present time, it would seem to me to be more logical to expand this program so that more schools throughout the country could adopt it and more of our children would benefit by it. I can think of no better investment in the future of America.

But instead of bringing this program of better nourishment and higher standards of health to more children, it is proposed that the appropriation be reduced by $15 million from the current year's level of $83,365,000, or a reduction of about 18 percent in the amount of Federal assistance toward the program. This reduction will cause a great deal of hardship to local communities which already are burdened with financial difficulties due to increased school enrollments.

It is needless for me to stress too much the assistance that our schools have received as a result of the school-lunch program and the tremendous help which this program has been in improving the health and well-being of our children. The health and welfare of the younger generation of America is our best assurance of a stronger, a healthier, and a happier Nation tomorrow.

Unfortunately poverty and malnutrition are still very much a factor in our country, despite our great national wealth and our scientific progress. In many communities it has been found that a large number of children come to school undernourished and underfed, and that this condition interferes with their school work and with their development into healthy, normal citizens. There is no need for children in this country to go hungry.

It just does not make sense that in this great country of ours, where we

spend billions of dollars for defense and national security, our children should be cheated of the necessary nourishment in order to save a measly few dollars. Our children constitute our greatest hope for security and survival in the future. We cannot afford to neglect them.

The school-lunch program, which has accomplished wonders in improving the health, physically and spiritually, of many underprivileged children, should be continued in the coming year at least in the same degree as in the past. In fact, every consideration should be given to expand it in order to reach more schools and benefit more children. This is one cause which deserves fullest support from all of us. Reducing the appropriation for the school-lunch program may prove to be a very costly act of economizing. The reduction in this appropriation should be restored in full.

Mr. Speaker, I have received many letters from parents, educators, school administrators, and others urging that the school-lunch appropriation be restored. Of these I have selected one which clearly presents the views of school officials and parents in the matter, and I am happy to insert this letter into the RECORD. It is from Dr. William Jansen, superintendent of schools of the city of New York, and it reads as follows:

Hon. LOUIS B. HELLER,
House Office Building,
Washington, D. C.

DEAR MR. HELLER: In its budget request for fiscal 1955, the United States Department of Agriculture requests a decrease of $15 million in the amount previously appropriated for the school-lunch program, and proposes that the decrease be accomplished by the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act. The justification that is offered for the proposed cut is that increased quantities of section 32 commodities anticipated in 1955 should be sufficient not only to maintain the level of Federal assistance but also should offset some of the additional costs resulting from increased school enrollments.

We are advised by the New York State Department of Education that the city of New York will suffer a loss of section 6 commodities valued at nearly $500,000 if the proposed cut in the school-lunch appropriation is approved. We do not share the opinion of the Department of Agriculture that this loss will be offset by the value of increased donations of section 32 commodities, for the following reasons:

1. No one knows what commodities will be surplus next year, or what quantities will be available, because most of these commodities have yet to be produced.

2. The schools cannot use any more than they are already using of those surplus commodities that the Government now owns, such as dairy products, canned beef, and vegetable oils.

3. Many surplus commodities can be used only as additions to school-lunch menus, and therefore do not save the schools any money that could be used to buy other foods.

4. Those surplus commodities that can be used in place of other foods do not represent dollar savings equivalent to the amounts at which these commodities are valued by the Government. For example, butter permits a saving of 20 cents a pound, the cost of the oleomargarine it replaces, and not the 69 cents a pound at which it is valued by the United States Department of Agriculture.

We believe that the school-lunch program provides a means for disposing of surplus agricultural products in a manner that is well accepted by the public, and we welcome these donations for the additional benefits they afford our children. At the same time, we believe that their dollar value to the school-lunch program is greatly overstated by the Department of Agriculture in its efforts to justify the proposed cut. We hope, therefore, that you will seek to have the amount of the school-lunch appropriation restored to at least the level of $83,365,000 which was provided for the current fiscal year, and thus prevent impairment of a program that is essential to the health and well-being of 400,000 New York City schoolchildren.

Sincerely yours,

WILLIAM JANSEN,
Superintendent of Schools.