the situation existing in this area. I found that the Communist government of Guatemala has already encouraged Red agitators to infiltrate neighboring countries to stimulate Marxist activity. It appears that the Republic of Honduras is next on the list of Communist targets. Other nations of Central America face similar Communist agitation.

It is imperative that we recognize the danger to the free world which now exists in America's own backyard. It is important that our Government take positive and courageous action to meet this threat to our freedom in the Western Hemisphere. I suggest that the Congress reappraise the foreign aid program now under consideration. The present proposals call for the spending of $3.5 billion in foreign aid during the next fiscal year. Only $44 million of this amount, which is 1.3 percent, will be earmarked for all of Latin America.

We cannot buy friends with dollars, but proper use of military and economic assistance to the countries of Latin America could help those countries strengthen their national defense programs and assist them in increasing the standard of living for their people in an effort to discourage Communist activity.

In addition, it is important that we respond quickly to the request of our Latin American neighbors for military equipment in the face of the Communist threat. Our response to requests from Honduras and Nicaragua has helped to strengthen the anti-Communist bloc in Latin America and has encouraged resistance to the Reds.

If a conference of Latin American nations is called, serious consideration should be given to the imposition of economic sanctions against the Red leadership of Guatemala. If the United States and our friends in Latin America stop the purchase of Guatemalan coffee and boycott the shipment of fuels and other essential commodities to Guatemala, the Communist government there would be in serious difficulty.

I also found in the course of my study of Central America, that the Communists have infiltrated labor unions and teacher organizations in a number of Latin American countries. It is my hope that labor leaders in this country will consider inviting anti-Communist labor leaders in Latin America to the United States in order to show them the manner in which the Reds have been driven from active leadership in most of our American labor unions. A similar exchange among teachers of the United States and Latin America could also be helpful.

Mr. Speaker, I sincerely hope that the people of the United States awaken to the danger which exists in the Western Hemisphere today. Failure to recognize the danger and to take action to prevent its spread will mean that the day will come when the Red menace could reach the very border of our country.

Mr. Speaker, I include as part of my remarks, an editorial from the San Diego Union. The editorial follows:

TOO LATE NOW FOR GUATEMALA?

The clock may have struck 12 in Guatemala yesterday. The hour when anti-Communists within that country might strike back peaceably has been passing rapidly. With the suspension of constitutional guaranties that time may have elapsed.

Supported with Moscow weapons and dictatorial orders, the Communist-dominated government in Guatemala now may enforce any oppression it chooses upon the people.

The Reds long have dominated the press and radio in Guatemala. Raul Leiva, press secretary for President Arbenz, is a Communist. The director general of radio broadcasting, Carlos Alvarado Jerez, also is a Red.

But until constitutional guarantees were suspended yesterday, the opposition to the Communists still dared to speak out—mildly, perhaps, but as a voice of resistance.

The pattern of Red encroachment in Guatemala is typical of communism. Because of its proximity to our own borders, it deserves militant scrutiny.

The Reds have made no pretense of capturing the masses. Their numbers are estimated at 2,500 in a country of 3 million. The Communists have been able to entrench themselves in key organs of state power and in the leadership of labor and peasant organizations not as the result of a widespread popular revolutionary movement, but through a well-managed conspiracy. Unwittingly, they have been helped by non-Communists and ineffectually opposed by the anti-Reds.

With few exceptions, Guatemalans have not elected the Communists to the positions of power nor explicitly endorsed the Red objectives.

Jose Manuel Fortuny, recently deposed Guatemalan Communist Party leader, has proclaimed publicly the steps being followed. While the Reds tighten their grip on government, they are creating economic havoc by confiscating land and discouraging foreign investment. As conditions become worse, in typical Communist fashion inflation will increase. The Reds then will seek to convert the masses, offering the pretense of a solution.

The United States and other nations can seek to prevent the spread of communism to other nearby countries. But with the strong hold the Reds now have in Guatemala, it appears there is little hope unless revolt strikes from within. The hour for that is passing fast.

SENATE

FRIDAY, JUNE 11, 1954

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

Thou God of our fathers and our God, we thank Thee that Thou hast created, through the minds of our forebears, a glorious heritage of liberty and justice for all. We pray that Thou wilt increase among us worthy plans and efforts to continually build the structure of democracy upon the sure foundations which they laid. To this end, we pray for guidance, this day and every day, in the work we have been called to do. May we know that we are contributing to the great stream of creative events which can make history the story of Thy unfolding purpose and will for man. Unite us in one continuous effort that, under Thy guidance, we may make our world a place where fruitful industry, valiant truth, responsible freedom, and pure religion flourish and men dwell as sons of God. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 9, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2225) relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes.

The message requested the Senate to return to the House the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, with the accompanying papers.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1331) for the relief of Mrs. Katherine L. Sewell.

The message further announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 455) granting the status of permanent residence to certain aliens.

The message also announced that the House had passed a bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies for the fiscal year ending June 30, 1955, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1331. An act for the relief of Mrs. Katherine L. Sewell;

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy; and

H. J. Res. 455. Joint resolution granting the status of permanent residence to certain aliens.

SENATOR FROM NORTH CAROLINA

Mr. LENNON. Mr. President, the Honorable William B. Umstead, Governor of North Carolina, has appointed a successor to the late lamented Senator Clyde R. Hoey. The Senator designate is the Honorable SAMUEL J. ERVIN, JR.,

of Morganton, N. C. I present his certificate of appointment, and ask that it be read.

The certificate of appointment was read, and ordered to be placed on file, as follows:

STATE OF NORTH CAROLINA,
GOVERNOR'S OFFICE,
Raleigh.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of North Carolina, I, William B. Umstead, the Governor of said State, do hereby appoint SAMUEL J. ERVIN, JR., a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Senator Clyde R. Hoey, is filled by election, as provided by law.

Witness His Excellency, our Governor, William B. Umstead, and our seal hereto affixed at Raleigh, N. C., this 5th day of June, in the year of our Lord 1954.

WM. B. UMSTEAD,
Governor.

By the Governor:
[SEAL] THAD EURE,
Secretary of State.

Mr. LENNON. Mr. President, the Senator designate is present, and I ask that he may be permitted to take the oath of office.

The VICE PRESIDENT. If the Senator designate will present himself at the desk, the oath will be administered to him.

Mr. ERVIN, escorted by Mr. LENNON, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to him by the Vice President.

The VICE PRESIDENT. The Senate, having met today following an adjournment, morning business is in order.

REPORT OF DISTRICT OF COLUMBIA PUBLIC UTILITIES COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of that Commission for the year ended December 31, 1953, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FERGUSON, from the Committee on Appropriations:

H. R. 8873. A bill making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes; with amendments (Rept. No. 1582).

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

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce:

S. 2453. A bill to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship; with amendments (Rept. No. 1583).

By Mr. BUTLER of Maryland, from the Committee on Interstate and Foreign Commerce:

S. 3233. 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; with amendments (Rept. No. 1584).

By Mr. PURTELL, from the Committee on Interstate and Foreign Commerce:

H. R. 8357. A bill to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–257i), to provide for a three-eighths bushel basket for fruits and vegetables; without amendment (Rept. No. 1585).

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

H. R. 8456. A bill to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.; without amendment (Rept. No. 1586).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

S. 3453. A bill to provide for the management and disposition of the reconveyed Choctaw and Chicasaw lands in the State of Oklahoma (Rept. No. 1953);

H. R. 3413. A bill to grant oil and gas in lands and to authorize the Secretary of the Interior to issue patents in fee on the Fort Peck Indian Reservation, Mont., to individual Indians in certain cases (Rept. No. 1589); and

H. R. 6154. A bill to authorize payment of salaries and expenses of officials of the Fort Peck Tribes (Rept. No. 1590).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3239. A bill to authorize conveyance of land to the State of California for an inspection station (Rept. No. 1587).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with amendments:

S. 2488. A bill to authorize the issuance of trust patents in lieu of land-use exchange assignments issued on the Cheyenne River Sioux Reservation and the Standing Rock Reservation prior to January 1, 1953 (Rept. No. 1588); and

S. 3385. A bill to provide for more effective extension work among Indian tribes and members thereof, and for other purposes (Rept. No. 1592).

By Mr. IVES, from the Committee on Labor and Public Welfare:

H. R. 3350. A bill for the relief of Ralston Edward Harry; without amendment (Rept. No. 1591), including minority views.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955—REPORT OF A COMMITTEE—NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. FERGUSON. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, and I submit a report (No. 1582) thereon.

I wish to have noted that the bill was reported at 6 minutes after 12 o'clock today.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

Mr. FERGUSON. Mr. President, I submit the following notices of motions to suspend the rule:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 52, line 10, insert the following:

"SEC. 736. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance). Within the limits of funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocation, and no funds so allocated shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred, or unless the President in writing shall direct such action. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 29, line 9, after the figure "$28,000,000", insert the following: ": *Provided*, That in addition, the Secretary of the Air Force may transfer not to exceed $5,000,000 to this appropriation from any appropriation available to the Department of the Air Force for obligation."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 39, line 25, insert the following: *"Provided further*, That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition, or construction of facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility must be continued in the national interest."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955,

and for other purposes, the following amendment, namely: On page 22, line 6, after the word "expended", insert the following: ": *Provided*, That the unexpended balances appropriated for research and development under the heads 'Naval Personnel, General Expenses,' 'Marine Corps, Troops and Facilities,' 'Aircraft and Facilities,' 'Ships and Facilities,' 'Ordnance and Facilities,' 'Medical Care,' 'Civil Engineering,' 'Servicewide Supply and Finance, Navy,' for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head 'Research' are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget."

In accordance with rule XL of the standing rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 30, line 15, after the word *"Provided,"* insert the following: "That in addition, the Secretary of the Air Force may transfer not to exceed $9 million to this appropriation from any appropriation available to the Department of the Air Force for obligation: *Provided further*, That the number of caretakers authorized to be employed under the provisions of law (32 U. S. C. 42) may be such as is deemed necessary by the Secretary of the Air Force."

Mr. FERGUSON also submitted amendments intended to be proposed by him to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 10, 1954, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 144. An act for the relief of the Cavalier County Fair Association;

S. 857. An act for the relief of the legal guardian of Robert L. Hilton, a minor;

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes;

S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.;

S. 1794. An act to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients; and

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. CAPEHART (for himself and Mr. MAYBANK):

S. 3589. A bill to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the Bank on the National Advisory Council on International Monetary and Financial Problems and to increase the bank's lending authority; to the Committee on Banking and Currency.

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

By Mr. AIKEN:

S. 3590. A bill relating to the financial structure of production credit associations; to the Committee on Agriculture and Forestry.

By Mr. ANDERSON:

S. 3591. A bill to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands; to the Committee on Agriculture and Forestry.

By Mr. SMATHERS:

S. 3592. A bill to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 3593. A bill to continue the effectiveness of the act of July 17, 1953 (68 Stat. 177); to the Committee on Armed Services.

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

By Mr. SALTONSTALL (for himself, Mr. BUTLER of Maryland, Mr. GREEN, Mr. KENNEDY, Mr. KUCHEL, Mr. MAGNUSON, Mr. PASTORE, Mr. PAYNE, Mr. PURTELL, Mrs. SMITH of Maine, Mr. ELLENDER, and Mr. LONG):

S. 3594. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Interstate and Foreign Commerce.

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

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. 3595. A bill to direct the Secretary of the Army to convey certain property located in El Paso, Tex., and described as part of Fort Bliss, to the State of Texas; to the Committee on Armed Services.

By Mr. POTTER (for Mr. DIRKSEN) (by request):

S. 3596. A bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their goodwill in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons; to the Committee on Interstate and Foreign Commerce.

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

By Mr. WATKINS:

S. 3597. A bill to amend the provisions of law added to the United States Code by the act of August 15, 1953 (Public Law 280, 83d Cong., 67 Stat. 588); to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3598. A bill for the relief of Eleonore Schmucker and her child; to the Committee on the Judiciary.

By Mr. HILL:

S. 3599. A bill providing for the issuance of a special series of postage stamps commemorative of the 50th anniversary of the National Tuberculosis Association; to the Committee on Post Office and Civil Service.

By Mr. KENNEDY:

S. 3600. A bill for the relief of Victor Manuel Caetano; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 3601. A bill to provide that the Secretary of Agriculture is authorized to extend until not later than October 18, 1962, certain timber rights and necessary ingress, and egress and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BUTLER of Nebraska (for himself and Mr. BARRETT):

S. J. Res. 165. Joint resolution to provide for construction by the Secretary of the Interior of the Glendo unit, Wyoming, Missouri River Basin project; to the Committee on Interior and Insular Affairs.

INDEPENDENT MANAGEMENT OF THE EXPORT-IMPORT BANK OF WASHINGTON UNDER A BOARD OF DIRECTORS

Mr. CAPEHART. Mr. President, on behalf of myself and the Senator from South Carolina [Mr. MAYBANK], I introduce for appropriate reference a bill to provide for the independent management of the Export-Import Bank of Washington under a board of directors, and for other purposes. I ask unanimous consent that the bill and a statement I have prepared in respect thereto be printed in the RECORD.

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. 3589) to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the bank on the National Advisory Council on International Monetary and Financial Problems and to increase the bank's lending authority, introduced by Mr. CAPEHART (for himself and Mr. MAYBANK), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 3 of the Export-Import Bank Act of 1945, as amended, is hereby further amended to read as follows:

"SEC. 3. (a) The Export-Import Bank of Washington shall constitute an independent agency of the United States and neither the bank nor any of its functions, powers, or duties shall be transferred to or consolidated with any other department, agency, or corporation of the Government unless the Congress shall otherwise by law provide.

"(b) There shall be a President of the Export-Import Bank of Washington, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, who shall receive a salary at the rate of $17,500 per annum, and who shall serve as chief executive officer of the bank. There shall be a First Vice President of the bank, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, who shall receive a salary at the rate of $16,000 per annum, who shall serve as President of the bank during the absence or disability of or in the event of a vacancy in the office of President of the bank, and who shall at other

times perform such functions as the President of the bank may from time to time prescribe.

"(c) There shall be a Board of Directors of the bank consisting of the President of the Export-Import Bank of Washington who shall serve as Chairman, the First Vice President who shall serve as Vice Chairman, and three additional persons appointed by the President of the United States by and with the advice and consent of the Senate. Of the 5 members of the Board, not more than 3 shall be members of any one political party. Each director, other than the President of the Export-Import Bank and the Vice President of the Export-Import Bank, shall receive a salary at the rate of $15,000 per annum. Before entering upon his duties, each of the directors shall take an oath faithfully to discharge the duties of his office. Terms of the directors shall be at the pleasure of the President of the United States, and the directors, in addition to their duties as members of the Board, shall perform such additional duties and may hold such other offices in the administration of the bank as the President of the bank may from time to time prescribe. A majority of the Board of Directors shall constitute a quorum. The Board of Directors shall adopt, and may from time to time amend, such bylaws as are necessary for the proper management and functioning of the bank, and shall, in such bylaws, designate the vice presidents and other officers of the bank and prescribe their duties.

"(d) There shall be an Advisory Committee of nine members, appointed by the Board of Directors on the recommendation of the president of the bank, who shall be broadly representative of production, commerce, finance, agriculture, and labor. The Advisory Committee shall meet one or more times per year, on the call of the president of the bank, to advise with the bank on its program. Members of the Advisory Committee shall be paid a per diem allowance of $50 for each day spent away from their homes or regular places of business, for the purpose of attendance at meetings of the Committee, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed $10 per diem in lieu of subsistence and other expenses.

"(e) No director, officer, attorney, agent, or employee of the bank shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly personally interested."

SEC. 2. Section 4 (a) of the Bretton Woods Agreements Act, as amended, is hereby further amended by striking out all following "Federal Reserve System," and inserting in lieu thereof "the President of the Export-Import Bank of Washington, and during such period as the Foreign Operations Administration shall continue to exist, the Director of the Foreign Operations Administration."

SEC. 3. The Export-Import Bank Act of 1945, as amended, is hereby further amended as follows:

(a) Section 6 is amended by striking out the words "three and one-half times the authorized capital stock of the bank" and substituting therefor the figure "$4,000,000,000."

(b) Section 7 is amended by striking out the words "four and one-half times the authorized capital stock of the bank" and substituting therefor the figure "$5,000,000,000."

SEC. 4. The provisions of this act for the appointment of a president and a first vice president of the bank and the members of the board of directors shall be effective upon its enactment. The remaining provisions of this act shall become effective when the president and first vice president of the bank and one other member of the board of directors initially appointed hereunder enter upon office, and shall thereupon supersede Reorganization Plan No. 5 of 1953.

The statement by Mr. CAPEHART is as follows:

STATEMENT BY SENATOR CAPEHART

My participation in the activities of the Senate in the field of foreign affairs has been limited.

It was only 6 months ago that I became one of the most junior members of the Senate Committee on Foreign Relations.

But I brought to that committee a long experience with the Senate Committee on Banking and Currency.

I want now to make my maiden speech.

When I have finished, I hope my colleagues will recognize that a marriage has been consummated between foreign policy and economic policy.

One of the things that has impressed me most in my service with the Foreign Relations Committee is that our foreign policy has not always been based on sound business practice.

We have had a tendency in the years since the war, and perhaps with some justification, to think of economic foreign policy as something that involves giving American wealth to nations that were not able to stand on their own economic feet.

We have encouraged dependence, not independence. It is now time for us to recognize that the world we want and need must be one in which free nations deal with one another as equals and that paternalism has no more place in international affairs than it has in domestic affairs.

We have the instrumentality available to build a strong foreign policy.

But first, let us look at the record.

On March 30, 1954, in his message to the Congress on the importance of our foreign trade the President made the following observation:

"If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved. For our own economic growth we must have continuously expanding world markets; for our security we require that our allies become economically strong. Expanding trade is the only adequate solution for these two pressing problems confronting our country."

I wholeheartedly support this statement. I have long since been on record as being in agreement with its substance.

As early as January 7, 1953, I, together with the distinguished Senator from South Carolina [Mr. MAYBANK], introduced a resolution in the Senate (S. Res. 25) directing the Committee on Banking and Currency to make a thorough study of means and methods for increasing and expanding our international trade.

This resolution was referred to the Committee on Banking and Currency.

It was considered in a number of executive sessions and reported out favorably by the full committee on April 30, 1953—over 1 year ago. (See S. Rept. No. 208, 83d Cong., 1st sess.)

In that report it was stated that the continued prosperity of our domestic economy and the economic stability of the world is to a large extent dependent on a high level of international trade.

Our committee contended that a high level of international trade should no longer be dependent upon programs of aid and assistance as has been required during recent years.

At the same time it was our opinion that to reduce drastically the various programs of aid and assistance, without at the same time providing some other means of taking up the slack and further expanding trade between nations, might well lead to a downward spiral in our international trade and even to an overall international economic recession.

Our committee proposed to make constructive studies of various means and methods of expanding foreign trade.

Included in the resolution was the proposal for a thorough study of the potentialities of the Export-Import Bank, the International Bank for Reconstruction and Development, and such other agencies and devices as would facilitate American investment abroad.

At a later date, the President requested of the Congress authorization to appoint a Commission on Foreign Economic Policy. Senate Joint Resolution 78 was introduced to carry out the President's request on May 15.

The Senate Finance Committee reported it out on May 15 and the Senate agreed to it on May 19, 1953.

This Commission subsequently became known as the Randall Commission.

Its report is now public.

Its recommendations will come before this body in legislative proposals.

On May 23, 1953, in a letter to the chairman, Committee on Rules and Administration, I suggested that to avoid duplication of effort and in order to wholly cooperate with the President's Commission in their broad trade studies that our resolution of January 7 (S. Res. 25) be amended to read as follows:

"Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a thorough study of the operations of the Export-Import Bank and the International Bank for Reconstruction and Development and their relationship to the expansion of international trade."

On May 28, 1953, the Committee on Rules and Administration reported favorably upon this amendment and recommended that it be agreed to by the Senate. The amendment was considered and approved on June 8, 1953.

On January 11, 1954, as chairman of the Committee on Banking and Currency, I submitted a progress report of our committee's work, to that date, under the resolution. Briefly the report told of intensive studies which the committee had made of the internal and external operations of the Export-Import Bank and the International Bank; the multitudinous expression of opinion and suggestions from bankers, business firms, trade associations, labor organizations, farm groups, economists, and individuals; and staff reports and detailed written studies prepared by customers and by the experienced personnel of both banks. In addition, we reported the "field" study and inspection by committee members of certain projects in Latin America financed by loans of the Export-Import Bank and International Bank for Reconstruction and Development.

A comprehensive interim report (p. 648) of our Latin American studies has been printed under date of March 16, 1954 (S. Rept. 1082).

The January 11 progress report also referred to the creation of a voluntary citizens advisory committee on September 15, 1953, composed of over 100 prominent leaders from industry, business, banking, labor, and farming to make appropriate recommendations to your committee concerning the subject matter of the study.

This advisory committee has been most diligent in its studies and deliberations and their helpful suggestions will shortly be formally presented to the committee.

At the first meeting of the Citizens Advisory Committee on September 15, I stated:

"We cannot have peace and prosperity throughout the world unless we have full employment.

"If we are to have full employment, we must have foreign trade.

"What we want to do in the United States is to sell more goods to every other nation in the world.

"What every other nation in the world wants to do is to sell more goods to us and to every other nation.

"We all want to do it without hurting each other.

"I think another very simple way to state this whole business is this:

"I was never able to sell a man who did not have any money or credit. That means we are not going to be able to sell in the United States unless we have full employment or practically full employment. We are not going to be able to sell to other nations of the world unless their people have money.

"They are not going to be able to sell to us unless we have money.

"I have never yet seen a community in the United States or a community anywhere, a city, a county, a state, or a nation that was prosperous unless at least the great majority of their people were working and working at good wages, wage rates comparable with the prices they had to pay for things they purchased.

"What we hope to do—it is not easy and we realize that—is to find some way to increase world trade.

"As far as I am personally concerned, it must be converted into employment.

"What can we do to create more jobs in the United States? What can we do to create more jobs for the peoples of other countries so that they will have money to buy that which we produce, and money to buy that which is produced in their own countries?

"We would like to have our study based upon and resolved around full employment.

"Anything that we might recommend, anything that we might do must be compatible with what I call the American system of government and the private enterprise system.

"We are not going to have peace, we are not going to have prosperity unless our people and the peoples of the other countries have jobs."

What I said on September 15 I reiterate now. All who have been engaged in our committee's work have kept these basic purposes before them.

Public hearings have been held by our committee during January and February and are to be continued at subsequent dates.

While our studies are steadily progressing certain facts have already become evident and vital.

Some of these facts concern the great credit arm of the United States which was created for a clear-cut purpose:

"To aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its territories or insular possessions and any foreign country or the agencies or nationals thereof."

I refer to the Export-Import Bank. This credit arm is most urgently needed in expanded form at the present turn in the economy of the world.

Presently, we find United States producers seeking markets for their production.

Labor in capital goods, manufacturing, processing, and other industries are concerned about employment.

Many countries in the free world are anxious to acquire wealth-creating machinery and equipment which is available in the United States.

We have recently turned an economic corner in this country.

We have moved from a sellers' to a competitive buyers' market.

United States producers can no longer sit back and without dynamic salesmanship expect foreign orders to fill up surplus productive capacity of their plants.

We have, through the years, by gifts and grants and by aid programs built up a healthy competition for ourselves.

We have in addition aided our free world friends and neighbors to create and develop credit facilities and devices which at the same time we have failed to utilize or create ourselves.

While many of our neighbors still want our products they now want to buy them on their own credit terms.

The day has gone when we can demand guaranteed letters of credit with orders.

This great country of ours did not grow to its greatness on a cash-and-carry basis.

When it needed to expand and develop its agricultural and mineral resources, its transportation, its industrialization, it sought substantial help in the form of long-term credits.

Enormous sums poured in from abroad and were invested upon a long-term basis upon the faith of the destiny of the United States.

Simultaneously there developed within our own economy new credit forms which enabled the businessman—big and little—to turn over his own capital many times, thereby creating greater output, more jobs, and expansion of plant capacity.

It enabled capital to be accumulated to be used for more growth and wider investment.

There finally evolved consumer credit plans which, predicated upon the integrity and earning power of the American worker, has resulted in an undreamed volume of national product.

It is part of this national product which our foreign friends wish to purchase and which we want to sell them.

We have to make it possible for them to buy by helping them with lengthy credit terms.

Both our private investment sources, our great banks, our insurance companies, our investment trusts, our many pension funds have enormous resources for sound investment, not only in this country but in expanding friendly areas abroad.

As foreign countries improve the investment climate by removing artificial and short-sighted trade and monetary restrictions these investment sources will, as happened in our own country a hundred years ago, find proper and safe investments in the expanding economy of other nations.

Money invested in wealth-creating ventures on long-term credit basis will enable the economies of other nations to expand, will provide greater employment opportunities, raise wages and living standards, and wipe out illiteracy, disease, and social discontent.

In normal course credit purchase systems will evolve to enable consumers to purchase more useful comforts and conveniences of life over longer periods of time and therefore expand the productive capacity of other countries.

We can and should help our friends in their economic development as we ourselves were helped from abroad decades ago. We should use all our acquired wisdom, experience, and sympathy in assisting our friends abroad when they solicit our help in improving their economies.

International business means sound borrowing on credit terms which permits for expansion and turnover.

Twenty years ago we created the Export-Import Bank.

From an agency with a capital of $11 million we have expanded it year by year into an independent corporate entity with a loan, guaranty, and insurance ceiling which now reaches $4½ billion.

Collections during the calendar year 1954 are expected to total $440 million.

Over the years the Export-Import Bank has done a good, an effective job in promoting our foreign trade.

It stands today, with $1.3 billion in unused lending capacity, in addition to $500 million yet to be disbursed under credits already authorized.

We are not adequately using the resources of this great bank in the credit substructure of our international trade.

It is not because of the lack of credit applications by American producers and foreign buyers.

There has been much said about the appropriate field for different types, kinds, and character of credits to be granted by the Export-Import Bank.

I refer to the assertions frequently made about the respective field of jurisdiction and operation of the Export-Import Bank as compared with the International Bank.

For example, it has been stated that the role of the Export-Import Bank is aid to our current foreign trade by means of loans of rapid turnover and shorter duration, while the role of the International Bank involves loans of a capital nature of long duration for construction and development purposes.

I point out that in the 20 years of its life, the objects and purposes of the Export-Import Bank have never been changed. They are presently contained in the Export-Import Bank Act of 1945.

At the expense of repetition, those objects and purposes are: "To aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof."

I confess that by the most careful reading of these purposes I can find no limitation upon the kind, size, or quantity of exports which this United States bank may finance.

Nor can I find any preclusive word or phrase which would limit the Export-Import Bank to loans of rapid turnover or short duration.

Certainly I would object to any interpretation which would circumscribe the authority of this bank to make loans to capital-goods industries, to wealth-producing industries, which by their very nature presume longer credit terms.

This country of ours has been built by the might of its technology.

It is this technology that free nations seek, as well as the products of our great technological mass-production plants.

To limit the export of our science, our technology, by denying appropriate credit terms from our only available public credit source, the Export-Import Bank, is to deny fundamental tenets of our foreign policy, our foreign-assistance programs, and our point 4 programs.

I do not believe we should circumscribe the functions of the Export-Import Bank.

I do not believe we should hesitate to help our foreign friends in undertaking proper development projects within their reasonable credit potential.

Nor would I have the United States producer nor skilled United States labor submit to any credit preclusion which in this highly competitive world would put them in an unrealistic and noncompetitive position.

My position on this matter has more to it than mere national selfishness.

As I view it, the total strength of the free world is not unrelated to the strength of the United States.

To weaken us, to weaken our production, our fibers of laboratory research, to restrain the continuing employment of our technicians, to restrict for a moment the steady growth of our industrial potential—all of which can be prevented through expanding international trade built on sound credit—at a time when the Iron Curtained world is devoting its energies to catching up and to surpassing us, is to invite the destruction of freedom.

We must grow steadily even as friendly nations must grow in technology and productivity.

It is imperative that we do so if we are to maintain our own power, and that of other free nations.

And we must use all available credit sources to stimulate that growth.

There is no legislative limitation upon loan authority of the Export-Import Bank that would exclude it properly from making long-term, medium-term, or development loans.

In fact, as early as September 26, 1940, the Congress increased the lending authority of the bank by some $500 million and specifically provided for the making of loans to foreign governments or their central banks or agencies for the purpose of assisting in the development of their resources, stabilizing their economies, and for the orderly marketing of products of the Western Hemisphere.

That purpose and loan authority has never been modified or repealed by the Congress.

It stands as the declared policy of the Congress.

My colleague [Mr. MAYBANK] and I are submitting a bill which would amend the Export-Import Bank Act of 1945.

This bill reiterates and reaffirms the independent management of the bank under a board of adequately compensated directors.

The bill clarifies the relationship of the bank to the National Advisory Council and gives a voting membership on the Council to the bank.

The loan, guaranty, and insurance limit of the bank is fixed at $5 billion.

This will be practical evidence to American producers, to American labor, and to all American taxpayers that the Congress practicalizes the trade-not-aid slogan at a time when our gift and grant programs are being substantially curtailed.

The bill also provides the means for additional credit, guaranty, and insurance plans to expand international trade.

With this proposed amendatory legislation enacted into law, we will take a great step and a fundamental step forward in the expansion of international trade.

Mr. CAPEHART. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter from the Secretary of State, Mr. Dulles, endorsing the bill.

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

THE SECRETARY OF STATE,
Washington, June 9, 1954.

The Honorable HOMER E. CAPEHART,
United States Senate.

DEAR HOMER: I am sorry that I cannot attend the 12 o'clock meeting tomorrow that you are having with the President on your proposed Export-Import Bank Act. However, I have followed this matter closely, and I want you to know how much I appreciate the careful consideration that you have given to it. I believe that your bill will go a long way toward solving the problem.

Sincerely yours,

JOHN FOSTER DULLES.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed at this point, in the body of the RECORD, as a part of my remarks, a statement endorsing the bill, given to the press on yesterday by the President of the United States.

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

STATEMENT BY THE PRESIDENT FOLLOWING MEETING AT 12 NOON ON THURSDAY, JUNE 10, 1954, WITH CONGRESSIONAL AND ADMINISTRATION REPRESENTATIVES

President Eisenhower met at 12 o'clock today with Senators Homer E. Capehart and Burnet R. Maybank, of the Senate Committee on Banking and Currency; Representatives Jesse P. Wolcott and Brent Spence, of the House Committee on Banking and Currency; Secretary of the Treasury George M. Humphrey; Acting Secretary of State Robert Murphy; Deputy to the Secretary of Treasury W. Randolph Burgess; Assistant Secretary of State Samuel C. Waugh; General Glen E. Edgerton, Managing Director of the Export-Import Bank; and Gabriel Hauge, Administrative Assistant to the President.

At the meeting, agreement was reached on several changes in the organization of the Export-Import Bank which will be embodied in bills to be introduced this afternoon by Senators CAPEHART and MAYBANK in the Senate and by Representative WOLCOTT in the House.

The changes are the result of a year's experience and study, including visits to Latin American countries by the members of the Senate Banking and Currency Committee and a mission headed by Dr. Milton Eisenhower.

The Banking and Currency Committee of the Senate has also had the benefit of consideration of these problems by an advisory committee of businessmen and financial representatives.

The proposed legislation would increase the lending authority of the Bank by $500 million and strengthen the organization of the institution by creating a bipartisan board of directors of five members to be appointed by the President subject to Senate confirmation. The Chairman of the Board would be the President of the Bank, who would serve as the chief executive officer.

These proposed changes are designed to further the basic objectives of the Bank, which are to aid in financing and to facilitate the export and import trade of the United States. Such assistance is particularly important to American exporters under current conditions in world markets.

The National Advisory Council on International Monetary and Financial Problems will continue to coordinate the foreign financial operations of the Export-Import Bank with those of other agencies of the Government. The President of the Bank will become a member of the NAC. No change would be made in the statutory requirement that loans made by the Bank offer reasonable assurance of repayment.

NOTICE OF PUBLIC HEARINGS ON EXPORT-IMPORT BANK PROPOSED LEGISLATION

Mr. CAPEHART. Mr. President, as chairman of the Committee on Banking and Currency, I desire to give notice that public hearings will be held on the study of Export-Import Bank and World Bank and their relation to international trade and specifically on S. 3589, just introduced, on June 14, 15, and 16, 1954.

Anyone wishing to discuss possible appearance to testify please contact the clerk of the committee, Ira Dixon.

CONTINUATION OF EFFECTIVENESS OF THE ACT OF JULY 17, 1953, RELATING TO EXPANSION OF PRODUCTION OF MILITARY REQUIREMENTS

Mr. SALTONSTALL. Mr. President, by request, I introduce for appropriate reference a bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), which is recommended by the Department of Defense.

I ask unanimous consent that the accompanying letter of transmittal explaining the purpose of the bill be printed in the RECORD immediately following the listing of the bill introduced.

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

The bill (S. 3593) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 15, 1954.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To continue the effectiveness of the act of July 17, 1953 (67 Stat. 177)".

This proposal is a part of the Department of Defense Legislative Program for 1954. The Bureau of the Budget has advised that it has no objection to the transmittal of this proposal to the Congress for its consideration. The Department of the Army on behalf of the Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The proposed legislation would provide continuing statutory authority for the Secretaries of the Army, Navy, and Air Force to expand and maintain productive capacity in Government-owned and privately owned plants in order to meet current or mobilization military production requirements, with ownership remaining in the Government for those facilities placed in privately owned plants. The present authority for these purposes is contained in the act of July 17, 1953 (Public Law 130, 83d Cong.; 67 Stat. 177), which authority expires not later than July 1, 1954. This proposal would amend this act as hereinafter indicated, and, as amended, extend the duration of the effectiveness of its provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such time as may be specified by concurrent resolution of the Congress, whichever is the earliest.

Even though a truce exists in the Korean conflict, the present world situation is similar in many respects to that which led to the request of this department for, and the enactment of, the act of July 17, 1953, in that it is still considered necessary that there be authority to meet requirements for rapid construction or expansion of production facilities needed to alleviate emergency production shortages which arise under conditions of urgent requirements for end items necessary for defense purposes. The act of July 17, 1953, itself was, to a large extent, a continuation of authority to expedite military production granted by statutes enacted shortly before and during World War II.

As was stated in connection with the request for enactment of the act of July 17, 1953, under normal peacetime conditions, the construction, conversion, or expansion of facilities for the procurement of military items is reduced to a minimum and limited to specific items which may be required during such peacetime periods. Peacetime authority of the military departments is not sufficiently broad to provide facilities that will be needed when an emergency occurs. Nor is there any peacetime authority available to the departments for assisting the expansion of privately owned productive capacity for an emergency. Expansion of both Government-owned and privately owned plants became immediately necessary in the emergencies that occurred prior to World War II and with the advent of the Korean conflict.

In the case of construction at military installations, it has been the practice periodically to obtain specific authorizing legislation for known needs. This procedure is clearly not feasible in the case of construction or expansion of plants needed to alleviate unforeseen shortages in defense production. It is not possible to foresee and predict accurately the need for specific authorizing legislation. During World War II and the Korean conflict, authority similar to that contained in the act of July 17, 1953, proved to be of inestimable value for the rapid expansion of productive capacity by the construction of Government-owned and expansion of privately owned plants.

In the present national emergency, the expansion of industrial capacity for the production of procured military items, and the rehabilitation of Government-owned plants which had been retained and maintained on a minimum basis, was started with an initial appropriation to the Army alone for fiscal year 1951 of expediting production funds of $125 million. During the remainder of that fiscal year, an additional $975 million was made available to the Army by supplemental appropriations. In fiscal year 1952, $1 billion was made available to the Army for the same purposes. No additional funds were requested for fiscal year 1953. For fiscal year 1954, $332 million was made available to the Army for such purposes. These funds have been and are being utilized for the rehabilitation, expansion, and conversion of plants retained under Government control since World War II, the construction of certain additional specialized plants for the production of items not normally produced by civilian industry, and the conversion of existing privately owned plants to the production of military items.

Under the existing international situation, the present emergency may become acute at any time without warning. In such an eventuality, time would be a large and very significant factor in the expansion of urgently needed productive capacity. It is believed that continued statutory authority for a rapid expansion of productive capacity is important to the timely satisfaction of the needs of the military departments for vital supplies. This proposal would continue not only the authority with respect to facilities required for current defense production but also to facilities intended for mobilization reserve purposes. The reserve capacity to be provided will be for essential military items requiring a long-lead production time. In the event of full mobilization, a lack of adequate productive capacity for such items would create a serious bottleneck. The Department of Defense appropriation for fiscal year 1954 contained $250 million for this purpose.

The authority granted by the act of July 17, 1953, to maintain production facilities in a standby basis at or near the location planned to be used for production purposes in the event of further emergency will become increasingly important as the immediate need for current production decreases. As long as such authority exists arrangements can be made to reactivate quickly production facilities by (1) arranging with the private contractor for storage and/or maintenance of the facilities at or near the plant site, or (2) lease of the facilities in place to private contractors in return for the storage, maintenance, preservation, and performance of other services by such contractors with respect to the property leased, or other production facilities not so leased, in lieu of, or in addition to, a monetary rental. Without such authority it would not be possible to assure that such facilities would be available as quickly for actual production in the event of a further emergency.

This proposal recommends one technical change in the act of July 17, 1953. This change would recognize by express provision the present implied authority to maintain, store, and operate defense production facilities acquired pursuant to statutes other than the act of July 17, 1953, the act of July 2, 1940 (54 Stat. 712), as amended, and the act of December 17, 1942 (56 Stat. 1053), as amended, which is the present limitation in the act of July 17, 1953. The reason for this is that there are defense productive facilities acquired pursuant to other statutes which it is deemed necessary to maintain, store, and operate. Specifically, facilities have been acquired pursuant to Public Law 364, 80th Congress; Public Law 883, 80th Congress; and Public Law 152, 81st Congress, as amended, the continued availability of which is required for mobilization base purposes.

COST AND BUDGET DATA

This proposal would cause no apparent increase in budgetary requirements insofar as the Department of Defense is concerned.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

RIGHTS OF UNITED STATES VESSELS ON THE HIGH SEAS AND IN TERRITORIAL WATERS OF FOREIGN COUNTRIES

Mr. SALTONSTALL. Mr. President, on behalf of myself, the Senator from Maryland [Mr. BUTLER], the senior Senator from Rhode Island [Mr. GREEN], my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], the Senator from California [Mr. KUCHEL], the Senator from Washington [Mr. MAGNUSON], the junior Senator from Rhode Island [Mr. PASTORE], the junior Senator from Maine [Mr. PAYNE], the Senator from Connecticut [Mr. PURTELL], the senior Senator from Maine [Mrs. SMITH], the senior Senator from Louisiana [Mr. ELLENDER], and the junior Senator from Louisiana [Mr. LONG], I introduce for appropriate reference a bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries. I hope that other Senators who are interested in the subject of fishing may join in sponsoring the bill.

I ask unanimous consent that there may be printed in the RECORD a brief statement explaining the provisions of the bill.

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

The bill (S. 3594) to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries, introduced by Mr. SALTONSTALL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement by Mr. SALTONSTALL is as follows:

STATEMENT BY SENATOR SALTONSTALL

This bill is designed to protect American fishermen in the continued exercise of fishing rights on the high seas and in the territorial waters off foreign countries.

The need for this bill arises from the serious danger that without protection for our fishermen these fishing rights will be sacrificed by default in the important tuna fisheries of the west coast off Central and South America and in the central Pacific, in the troll salmon, halibut, and ground-fish fisheries in the waters off British Columbia, in the shrimp and snapper fisheries of the Gulf of Mexico. Eventually even our fishermen's rights in the cod, haddock, and rosefish fisheries off Labrador, Newfoundland, Nova Scotia, and in the Gulf of St. Lawrence may be jeopardized.

The individual fishermen of the United States do not have these rights themselves. Such rights, under international law, pertain only to their sovereign, the United States. Yet the right of the United States to fish on the high seas exists only to the extent it is exercised by its fishermen engaged in catching fish. Recently, however, other countries have sought to extend their sovereignty and right of exclusive control into waters where vessels of the United States have traditionally fished. Unless the owners of these vessels can be assured of some measure of protection against the seizure of their vessels while exercising rights of the United States, they cannot continue to take the risk of sending their vessels into such waters. Unless, on the other hand, they do continue to fish in the challenged waters, those rights of the United States will become seriously weakened and may atrophy.

This is a worldwide problem. Its urgency has been demonstrated by repeated seizures of Japanese fishing vessels on the high seas by Russia and Communist China; denial to Israeli vessels of access to Israeli ports in the Gulf of Aqaba by Saudi Arabia and Egypt; seizure of Israeli fishing boats by Egypt in the Mediterranean; seizure of Danish and Swedish fishing boats by Russia in the Baltic; seizure of British fishing vessels by Iceland; seizure of Italian fishing vessels by Yugoslavia; and seizure of United States fishing vessels by Mexico and Ecuador, as well as attempted seizures by other countries.

To protect American fishermen in the exercise of fishing rights, this bill provides that in any case where (a) a vessel of the United States is seized by a foreign country on the basis of rights or claims in territorial waters or the high seas which are not recognized by the United States, and (b) there is no dispute of material fact with respect to the location or activity of the vessel at the time of its seizure, the Secretary of State shall secure the release of the vessel and shall pay, on behalf of the United States, any fines or post any bonds that may be required by such country for such release. It would then be for the Secretary to decide whether it is appropriate to present any claim by the United States against the seizing country.

RESTRICTION OF RESALE OF AUTOMOBILES AND TRUCKS IN CERTAIN CASES

Mr. POTTER. Mr. President, on behalf of the Senator from Illinois [Mr. DIRKSEN], who cannot be present, by request, I introduce for appropriate reference a bill to amend the Federal Trade Commission Act. I ask unanimous consent that a statement prepared by the Senator from Illinois be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement by the Senator from Illinois will be printed in the RECORD.

The bill (S. 3596) to amend the Federal Trade Commission Act with respect to certain contracts, agreements or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their good will in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting

franchise dealers from reselling to certain unauthorized persons, introduced by Mr. POTTER [for Mr. DIRKSEN], by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement by Mr. DIRKSEN is as follows:

STATEMENT BY SENATOR DIRKSEN

The bill proposes to amend the Federal Trade Commission Act as it relates to contracts, agreements, and franchises involving trucks and motor cars. The bill is introduced at the suggestion of the National Automobile Dealers Association who have repeatedly called attention to what is now referred to as the "bootlegging" of new automobiles. Officials of the association insofar as I know have had several conferences with the Department of Justice on this matter and have pointed out that the practice which is presently growing in the industry of bootlegging new automobiles by authorized dealers to unauthorized persons for resale is threatening the stability and integrity of the entire dealer structure throughout the country.

The association points out as a result of this practice that many dealers have been forced into involuntary bankruptcy and that according to the association's records hundreds of dealers in all sections of the country have been forced to liquidate or forced into bankruptcy.

I am mindful of the problem which is involved and also the difficulty in dealing with the problem by suggesting an amendment to existing law relating to anti-trust practices. It would occur to me, however, from the prima facie showing which has already been made that this matter deserves adequate attention on the part of the appropriate committee of the Congress and it is for the purpose of crystallizing the matter and having it referred to the proper committee that the attached bill is introduced. Logically it would be referred to the Senate Judiciary Committee and it is my earnest hope that at an early date the chairman of the committee will calendar this proposal for hearings so that dealers and the dealer association may have an opportunity to present their case.

TELEVISING OF CONGRESSIONAL COMMITTEE HEARINGS

Mr. JOHNSTON of South Carolina. Mr. President, some committees and subcommittees have been televising all their proceedings. I do not believe that that has been in the best interests of the United States. Neither do I believe that it adds to the dignity of the Senate.

For that reason I send to the desk a concurrent resolution, which I ask to have read and referred to the appropriate committee. I am submitting this concurrent resolution on behalf of the Senator from Mississippi [Mr. STENNIS] and myself.

The VICE PRESIDENT. Without objection, the concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 86), submitted by Mr. JOHNSTON of South Carolina (for himself and Mr. STENNIS), was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That (a) no part of any hearing or other proceeding of any committee of the Congress shall be broadcast by television or recorded by means of any television or motion-picture camera or by any other means for use in any television broadcast, if such hearing or proceeding is begun after the adoption of this resolution.

(b) As used herein, the term "committee of the Congress" includes any standing, special, or select committee of either House of the Congress, any joint committee of the Congress, and any subcommittee of any such committee.

The concurrent resolution (S. Con. Res. 86) was referred to the Committee on Rules and Administration.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATION BILL, 1955—AMENDMENTS

Mr. LEHMAN submitted an amendment, intended to be proposed by him to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, which was ordered to lie on the table and to be printed.

Mr. KENNEDY (for himself and Mr. DOUGLAS) submitted an amendment, intended to be proposed by them, jointly, to House bill 8067, supra, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted an amendment, intended to be proposed by him, to House bill 8067, supra, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATION BILL, 1955

Mr. BRIDGES. Mr. President, I send to the desk the usual notices of motions to suspend the standing rules of the Senate on various amendments proposed to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and ask that they be printed, and be considered as having laid over 1 day to meet the requirements of the Senate rules of 1 day's notice.

These motions would have been submitted yesterday but for the fact the Senate was not in session.

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

The notices of motions to suspend the rule, submitted by Mr. BRIDGES, are as follows:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 16, after line 13, insert the following:

"SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, namely: On page 16, after line 13, insert the following:

"SEC. 112. The Secretary of State hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 4 positions in grade GS–17, and 3 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of State presently allocated in grades GS–16, GS–17, and GS–18."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 21, line 18, insert the following: ": *Provided*, That hereafter the compensation of the Deputy Commissioner, Immigration and Naturalization Service, shall be $15,000 per annum."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 37, strike the provision in lines 12 through 22:

"War Shipping Administration liquidation: Not to exceed $2,000,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946'."

Insert in lieu thereof the following:

"War Shipping Administration liquidation: Not to exceed $12,500,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946': *Provided*, That the unexpended balance of such appropriation to the Secre-

tary of the Treasury less the amount of $12,500,000 continued available and less the amount of $85,000,000 transferred to the appropriation 'Operation-differential subsidies' and less the amount of $5,000,000 transferred to the appropriation 'Salaries and expenses, Maritime activities', by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 43, line 1, insert the following: ": *Provided*, That no part of this appropriation shall be allocated for expenditure in a particular country unless such allocation shall have been submitted to and reviewed by the Senate and House Appropriations Committees 30 days in advance of the allocation."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 47, after line 11, insert the following:

"SEC. 304. There shall be hereafter in the Department of Commerce, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Commerce, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of July 15, 1947 (61 Stat. 326), as amended (5 U. S. C. 592a) relating to Assistant Secretaries of Commerce. Section 3 of Reorganization Plan No. 5 of 1950, as amended (64 Stat. 1263; 66 Stat. 121) is hereby repealed."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 47, after line 11, insert the following:

"SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 14 positions in grade GS–17, and 5 positions in grade GS–16 in the general schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grades GS–16, GS–17, and GS–18."

Mr. BRIDGES submitted amendments, intended to be proposed by him, to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, which were ordered to lie on the table and to be printed.

(For text of amendments see the foregoing notices.)

HOUSE BILL REFERRED

The bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

NOTICE OF PUBLIC HEARINGS ON PROPOSED LEGISLATION RELATING TO BANK HOLDING

Mr. CAPEHART. Mr. President, as chairman of the Committee on Banking and Currency, I desire to give notice that on June 21 and 22, public hearings will be held on S. 76 and S. 1118, bank holding legislation. This is a resumption of a series of hearings recessed last session.

Persons wishing to appear and testify please contact Ira Dixon, clerk of the committee, immediately.

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

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

Col. Louis Jacob Rumaggi, and Col. Howard Ker, United States Army, for appointment as assistants to the Chief of Engineers, United States Army, and as brigadier generals in the Regular Army of the United States;

Warren Atherton, of California, to be a member of the National Security Training Commission.

By Mr. HICKENLOOPER, from the Committee on Foreign Relations:

Lampton Berry, of Mississippi, and sundry other persons for reappointment or appointment in the Foreign Service.

Executive M, 83d Congress, 1st session, the Universal Copyright Convention of 1952, and three related protocols signed at Geneva, Switzerland, under date of September 6, 1952; without reservation (Exec. Rept. No. 5).

NOTICE OF CONSIDERATION OF NOMINATION OF ISAAC W. CARPENTER, JR., TO BE ASSISTANT SECRETARY OF STATE

Mr. HICKENLOOPER. Mr. President, the Senate received today the nomination of Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State, vice Edward T. Wailes, resigned. Notice is hereby given that the nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—RETURN OF BILL TO HOUSE OF REPRESENTATIVES

Mr. CLEMENTS. Mr. President, on last Wednesday the Senate concurred in action taken by the House of Representatives on the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938. It was later determined that a clerical error had been made in the bill which was sent to the Senate. There is a resolution on the desk, House Resolution 579, requesting that the bill be returned to the House of Representatives. In compliance with that request, I ask unanimous consent that the order of the Senate on Wednesday be vacated, and that the bill and accompanying papers be returned to the House of Representatives.

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

ADDRESS BY PRESIDENT EISENHOWER

Mr. KNOWLAND. Mr. President, last night the President of the United States delivered a nationwide address in Washington. In his remarks the President emphasized the urgent necessity for action by the Congress on the administration's legislation program to assure a stronger and more prosperous America. In my judgment, the President sounded an encouraging note for all in pointing the way forward toward a unified Nation. I hope that all our citizens who were not able to listen to the President's remarks last night will take the opportunity to read his address carefully.

Mr. President, I ask unanimous consent that the text of the President's address be inserted in the RECORD at this point. In commenting on what is possibly the greatest domestic problem we face, the Nation's agricultural program, the President urged that the farm program be taken out of the realm of partisan politices, and he stated that the program he has recommended to the Congress was designed to accomplish that objective.

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

TEXT OF PRESIDENT EISENHOWER'S SPEECH

I prize this opportunity to meet with citizens, dedicated to the policies and objectives of the administration. These policies and objectives have been placed before the Congress in a legislative program to build a better and stronger America. I am delighted that you have come to Washington to pledge your support to those Members of the present Congress who are working

for this program. Happily these are both numerous and able—and to be found not only among the leaders and seniors who helped design the program, but among our younger friends most recently elected to that august body.

Of course, I am equally pleased that you are likewise pledged to do your individual and collective best to see that there will be many more such men and women in the next Congress.

What we mean by a stronger America is a Nation whose every citizen has reason for bold hope, where effort is rewarded and prosperity is shared, where freedom expands and peace is secure.

TALKS ABOUT PROGRAM NOW IN CONGRESS

The legislative program that you and I support is a broad, straight legislative highway to that kind of an America.

Tonight, I propose that we talk frankly, even if somewhat sketchily, about that program now in the Congress.

It was laid before the Congress last January, and was designed to protect our freedoms; to foster a growing, prosperous, peacetime economy; and to fulfill the Government's obligations in helping solve the human problems of our citizenry.

Basic to the protection of our freedom is a strong, forthright foreign policy. This we have been developing. Our foreign policy is vigorously opposed to imperialistic ambitions, but devoted to harmonious cooperation with all nations and peoples who desire to live in peace with their neighbors. It demands unremitting effort to create and hold friends and to encourage them in stanchness of friendship with us. It requires us to be vigilant against those who would destroy us; to be calm and confident in the face of their threats.

CONDITIONS REQUIRE STREAMLINED DEFENSE

Present world conditions require a national-defense program, streamlined, effective, and economical, that takes into full account our air and nuclear might, but in the longer range, our foreign and defense policies must be directed toward world disarmament.

We must seek for all mankind a release from the deadening burden of armaments. We must continue to seek sensible solutions for the fateful problems posed by the atom and hydrogen bombs. Pursuing these purposes, we have persistently made appropriate proposals to the world, and more particularly to the Soviets, which if honestly accepted would go far toward attainment of these goals.

We must strive constantly with our friends for a freer system of world trade and investment, for strengthened trade-agreement legislation, for simpler rules and regulations under which trade can be carried on. In the meantime, we must continue to render military and economic assistance abroad where our national interest is thereby served.

In this way we not only build up our own material and military strength so that we may oppose successfully any rash aggression by the Communists, but we help eliminate those conditions of poverty, disease, and ignorance in the world which provide fertile breeding ground for the exploiters of discontent.

SEEKS CLARIFICATION OF FOREIGN POLICY

Foreign policy is a complicated and comprehensive subject. It cannot be effectively described in a mere section of a general talk such as this. But because foreign affairs and foreign policy do so vitally affect the lives of each of us and all that we are attempting to do here at home as well as abroad, the Secretary of State is at this moment on a trip to the West where he is delivering major addresses that will help clarify for all our citizens the position of America in world affairs.

At home we have sought to preserve the sanctity of our freedoms by denying official posts of trust to the untrustworthy; by intensifying legal action against the members and leaders of the Communist conspiracy; by sharpening our weapons for dealing with sabotage.

Scarcely need I assure such an audience as this that I—and my every associate in government—will keep everlastingly at the job of uprooting subversion wherever it may be found.

The objective of the second part of our national program is a strong and a growing economy, shared in, equitably, by all our citizens.

We began by uncovering and eliminating needless expenditures within the Federal Government. We proposed a reduction in taxes and reform of the tax system. Other measures involve a new farm program adjusted to current domestic and world conditions; an improved and expanded national highway system; a sound and comprehensive development of water and other natural resources; a broad housing program.

HOPES TO UPROOT WASTE IN POSTAL DEPARTMENT

We hope to uproot the ingrained habit of operating the vast Post Office Department in an extravagantly wasteful and unbusinesslike manner. We cannot permit the deliberate operations of our postal department at a gigantic loss because a few are opposed to adequate postal rates. And we must have classification and promotional procedures for postal personnel that will serve the best interests of the Government, the public, and the postal workers themselves.

The third great purpose outlined 5 months ago was sympathetic consideration of the human problems of our citizens and practical assistance in solving them.

Our goal for every American is better schooling; better housing; better health; and a reasonable assurance against the hardships of unemployment, against the impact of accident and illness, against poverty, against insecurity in old age.

This threefold program—national security, economic, human—was the product of intensive effort by a multitude of technical experts and specialists, Government employees and executives, legislative leaders, and committee chairmen. They labored diligently for months to evolve measures sound both in concept and in detail. These measures were—and are—badly needed to build the kind of America all of us ardently desire. There is nothing partisan, sectional, or partial about them; they are for the security, prosperity, and happiness of all Americans.

CONGRESS HARD AT WORK DESPITE DISTRACTIONS

In spite of highly publicized distractions, Congress has been hard at work. The difficult and time-consuming appropriation bills not only have been acted upon much faster than usual, but the Congress has supported the administration in its efforts to reduce expenditures. Through legislation recently enacted, our people will have better highways. Stifling taxes on consumers have been eased. After more than 40 years of heated debate, the historic St. Lawrence Seaway project is now authorized by law. A mutual security treaty with the Republic of Korea has been approved. These are but a few of a number of major pieces of legislation that have been enacted.

But much remains that is of vital significance to every American citizen. Tonight I am addressing myself primarily to a few of the important parts of the program that are now under discussion in the Congress and in different stages of the legislative process.

TAX REVISION BILL FIRST ON PROGRAM

First—The tax revision bill.

I remind you of the $7 billion tax reduction already provided to our citizens. The pending tax revision bill will likewise benefit all of the American people. It is designed to accomplish a fairer distribution of the tax burden. It will give more liberal tax treatment for dependent children who work, for widows or widowers with dependent children and for medical expenses. It will help to expand business activity and so create jobs throughout the country and will also give real encouragement to small business.

I cannot overemphasize the importance I attach to the general policies and proposals comprehended in the tax bill and the need for its early passage.

I am sure you will agree with me that the Congress should enact this tax legislation, already passed by the House of Representatives. Some of its benefits will begin to accrue to the people of our country as soon as enacted, because then, with tax uncertainties removed, investors, manufacturers, and businessmen will all accelerate their activities, thus creating new jobs and increasing the national income. Here is an added reason for speed.

Another pending measure, vitally necessary to every citizen, is the new farm program. Its purpose is to promote stability and prosperity in agriculture and help assure our farmers a fair share of the national income.

PRESENT FARM LAW ENCOURAGES SURPLUSES

The Nation's present farm law encourages production of great surpluses of a few commodities, and then it prices those commodities out of their traditional markets. As a result the Government must now spend $30,000 an hour—every hour—just to store these surpluses. In the last 12 months the Government increased its investment in price-supported commodities by $2,800,000,000. During the next 12 months the present law would force another increase.

One aspect of this amazing process appears to be little understood. Minority clamor has concealed from the majority the fact that a change from rigid price supports to flexible supports would affect less than one-fourth of the income our farmers receive. Rigid supports do not in any way affect crops that produce 77 percent of our farmers' income.

Five months ago, on the advice of farm organizations, heads of agricultural colleges, a host of individual farmers and many other experts, I recommended that a new farm program be enacted by the Congress. This program proposes price supports with enough flexibility to encourage the production of needed supplies and to stimulate the consumption of those commodities that are flooding and depressing the American markets. It also proposed gradualism in the adoption and application of certain phases of the new program so that there could not possibly be an abrupt downward change in the level of price supports on basic commodities.

The plan will increase markets for farm products, protect the consumers' food supply, and move food into consumption instead of Government storage. It will gradually dispose of the gigantic farm surpluses and promises our farmers a higher and steadier financial return over the years.

FARM PROGRAM HAS BIPARTISAN ORIGIN

This badly needed, new program has a bipartisan origin. The proposal is, in concept, the same as the law passed 5 years ago by a vast majority of each of the 2 parties in Congress.

And yet—despite the vast accumulation of surpluses in the hands of the Government—

Despite the declining markets at home and abroad and increasing regimentation of the individual farmer—

Despite the fact that only a minority of American farmers are affected by price supports—

Despite the fact that even among this farmer minority, many of them are opposed to a program so obviously unsuited to the needs of our country—

Despite all of these painfully evident weaknesses, a vote, described to me as tentative, which was taken 2 days ago in a committee of the House of Representatives, calls for continuance of the present farm program for an additional year. In my opinion the circumstances are too critical to permit such a delay.

Fellow citizens, many have told me that it would not be good politics to attempt solution of the farm problem during an election year. The sensible thing to do, I have been told, over and over, was to close my eyes to the damage the present farm program does to our farmers and the rest of our people, and do this job of correction next year.

Now, I want to make this one point clear. In this matter I am completely unmoved by arguments as to what constitutes good or winning politics. And may I remark that, though I have not been in this political business very long, I know that what is right for America is politically right.

FOR ALL FARMERS AND ALL AMERICA

In the proposal to correct the deficiencies in our farm program, the administration's concern is for all farmers, regardless of their politics, and for all America.

I earnestly hope that the House of Representatives and the Senate will move promptly on these proposals, so that America may have a sound, stable, and prosperous agriculture.

I hope you will join me in the determination to see that commonsense, good judgment, and fact will, from now on, guide the formulation of American agricultural policy.

Aside from taxes and agricultural programs, other projects occupy legislative attention at this moment.

Some of them are of great personal import to our individual citizens, and some have passed one or the other of the two houses of the Congress.

Extension of the benefits of unemployment insurance should be authorized so that these benefits may be made available to more than 6 million additional workers. When the project becomes law, it will remove inequities and inadequacies which for years have limited the effectiveness of this form of income insurance. In simple justice to a vast number of American citizens, it demands our enthusiastic support.

CONSIDERING INCREASE IN SOCIAL SECURITY

Congress is considering increased social-security benefits and the extension of social-security protection to more than 10 million additional Americans. Likewise it has before it strengthened programs to rehabilitate disabled people and to develop adequate medical facilities for those who suffer the misfortunes of chronic illness.

In this same health program are items for the construction of diagnostic centers, for nursing homes and for rehabilitation facilities. Another measure provides for Government reinsurance to enable private and nonprofit insurance companies to give broader prepaid medical and hospital care, on a voluntary basis, to many more of our people. There is a bill to authorize a new housing program so that every citizen may aspire to a decent home in a wholesome neighborhood.

We are striving to help assure every willing American a practical opportunity to enjoy good health, a good job, a good education, a good home, a good country.

Now let us briefly look again at the domestic question of protecting our liberties because this purpose underlies a number of specific bills now before the Congress. They will, when enacted, powerfully increase the effectiveness of the Government's effort to protect us against subversive activity.

Several would plug loopholes through which spies and saboteurs can now slip. One would let us bar proven subversives from employment in or admission to any private facility, if the facility is essential to our defense.

Another bill would take citizenship from those hereafter convicted of advocating or attempting violent overthrow of our Government. We would also tighten the penalty for harboring fugitive Communist leaders.

Moreover, since Communist conspirators sometimes resort to telephones to plot and pass information, we believe that their own words, as learned by the FBI should be admitted, under adequate safeguards, as evidence in security cases in Federal courts. Another bill would grant immunity from self-incrimination to selected witnesses, while requiring them to tell the truth about their associates and their fellow conspirators before courts, grand juries and congressional hearings.

PACKAGE PROTECTED AGAINST COMMUNISM

All of this internal security legislation adds up to a potent package of protection against communism, without in any degree damaging or lessening the rights of the individual citizen as guaranteed by our laws and the Constitution. It will greatly assist the FBI and the Department of Justice, our best weapons against secret Communist penetration. It now awaits congressional approval. I know that all of us, too, await that approval.

I have talked frankly and simply about these matters this evening because I want you to know why the legislative program in Congress will, when approved, make our country stronger and help keep our people prosperous with freedoms secure.

As I said earlier, many members of the Congress are as deeply anxious as you and I for the passage of these essential measures. They have worked faithfully for their enactment, and I hope that they know of your support. With our appreciation to them goes also, I am sure, this firm assurance from all of us: that we shall unflaggingly pursue the enactment of the remainder of this program.

AN AGE OF CEASELESS TROUBLE AND DANGER

We live today in an age of ceaseless trouble and danger. For all of us the challenge is clear. For all of us the future is shadowed by mushroom clouds and menaced by godless men addicted to force and violence and the continuance of anarchy among nations.

Here, in our time, in our hands, in our own courage and endurance and vision, rests the future of civilization and of all moral and spiritual values of enduring meaning to mankind.

Part of our responsibility for preserving these values will be discharged through the legislative structure we propose to enact this year.

Let us, therefore, not rest until these laws are passed.

Let us have less political fission and more political fusion.

Let us have, in this session of the Congress, approval of a program essential to a stronger America.

AGRICULTURAL STATISTICS RELEASED BY SECRETARY OF AGRICULTURE

Mr. KNOWLAND. Mr. President, on June 8, 1954, the Secretary of Agriculture, Mr. Ezra Taft Benson, made public five maps which showed the State-by-State distribution of farm income from price supported and nonsupported farm commodities. These statistics are the most revealing I have ever seen in proof of the necessity for the new farm program which the Secretary and the President have recommended to the Congress. I have taken the liberty of forwarding a copy of the statistics to all Senators for their further study.

Mr. President, I ask unanimous consent at this time to have printed in my remarks the information released by the Secretary of Agriculture on June 8, 1954.

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

SECRETARY BENSON PRESENTS FARM INCOME, PRICE SUPPORT DATA

Secretary of Agriculture Ezra Taft Benson today made public five maps showing the State-by-State distribution of farm income from price supported and nonsupported farm commodities.

Map No. 1, cash receipts from basic farm commodities: This shows by States the cash receipts for all six basic crops now supported at 90 percent of parity as a percentage of total cash farm receipts. Income from these basic commodities is concentrated in 9 Southern States, 1 Midwest State (Kansas), and 2 Northern States (North Dakota and Montana).

There are 5 States with less than 1 percent of their cash receipts from the basics. Many other States also receive only a small percentage of their income from the basics. Examples: Wisconsin 1 percent; Iowa 8 percent; California 13 percent; Pennsylvania 6 percent; New York 2 percent; and Florida 7 percent.

Map No. 2, cash receipts from basic farm commodities, excluding tobacco: Without tobacco, 7 States get 40 percent or more of their cash receipts from the 5 other basic commodities.

Kentucky, for example, gets 4 percent of cash farm receipts from basic farm commodities, other than tobacco; Virginia, 9 percent; West Virginia, 2 percent; North Carolina, 19 percent; Indiana and Ohio, 14 percent.

Map No. 3, cash receipts from nonsupported commodities: This shows that from coast to coast a large majority of States receive more than half their cash farm receipts from nonsupported commodities. There are 16 States that get over two-thirds of their cash receipts from nonsupported products like meat animals, poultry, eggs, fruits, nuts, vegetables, and miscellaneous crops.

During the past 21 years, prices of these nonsupported products have averaged 7 percent higher than prices of the supported products, relative to the base period.

Map No. 4, cash receipts from meat animals and dairy products and poultry products for which price-supported feeds are an element of cost: 56 percent of United States cash farm income is from livestock and livestock products. These products are most important in an area which includes much of New England, the Middle Atlantic States, the Corn Belt, the Lake States, the Great Plains, and the Mountain States.

Stability of feed supplies and prices at reasonable levels are advantageous to this area. Feed-price supports at a high, fixed level add to production costs.

Map No. 5, cash receipts from nonsupported commodities and dairy products: All except 7 States receive more than 50 percent of their cash receipts from nonsupported commodities and dairy products.

Cash receipts from specified commodities as percent of cash farm receipts, by States, 1952

Price support at 90 percent of parity is now being provided, as required by law, on the basic commodities: Wheat, corn, cotton, rice, peanuts, and tobacco. These commodities bring in 23 percent of the United States cash farm income.

Price support is being provided on the following nonbasic commodities: Dairy products, wool, mohair, honey, tung nuts, barley, oats, rye, sorghum grain, flaxseed, soybeans, beans, cottonseed, and crude pine gum. For some of these commodities price support is mandatory and for some it is permissive. Supports in general are on a flexible basis. Supports now in force range from 65 to 90 percent of parity. These nonbasic supported commodities bring in 21 percent of United States cash farm income.

Commodities not shown above are without direct price support. These nonsupported commodities bring in 56 percent of United States cash farm income.

State	Percent of cash farm receipts from—				
	Basic commodities				
	Including tobacco[1]	Excluding tobacco	Farm marketings of commodities with no support[2]	Livestock, dairy products, and poultry for which supported feeds are an element of cost	Nonsupported commodities and dairy products[3]
	Map 1	Map 2	Map 3	Map 4	Map 5
Maine	(4)	(4)	84	49	99
New Hampshire	(4)	(4)	72	83	100
Vermont	(4)	(4)	32	89	100
Massachusetts	4	(4)	72	68	96
Rhode Island	(4)	(4)	66	68	100
Connecticut	12	(4)	63	68	88
New York	2	2	53	68	96
New Jersey	2	2	78	64	98
Pennsylvania	6	5	59	77	93
Ohio	15	14	57	68	79
Indiana	15	14	61	68	74
Illinois	21	21	55	60	65
Michigan	10	10	55	63	85
Wisconsin	1	1	46	87	97
Minnesota	7	7	59	73	79
Iowa	8	8	79	84	86
Missouri	14	14	63	71	76
North Dakota	44	44	30	32	38
South Dakota	17	17	68	71	74
Nebraska	24	24	67	69	72
Kansas	42	42	48	52	55
Delaware	8	8	81	78	90
Maryland	15	7	58	69	84
Virginia	27	9	57	54	71
West Virginia	3	2	77	79	96
North Carolina	67	19	24	22	29
South Carolina	59	36	31	23	35
Georgia	42	32	48	39	54
Florida	7	2	83	26	91
Kentucky	40	4	45	52	58
Tennessee	40	26	40	48	55
Alabama	45	45	43	37	49
Mississippi	53	53	27	29	35
Arkansas	49	49	33	34	39
Louisiana	50	50	30	27	37
Oklahoma	36	36	53	56	61
Texas	39	39	45	45	51
Montana	40	40	50	47	54
Idaho	18	18	58	41	69
Wyoming	7	7	74	72	78
Colorado	16	16	71	62	76
New Mexico	26	26	60	56	65
Arizona	39	39	48	29	52
Utah	7	7	71	70	86
Nevada	(4)	(4)	87	79	95
Washington	24	24	60	35	73
Oregon	12	12	67	43	81
California	13	13	67	38	79
United States	23	20	56	56	70

[1] Wheat, corn, cotton, rice, peanuts, and tobacco.
[2] Includes meat animals, poultry and eggs, vegetables, fruits and nuts, and miscellaneous crops.
[3] Most of the purchases of dairy products for price support are concentrated in 5 States—Wisconsin, Minnesota, Illinois, Missouri, and Iowa—with Nebraska and New York ranking next.
[4] Less than 1 percent.
Source: Agricultural Marketing Service.

MESSAGE TO THE PEOPLE OF CZECHOSLOVAKIA ON THE ANNIVERSARY OF THE JUNE 1953 UPRISINGS

Mr. IVES. Mr. President, 1 year ago this month the subjugated workers in the East Zone of Germany and in Czechoslovakia rose up against their Communist tormentors. That vivid demonstration of the intense desire for freedom on the part of those suffering people brought renewed hope to all engaged in the struggle against Soviet imperialism. It was recently my privilege to prepare a message for transmission to the people of Czechoslovakia in commemoration of the anniversary of the June 1953 uprisings. I ask unanimous consent to have this statement printed in the body of the RECORD following my remarks.

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

MESSAGE BY SENATOR IVES TO THE PEOPLE OF CZECHOSLOVAKIA ON THE ANNIVERSARY OF THE JUNE 1953 UPRISINGS

On this anniversary of the heroic June 1953 uprisings in Czechoslovakia, we of the free world are ever more cognizant of the sufferings to which the Czech and Slovak peoples continue to be subjected by their Kremlin oppressors. We Americans cannot and will not forget them. The history of friendly relations between our Nation and theirs adds deeper significance to their present plight. The valiant Czech and Slovak workers who last year in Pilsen, Kladno, Ostrava, and elsewhere revolted in defiance against their role as slaves provided new proof that no tyranny on earth can long suppress the burning desire for freedom which is inherent in men's hearts. As we commemorate this historic event, we look forward to the early liberation of their countrymen.

THE DANGER OF COUNTERFEITING OFFSET-PRINTED BONDS

Mr. KILGORE. Mr. President, I had intended today to make a brief statement to the Senate on the question of substituting offset-printed bonds for bonds made from engraved plates, in connection with the printing of Government bonds. However, in order to save time, I now ask unanimous consent that a statement I have prepared be printed at this point in the body of the RECORD, for I think the Senate should be fully advised as to the possible hazards involved in the use of offset printing in connection with the printing of bonds of the Government of the United States.

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

THE DANGER OF COUNTERFEITING OFFSET-PRINTED BONDS

The Treasury Department has begun the production of series E savings bonds of the $25 denomination by an offset printing process in place of the standard steel-engraved process formerly used. This raises serious questions about the danger of counterfeiting.

When the Treasury Department first announced that it was planning to produce series E savings bonds by offset, instead of by the steel-engraved process, Col. Wallace Kirby, a former director of the Bureau of Engraving and Printing, and a lithographer of established reputation in our Nation's Capital, warned of the danger of counterfeiting inherent in such a changeover. He offered, with proper permission, to duplicate any offset printed bond and pointed out that a skilled lithographer could do the same on any of thousands of office machines around the country.

It has been stated by the Treasury Department that the dangers of counterfeiting are minimized by the fact that names of bond owners are recorded and appear on the bond itself. But it seems to me that a person who would counterfeit a Government security would hardly hesitate to forge a name or fake an address.

The most significant indication, however, that the dangers of counterfeiting are real rather than imagined has come from the Treasury itself.

When it was first learned that the Treasury was experimenting with offset printed bonds, a privately circulated banking letter was issued from Washington warning the banking community of the dangers inherent in such a move. It urged banks and other financial institutions to refuse to cash such offset bonds unless they were granted a waiver of liability for any bogus bonds they might cash.

Apparently some banks were preparing to follow this advice because in announcing the changeover to offset, the Treasury Department reassured banks and other paying agents that they would be released from liability on any counterfeit bonds they accepted.

On the legal side, the Congress in 1923 made provision to safeguard our currency, bonds, and Government checks by providing they be printed from intaglio plates and on presses operated by plate printers. The law to which I refer is United States Code, title 31, chapter 177.

Without going into technicalities it is my understanding that as those terms generally are used in the trade, offset is not intaglio within the meaning of the statute and the intent of the Congress nor are offset printers generally referred to as plate printers. Offset is a planograph process.

There is one other point that I wish to make in connection with this matter. At their conventions in 1952, both major parties arranged to have their admission tickets printed from steel-engraved plates to prevent counterfeiting.

Certainly the prevention of the counterfeiting of Government savings bonds is a matter as serious as the prevention of the counterfeiting of convention admission tickets.

THE McCARTHY HEARINGS—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

Mr. LEHMAN. Mr. President, the New York Herald Tribune, in commenting on the latest developments in the McCarthy hearings, this morning printed an unusually incisive, analytical, and accurate editorial entitled "A Summing Up." I ask unanimous consent that this editorial be printed at this point in the body of the RECORD, as a part of my remarks.

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

A SUMMING UP

"Until this moment, Senator," said Mr. Welch to Senator MCCARTHY, "I think I never really gaged your cruelty or your recklessness." Doubtless there were many other Americans who had the same reaction of surprised revulsion at that moment. Out of the blue, with no warrant in law or in the facts of the case, Senator MCCARTHY had dragged the name of a young lawyer into the hearings, a man who had once been a member of the National Lawyers Guild and who was now with Mr. Welch's law firm. Despite Senator MUNDT's repeated denial that Frederick Fisher had ever been recommended by Mr. Welch for service in the hearings, despite Mr. Welch's outraged explanation, despite the warning headshakes of Mr. Cohn, Senator MCCARTHY persisted in pursuing this callous and calculated irrelevancy. It was the McCarthy technique in the raw and the

audience at the hearing applauded when Mr. Welch warned the Senator, in the most solemn terms, that "it will do neither you nor your cause any good." It will, however, do the country good, for Senator McCARTHY has provided an episode which sums up the whole case against him.

COMMITTEE SERVICE

On motion of Mr. JOHNSON of Texas, and by unanimous consent, it was

Ordered, That the junior Senator from North Carolina [Mr. ERVIN] be assigned to service on the Committee on the District of Columbia, and the Committee on Government Operations.

ORDER OF BUSINESS

Mr. FLANDERS. Mr. President, I desire to submit a motion, and I ask unanimous consent to speak on it for not to exceed 10 minutes.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there objection?

Mr. BUTLER of Maryland. Mr. President, first, may we conclude morning business?

Mr. KNOWLAND. Mr. President, I ask the Senator from Vermont to postpone his remarks until morning business is completed, and until the unfinished business has been laid before the Senate. Then we shall know what our program for today is to be; and then it will be in order for the Senator from Vermont to speak.

Mr. FLANDERS. I shall be glad to cooperate in that way if I may be assured that immediately after the unfinished business is laid before the Senate, I may speak.

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

Mr. KNOWLAND. First, Mr. President, I move that the Senate resume the consideration of the unfinished business, House bill 3097, Calendar No. 1512.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATIONS BILL, 1955

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 8067, Calendar No. 1591, making appropriations for the Departments of State, Justice, and Commerce.

The PRESIDING OFFICER. Without objection——

Mr. LEHMAN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MORSE. Mr. President, reserving the right to object——

Mr. LEHMAN. Mr. President, I believe I was first on my feet.

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. LEHMAN. Mr. President, reserving the right to object, I merely wish to say that I certainly do not desire in any way to obstruct the orderly legislative procedure. However, this appropriation bill contains a number of items which are of deep interest and concern to some Members of the Senate, including myself. Therefore, I should like to make certain, by interrogation of the distinguished majority leader, that the bill, which will be debated this afternoon if the course he has requested is followed—for his request, if agreed to, will permit debate on the bill and will permit action on the committee amendments—will not be finally voted on before next Monday. I make that request for the reason that I have one or more amendments to submit, and I wish to have time to prepare for debate on them. I refer particularly to the section of the bill entitled "Immigration and Naturalization Service," on page 20.

Mr. KNOWLAND. Mr. President, if the Senator from New York will yield to me, let me say first, by way of a brief preface, that the reason why we are desirous of taking up the bill is that next week the military appropriations bill will be before the Senate, and we have a very heavy legislative program ahead of us. The members of the Appropriations Committee are also confronted with the problem that, after the Senate acts on the several appropriation bills, it is necessary to have conferences on them with the House of Representatives. As an example, next week there are to be several conferences, I believe, including those on the independent offices bill, the civil functions bill, and a number of the other appropriation bills; and they will tie up quite a number of the members of the Appropriations Committee.

For that reason, if we are finally to conclude our appropriation bill schedule and to have the bills signed and become law, and thus clear the decks for the other major legislative measures on which we must act before adjournment, we should like to expedite this work as much as possible. I consulted with the minority leader relative to the possibility of taking up the State, Commerce, and Justice Departments appropriation bill today. I will say quite frankly—and I have always tried to deal frankly with the Senate—that the bill has not lain over for the full time appropriation bills normally lie over before being considered. However, the minority leader did some exploration on his side, and he felt that there would be no objection to taking it up, in order that there might be a discussion of the bill.

I received word today that the distinguished Senator from New York [Mr. LEHMAN] desired to propose certain amendments to several sections of the bill. If it is agreeable to other Senators, in order to avoid a Saturday session, which I should like to avoid at this time of year, if the Senate consents to taking up the bill, I am prepared to go through the bill and dispose of the committee amendments. I am willing, in connection with any committee amendments with respect to which there is objection, or to which any Senator desires to offer amendments, that no action be taken today on such amendments, but that they may be held over until Monday. I hope to be able to enter into a unanimous-consent agreement by which, on Monday, those several amendments may be taken up, with an agreed time on each side for debate, the time for debate to be controlled by the proponents of the several amendments and, on the other side, by the Senator from New Hampshire [Mr. BRIDGES], chairman of the committee. So final action on any amendments in which the Senator from New York or any other Senator is interested will not be taken today or tomorrow. In that event it will not be necessary to have a Saturday session of the Senate.

Mr. LEHMAN. With that understanding, I withhold objection.

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

Mr. KNOWLAND. I yield.

Mr. ANDERSON. I am interested in knowing whether or not a unanimous-consent agreement will be requested. Section 207 is still in the bill. It carries the rider with respect to the Fallbrook water situation.

Mr. KNOWLAND. I will say to the Senator that pursuant to my commitment to the Senate, I already have at the desk an amendment striking out that provision. I have told the chairman of the committee that I intend to offer the amendment to strike it out. As soon as the bill is brought up, I intend to propose that amendment and ask that it be adopted. I assure the Senator that whenever I make a commitment, it is carried out.

Mr. ANDERSON. I was not worried. However, inquiry had been made of me with respect to the rider, and I felt obligated to inquire about it.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MORSE. Mr. President, reserving the right to object until I clear up in my own mind the parliamentary situation, the thing which concerns me is that if we follow the procedure suggested by the majority leader, we shall have pending before us the unfinished business, Calendar No. 1512, House bill 3097. Then there will be a proposal to lay it aside while we proceed to consider a rather detailed appropriation bill. I am opposed to Calendar 1512, House bill 3097. However, I do not believe that the debate on that bill would require any considerable length of time. By making it the unfinished business and then laying it aside, a very difficult situation is created for those of us who are opposed to it, because it may be brought up again suddenly.

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

Mr. MORSE. I yield.

Mr. KNOWLAND. I will say to the Senator, if it will make him feel any better, that instead of asking unanimous consent to lay aside the unfinished business, I shall move to displace it. I assure the Senator that House bill 3097 will not be taken up until next week, after the appropriation bill shall have been disposed of.

Mr. MORSE. I do not wish to proceed on that basis. Would the majority leader have any particular objection to my making my argument against House bill 3097 this afternoon? Of course, his objection would not stop me, in any event.

Mr. KNOWLAND. I have no objection whatever.

Mr. MORSE. I think my statement ought to be in the RECORD. I am still hopeful that our differences over House bill 3097 can be adjusted.

Mr. KNOWLAND. I will say to the Senator that in matters of this kind I always try to deal with him with courtesy——

Mr. MORSE. And fairness.

Mr. KNOWLAND. The Senator from Oregon certainly has every right to make his statement. If the Senator has any fear that, after the appropriation bill is disposed of, I may suddenly move to recess until Monday, I will say to him that I will not do so until he has had an opportunity to make his remarks.

Mr. MORSE. I thank the Senator. I withhold my objection.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from California?

Mr. DOUGLAS. Mr. President, for various reasons I shall not be able to be present in the Senate Chamber on Monday afternoon. I expect to be here during all of today. I hope we may proceed with the discussion of the bill this afternoon.

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

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. Let me say to the distinguished Senator from Illinois that he certainly is not foreclosed. The Senate will remain in session today as long as there is any desire to discuss the subject. The Senator may make any statements he desires to make in elucidation of his position on the several sections of the bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

Mr. DOUGLAS. Mr. President, is it the proposal of the majority leader that the Senate shall dispose of certain amendments which it is the intention of some of us to offer, but that final action upon an amendment which the Senator from New York [Mr. LEHMAN] intends to propose shall be deferred?

Mr. KNOWLAND. The Senator is correct. With respect to any amendments which Senators would prefer to have disposed of today, they can be debated and voted upon today. The only reason for deferring action upon certain amendments to particular sections of the bill intended to be proposed by the Senator from New York is that he has not yet had time to prepare them. It was felt that those particular amendments might well be passed over until Monday, and that we should try to dispose of the other amendments today.

Mr. DOUGLAS. The Senator from California would not object to voting today on certain amendments of the Senator from Illinois, would he?

Mr. KNOWLAND. Not at all. I hope we may dispose of as many of such amendments as possible today.

Mr. DOUGLAS. I thank the Senator. I withhold any objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

Mr. KNOWLAND. Mr. President, in conformity with my understanding with the Senator from Oregon, I wish to move——

Mr. MORSE. The Senator does not need to move. I withheld any objection.

Mr. KNOWLAND. The understanding is that when we dispose of the appropriation bill, we shall not proceed to consider Calendar 1512, House bill 3097, until Monday. However, Senators will have a right to discuss the bill today.

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

Mr. KNOWLAND. I yield.

Mr. DOUGLAS. It may be that the Senator from California has touched upon this matter previously, but I notice that on page 25 of the appropriation bill——

Mr. KNOWLAND. Is the Senator referring to the section dealing with the Fallbrook water situation?

Mr. DOUGLAS. Yes.

Mr. KNOWLAND. The Senator from New Mexico [Mr. ANDERSON] raised the question. I told him that I had already prepared an amendment, which is at the desk, to strike out that entire section, in conformity with my commitment at the time the Fallbrook legislation was before the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

There being no objection, the Senate proceeded to consider the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

IN CONTEMPT OF THE SENATE

Mr. FLANDERS. Mr. President, there has come to my hands in the last few days a committee print of the investigations of Senators JOSEPH R. MCCARTHY and William Benton, pursuant to Senate Resolution 187 and Senate Resolution 304 of the 82d Congress. This is not the first time that I have heard of this material. A bootlegged edition was sent me many months ago, but since I do not patronize bootleggers in any commodity I paid little attention to it. This publication, however, was official, and its contents are such that I feel they must be taken into account.

The charges against the junior Senator from Wisconsin were summed up in six questions, which the committee worded, as follows:

Whether under the circumstances it was proper for Senator MCCARTHY to receive $10,000 from the Lustron Corp.

Whether funds supplied to Senator MCCARTHY to fight communism or for other specific purposes were diverted to his own use.

Whether Senator MCCARTHY used close associates and members of his family to secrete receipts, income, commodity and stock speculation, and other financial transactions for ulterior motives.

Whether Senator MCCARTHY's activities on behalf of certain special interest groups, such as housing, sugar, and China were motivated by self-interest.

Whether loan or other transactions Senator MCCARTHY had with Appleton State Bank or others involved violations of the tax and banking laws.

Whether Senator MCCARTHY violated Federal and State Corrupt Practice Acts in connection with his 1944–46 senatorial campaigns or in connection with his dealings with Ray Kiermas.

I now quote from the first two full paragraphs on page 10 of the subcommittee report:

In Senate Resolution 187, this subcommittee had before it, at the outset, merely the issue of determining the merits of Senator Benton's charges relating to Senator MCCARTHY's fitness to sit in the Senate. As indicated, Senator MCCARTHY was invited to attend subcommittee hearings on six occasions to present his explanations of the issues raised in Senate Resolution 187 and the investigation made pursuant thereto. Three of the invitations were extended prior to the Senate vote on April 10, 1952, and three invitations were extended subsequently. Senator MCCARTHY should have known that the most expeditious way to resolve the issues would have been to appear before the subcommittee to make such statements and refutations of the charges as he saw fit. For reasons known only to Senator MCCARTHY, he chose not to accept this course, but to charge that the allegations were a smear and that the subcommittee was dishonest and doing the work of Communists. Between October 1951 and April 1952 he refused to honor the invitations of the Subcommittee on Privileges and Elections on the grounds that it lacked jurisdiction and that the members of said subcommittee were dishonest in their motives for insisting on any investigation, which, he contended, was solely because of his exposure of Communists in Government. Subsequent to April 10, 1952, and in the face of the Senate's 60–0 vote confirming the integrity of the members of the subcommittee and its jurisdiction to investigate the matters involved, Senator MCCARTHY continued to reject the invitations of the subcommittee to appear before it for the purpose of presenting testimony in explanation of the issues raised by the investigation, and continued his attack upon the members of the subcommittee.

Such action on the part of Senator MCCARTHY might appear to reflect a disdain and contempt for the rules and wishes of the entire Senate body, as well as the membership of the Subcommittee on Privileges and Elections.

It is surely clear that the junior Senator from Wisconsin treated the members of the subcommittee, Messrs. HENNINGS, HAYDEN, and HENDRICKSON, with contempt. The Senate, on April 10, 1952, by a 60-to-0 vote, confirmed the integrity of the members of the subcommittee and its jurisdiction to investigate the matters involved. Therefore, the original contempt of the junior Senator

from Wisconsin extended to the whole Senate.

It is no defense to call the charges a smear. A smear is a most annoying thing and one which is perhaps—I would not speak definitely—not unknown to the junior Senator from Wisconsin. But there is this about a smear: It can be removed by a dry-cleaning process which involves a vigorous application of the truth. That process the Senator was unwilling to apply.

Mr. WELKER. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. WELKER. Does the Senator from Vermont have any information that the junior Senator from Idaho served also on that committee?

Mr. FLANDERS. He was a member of that committee, as I recall.

Mr. WELKER. Does the Senator from Vermont realize that the Senator from Idaho resigned from that committee on the ground and for the reason that it was a political smear?

Mr. FLANDERS. I would ask the Senator from Idaho to wait until he hears my dissertation on the subject of smearing.

Mr. WELKER. I shall be happy to do so. I am sorry I interrupted the Senator.

Mr. FLANDERS. That is quite all right.

Mr. President, as I was saying, there is this about a smear: It can be removed by a dry-cleaning process which involves a vigorous application of the truth. That process the junior Senator from Wisconsin was unwilling to apply. The smear remains. Of course, there are some character discolorations which are not smears. They may be the outward evidence of inner corruption. Lady Macbeth found this out when she was smeared with the blood of Duncan and cried out:

All the perfumes of Arabia will not sweeten this little hand.

The Senator has quite evidently placed himself in the contempt of his peers and will so remain until he dry-cleans his smears. He should be given a reasonable length of time to purge himself by this means before the Senate takes further action.

To indicate what the action should be, I am sending to the desk at this time a motion which I will ask the clerk to read "distinctly with a loud voice that the people may hear," as the minister is admonished to read in the ancient English prayer book. For this occasion we want no rapid, indistinct mumbling of the words.

The PRESIDING OFFICER. The motion will be read.

The LEGISLATIVE CLERK. It is moved—

That Senator MCCARTHY be separated from the chairmanship of the Committee on Government Operations, and furthermore be prohibited from being chairman or vice chairman of any subcommittee thereof.

Mr. FLANDERS. Mr. President, it is intended that the motion lie on the table until sufficient time has been given for the Senator from Wisconsin to purge himself of contempt, by answering specifically and in detail the charges in the numerous questions I have read. To allow this time is only fair to him.

When I call up the motion, I shall hope for a goodly show of hands on this side of the aisle in support of the request for a yea-and-nay vote.

The PRESIDING OFFICER. Without objection, the motion which will be reduced to writing in the form of a resolution, will lie on the table, as requested by the Senator from Vermont.

The motion of Mr. FLANDERS was ordered to be printed in the form of a resolution (S. Res. 261) and to lie on the table, as follows:

Resolved, That Senator MCCARTHY be separated from the chairmanship of the Senate Committee on Government Operations and furthermore be prohibited from being chairman or vice chairman of any subcommittee thereof.

REA APPROPRIATIONS

Mr. AIKEN. Mr. President, last week, when the agricultural appropriations bill was before the Senate, it was represented to this body that the amount recommended by the Appropriations Committee for REA loans was inadequate to meet the need for the coming fiscal year.

As a result of this representation, the Senate added $35 million to the bill.

At the time it seemed incredible to me, Mr. President, that the chairman of the Agricultural Appropriations Subcommittee, the Senator from North Dakota [Mr. YOUNG], and other members of the committee, including myself, should so far misunderstand the situation as to recommend an inadequate fund for this great program so vital to the country.

I wondered why Members of the Senate should be receiving telegrams from all parts of the country asking for an unnecessary increase in the rural electrification funds for fiscal 1955.

Soon after the bill was approved, I learned the reason for this last-minute pressure barrage on the Senate.

Unfortunately, at the time the appropriation bill was being considered, I did not have the information at hand, which I now have.

It appears that under date of 1 p. m., June 1, 1954, the following telegram was sent to the managers of all generating and transmission cooperatives throughout the country, as well as to some managers of statewide associations and others:

REA funds taken up today in Senate debate. Senators DOUGLAS, HUMPHREY, GILLETTE offered amendment to increase loan fund authorization by $35 million additional. This increase essential to generation and transmission program. All proponents of an increase in REA funds have finally agreed to support this amendment. Rollcall vote on amendment will be held noon Wednesday, June 2. Imperative you wire your Senators immediately to support this amendment to increase REA electric loan funds by $35 million and that you contact managers and others in your State to also wire your Senators.

This telegram was signed by Clyde Ellis, executive manager of the National Rural Electric Cooperative Association.

I do not in the least, Mr. President, blame the cooperative officials and managers who sent telegrams to their Senators for requesting an unnecessary increase in appropriations.

They accepted in good faith the figures given them by the Washington office of their own organization.

I would, however, Mr. President, be negligent if I did not advise the Senate how the erroneous figures showing the REA needs for fiscal 1955 got before the Congress and the country.

In their testimony before the House and Senate Appropriations Committees this spring, the NRECA witnesses used figures which tended to give the Appropriation Committees an inaccurate picture of the need for REA loan funds.

This inaccuracy was the result of comparing 18 months of loan needs with a 12-month loan program.

A table, which appears first on page 151 of the House hearings, purports to show that the REA budget request would fall far short of loan demands in specified States.

In the State of Illinois, for example, the table appears to show that, at the start of January 1954, there was $17 million of loan demand, of which the maximum that could be taken care of during the next 18 months under administration budget requests was a little more than $10 million.

It should not have been too difficult a matter to convert both of those into 18 month figures so that they were comparable. However, it was not done that way.

The compiler of the table conveniently overlooked the fact that in January 1954, Illinois REA borrowers still had a large balance available to them out of the loan funds for fiscal 1954.

In this particular case, that balance amounted to well over $14 million.

Add this to the $10 million cited above and we get around $25 million.

That is $8 million more—not $7 million less—than the pending loan demand from Illinois at that time.

The same error is repeated for every State contained in the table, which was submitted to the House committee.

The maximum amount available for Alabama during the 18 month period is understated by $16 million; for Colorado, by $12 million; for Missouri, by $16 million; for New Mexico, by $13 million; for Tennessee, by $16 million; and for Texas, by $12 million. I selected these States because they were on the list given to the House committee.

Nearly 2 months later the same witnesses again appeared—this time before the Senate Appropriations Committee—with the same figures carefully, but erroneously, worked out for all 48 States and Alaska.

Just as before, the table completely ignores the large balance of funds available in all States in January of 1954, out of 1954 appropriations.

The purpose of this miscalculation was undoubtedly to give the House and Senate the impression that the administration loan fund request was wholly inadequate and the House figure was sufficient in only a few States.

Actually, if the correct basis had been used for this computation, a totally different picture would have been given.

I would like to reiterate, Mr. President, that, to the best of my recollection, the Senate Appropriations Committee unanimously agreed on the amount necessary to provide sufficient funds for REA loans for fiscal 1955. That was the amount reported in the bill.

I also point out that on June 2, when the Douglas-Humphrey-Gillette amendment was before the Senate, the chairman of the Agricultural Appropriations Subcommittee, the Senator from North Dakota [Mr. YOUNG] stated clearly that he did not believe the additional $35 million was necessary, although, as he stated, he voted for the proposed amendment for other reasons.

If the money was needed—and very clearly it was not—what could have been the motive behind the action of the executive manager of the National Rural Electric Cooperative Association in undertaking to give the country and the managers of the rural electric cooperatives the impression that the administration is not willing to provide adequate funds for continuing the REA program?

The signer of these telegrams has assured me that although other people may play politics, he does not.

If we accept this assurance at face value, it would seem to be pure coincidence that the three Senators referred to in his telegram to the REA managers are all Democratic candidates for reelection to the Senate.

I am not quite naive enough to believe that the executive manager of the NRECA is completely devoid of political intuition.

The effort to create the impression among the REA cooperatives that the Eisenhower administration is opposed to rural electrification and that Ancher Nelsen is doing a bad job as Administrator is so widespread as to indicate a well organized effort back of it.

I, for one, am strongly resentful of any effort to use any farm organization in this country for political purposes.

If the members of farm organizations permit continued infiltration of their ranks and offices by people primarily interested in politics, they will eventually find that their membership in these organizations has a hollow value.

However, the people who have been propagandized with the completely false contention that President Eisenhower is not friendly to rural electrification and that Ancher Nelsen is not a good Administrator deserve to know the facts.

The facts will show that President Eisenhower is a real friend of rural electrification and that Ancher Nelsen is the best Administrator this agency has ever had.

I now propose to give those facts as they appear on the record.

In so doing, I want it understood that I am casting no reflection on Ancher Nelsen's predecessor, Claude Wickard.

In my opinion, Mr. Wickard was an honest and conscientious public servant.

I am satisfied that if the REA work was hamstrung in any way while he was Administrator, it was the result of orders from the White House and not because of his own desires.

Now, Mr. President, let us compare the REA record under the Eisenhower administration and under the direction of Ancher Nelsen with the work which was done during the last years of the Truman administration.

THE REA RECORD UNDER PRESIDENT EISENHOWER AS ADMINISTERED BY ANCHER NELSEN

More new consumers get service: Loans approved by this administration during its first year will bring service to 180,500 consumers which is an increase of 37,300 over the year before.

There have been more loans approved: The present REA administration has made more electric loans and loaned more funds in its first year than the former administration did during the preceding 12 months.

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

Mr. AIKEN. I yield.

Mr. THYE. If I may, I wish to join in the remarks of the distinguished senior Senator from Vermont. He is giving us some facts which are very important. Nothing could be more damaging than to attempt to confuse and mislead the farmers into believing that the REA program is being jeopardized. The figures which the able and distinguished Senator from Vermont is giving should be very carefully noted.

I wish to invite the attention of the Senate to the fact that all applications for REA loans now and in the future are what may be termed fringe applications. The sound applications were acted on early. They did not involve great problems of engineering and study as to their economic possibilities, but from now on every application will be of the fringe type, regarding which there is always a question of whether the applications are economically feasible. Therefore they require more study, more engineering, and greater consideration in order to determine whether the loans will be paid out. I do not believe any Member of this body will deny or dispute that statement, because, at the inception of the REA the first loans were the easy ones. In the next series of years there were difficult ones. The REA is now considering extremely difficult applications, because they have been passed over time and again for a period of years.

Mr. President, I wish to commend the Senator from Vermont for placing these facts in the RECORD, because we do not want to mislead or confuse the farmer who is waiting to have REA electric current brought to him.

Mr. AIKEN. Mr. President, I thank the Senator from Minnesota, and I shall now continue to present facts.

During the first year of this administration, from May 1, 1953, to May 1, 1954, 349 loans, amounting to $181,118,100, were made.

In the former administration, from May 1, 1952, to May 1, 1953, the number of loans was 315, and the amount was $157,612,091. This is an increase of nearly $25 million.

Applications for loans have been handled more rapidly. This administration has given borrowers better service and has reduced paperwork on loan applications. This is shown in the large reduction of the backlog of applications inherited by this administration.

When this administration took office, $220,288,416 worth of applications were on hand.

The applications on hand at May 28, 1954, amounted to $130,599,000.

This shows a reduction between the time the Eisenhower administration took office and May 28, 1954, of $89,689,416.

Why were not all these applications granted immediately? That question has been partially answered by the Senator from Minnesota. They involved fringe applications, and more data were required as to many of them. Half of the applications need more data. More than half of the electric loan applications now on file with REA cannot be acted upon by REA until more data of some kind or other is provided by the applicants.

For example, 22 applications, or 12.6 percent of the total, have feasibility problems, and solutions to these problems must be worked out with the help of data from the applicant before REA can take action. Seventy-five applications, or 42.9 percent of the total, require information about power-supply rates, purpose of construction, financial statements, and similar factors, before REA can act. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a tabulation summarizing the status of all electric applications on hand.

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

Status of applications	Applications		Amount	Percent
	Number	Percent		
Feasibility problem	22	12.6	$35,338,000	27.1
More information	75	42.9	39,713,800	30.4
In process	78	44.6	55,547,200	42.5
Total on hand	175	------	130,599,000	------

Mr. AIKEN. It is only natural that the trend of applications for electric loans should be downward. The trend has been sharply downward since 1949, the peak postwar year.

The following table shows the dollar amount of applications received for electric loans since the 1949 peak:

Total of applications received

Fiscal year:

1949	$455,548,785
1950	335,397,810
1951	201,814,000
1952	150,936,950
1953	[1] 220,671,686
1954 (through May 28)	[2] 143,656,068

[1] The trend of applications was briefly reversed during November and December of 1952.

[2] This is through May 28—about 1 month of the end of the fiscal year.

Trend of loans approved also down: The electric-loan program hit its peak in 1949 and for several years thereafter dropped substantially as the postwar construction program leveled off. Today more than 91 percent of farms are electrified and applications now call for less funds for new connections and more for boosting system capacity.

I should like to state for the RECORD the facts as to the loans approved in each fiscal year since 1947:

In the fiscal year 1947 the amount loaned to electric borrowers was $253,217,000.

In 1948, the amount loaned was $319,110,000.

In 1949, the amount was $449,317,700.

That enormous sum was made possible through the large appropriation made by the so-called terrible 80th Congress, which provided more money for the purpose than had ever been provided before or since.

In 1950, the amount loaned electric borrowers was $376,199,000.

In 1951, the amount was $221,815,000.

In 1952, the amount was $165,758,731.

In 1953, the amount was $164,972,662.

For the fiscal year 1954, the amount is $165 million.

The electric loan program recommended by the House Appropriations Committee and approved by the House provides $193 million for the 1955 fiscal year. Present estimates, together with program experience based on applications received, indicate loan needs will be about $150 million.

On the basis of the House action there thus would be a margin between funds authorized and funds estimated to be needed of more than $40 million.

Mr. President, I should like to give a breakdown of loan funds proposed for the fiscal year 1955.

Electric loans

[In millions]

	1953	1954	1955	
			House	Senate
New authorization	$50	$135	$100	$135
Contingency	50	45	35	35
Carryover	117	30	50	50
Rescissions	28	12	8	8
Total	245	222	193	228

So that under the bill as it passed the Senate, there will be $228 million, which will be much more than the amount actually needed.

I should like to point out a fact which some persons do not seem to realize, namely, that a backlog of half a billion dollars is already available.

Borrowers presently have available to them about $438 million in unadvanced funds. These are loans which have already been approved—money in the bank—and which borrowers can draw down at any time they properly requisition the money:

Since 1949 advance of funds by REA also has declined:

Fiscal year:	*Amount advanced electric borrowers*
1949	$321,286,868
1950	286,658,652
1951	268,130,658
1952	227,574,029
1953	207,633,936
1954 (estimated)	185,000,000

This reflects the declining construction program of electric borrowers as they near the completion of the distribution plants required for initial connection of all consumers in their service areas. There still remains more than $400 million which can be called upon, and which already has been approved for use, if it is needed.

I desire to have printed in the RECORD a table showing the amount of unadvanced loan funds available by States as of April 30, 1954. As I have said, the total amount for the United States is $438,882,753. The table shows the amount of approved funds which have not been drawn upon by the various States as of April 30, 1954. I shall read a few examples:

Alabama has more than $10 million in approved loans which have not been called for; Arkansas has more than $20 million; Colorado more than $10 million; Georgia more than $16 million; Iowa more than $17 million; Kentucky more than $31 million, which is the greatest amount of any State; Minnesota $15 million; Missouri $19 million; Nebraska $14 million; North Carolina $17 million; North Dakota $7 million; Texas $26 million; Wisconsin $23 million.

Mr. President, I ask unanimous consent that the complete list be printed at this point in the RECORD, so that every Member of the Senate can see the amount which has been approved for use by the REA in his State, and which has not yet been called for by those to whom the loans were granted.

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

Alabama	$10,494,075
Arizona	4,372,625
Arkansas	20,262,774
California	6,058,403
Colorado	10,964,340
Connecticut	0
Delaware	732,954
Florida	7,044,313
Georgia	16,215,147
Idaho	1,477,842
Illinois	7,665,322
Indiana	6,663,297
Iowa	17,183,793
Kansas	5,871,434
Kentucky	31,683,566
Louisiana	5,113,369
Maine	491,295
Maryland	4,084,896
Massachusetts	0
Michigan	14,148,925
Minnesota	15,247,458
Mississippi	16,627,146
Missouri	19,404,832
Montana	7,563,249
Nebraska	14,855,064
Nevada	26,739
New Hampshire	2,001,200
New Jersey	197,862
New Mexico	11,202,400
New York	401,607
North Carolina	17,215,720
North Dakota	7,518,124
Ohio	11,910,668
Oklahoma	12,559,961
Oregon	4,470,923
Pennsylvania	5,978,488
Rhode Island	0
South Carolina	11,354,238
South Dakota	9,208,911
Tennessee	12,047,138
Texas	26,241,186
Utah	1,101,421
Vermont	683,521
Virginia	10,177,484
Washington	5,402,965
West Virginia	129,642
Wisconsin	23,001,244
Wyoming	6,359,233
Alaska	12,088,085
Virgin Islands	1,874
Puerto Rico	3,376,000

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

Mr. AIKEN. I yield.

Mr. JOHNSON of Colorado. I desired to understand the exact status of these amounts. Do they represent loans which have not been approved?

Mr. AIKEN. They are amounts which have not been called for. Approvals for practically all of them have been made in the last 4 years, but, as the Senator knows, not all of the cooperatives which have had loans approved spend the sums immediately. Some of them never spend the funds at all. That is how the recission amounts come into the picture.

Mr. JOHNSON of Colorado. But the amounts are committed, are they?

Mr. AIKEN. It is expected that most of the $438 million will be spent eventually.

Mr. JOHNSON of Colorado. In any case, the amounts are committed?

Mr. AIKEN. They are committed, and they will be available whenever the REA cooperatives call for them.

Mr. JOHNSON of Colorado. I understand. I thank the Senator.

POWER SUPPLY PROGRAM PUSHED

Mr. AIKEN. The Eisenhower administration has pushed the power-supply program and has worked sympathetically with its borrowers in solving power-supply problems. This is reflected in two items:

(a) The percentage of loans made for generation and transmission facilities equals the long-time level.

(b) Applications now on hand amount to $70,540,000. This represents a reduction of nearly $27 million in the backlog of generation- and transmission-loan applications since June 30, 1953.

TELEPHONE-LOAN PROGRAM AT NEW HIGH

This administration as of June 4, 1954, has approved $63,635,000 this fiscal year. The full year total is expected to reach $74 million. This is nearly twice the $41 million program the year before. This year will be by far the biggest in the history of the telephone program. At the beginning of this fiscal year the cumulative total of loans made since the telephone program amendment was enacted in 1949 amounted to only $118 million, whereas in this fiscal year alone the loans are expected to reach $74 million.

TELEPHONE CONSTRUCTION SPEEDED UP

This year the Administration is advancing to borrowers about $30 million in contrast with $23,864,802 advanced during the previous year. Advances represent actual construction since loan funds are advanced to borrowers only as needed to pay for construction.

ADMINISTRATIVE COSTS CUT

While setting new records for providing service on loans to electric and telephone borrowers, this Administration has reduced administrative costs.

I cannot tell exactly what the administrative costs have been for the corresponding years, but there has been a reduction of approximately 25 percent in the cost of administering the program. This has been accomplished in two ways: First, administrative processes have been streamlined, making possible savings and manpower. Second, borrowers have

been permitted to handle for themselves many of the program responsibilities not affecting loan security.

The figures I have given are from the record. They show conclusively that the REA program under President Eisenhower and Ancher Nelsen is in safe and sympathetic hands.

Mr. DOUGLAS. Mr. President, although I have not had an opportunity to study the text of the remarks of the senior Senator from Vermont [Mr. AIKEN] on the REA appropriations, I do not wish to let this occasion pass without making at least a preliminary reply to them.

The Senator from Vermont began his address with an attack on the chief executive of the National Rural Electric Cooperative Association, Mr. Clyde Ellis. His charge seems to have been a dual one: First, that Mr. Ellis and his associates presented incorrect figures to the House and Senate Appropriations Committees; second, that Mr. Ellis is an adjunct of the Democratic Party and was using political influence to place the Eisenhower administration in an unfavorable light.

It is not necessary, Mr. President, to affirm publicly again my high personal regard for the senior Senator from Vermont. I have demonstrated that on many occasions, and it continues, despite some of the remarks of a highly partisan nature the Senator from Vermont made last week and which he made today.

The senior Senator from Vermont has accused Mr. Ellis and his associates of presenting figures which were really for an 18-month period, and passing them off as if they were for the period of a single year. If the Senator from Vermont will consult the hearings before the Agricultural Appropriations Subcommittee, at pages 1073 and 1074, which I had included in the RECORD, where they appear at page 7403, he will find that the REA Cooperative Association made it very clear that its estimates were for the period between January 1, 1954, and June 30, 1955. So there was no attempt to deceive; and although the computations were somewhat complicated, the REA stated its case with fullness and exactitude, with a breakdown both by time and by purpose, and also by geographical areas.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. AIKEN. I could not hear very well what the Senator from Illinois said, because of the confusion in the Chamber at this time. Is he reading the table submitted to the committee, showing the loan applications as of January 1954?

Mr. DOUGLAS. If the Senator from Vermont will consult the RECORD at page 7403, he will see the material in full.

Mr. AIKEN. I do not have that copy of the RECORD here. Does it contain the table the Senator from Illinois has in mind?

Mr. DOUGLAS. I am not quite certain what the Senator from Vermont is saying, because in hearing him I suffer the same difficulty he suffers in hearing me. The table covers an estimate of the needs for the coming year, and has the needs broken down by purposes and also by geographical areas; and the books seem to balance.

Mr. AIKEN. I think I have the table. The Senator from Illinois probably has read the report. Does it contain, or is there anywhere in the testimony of Mr. Ellis and his associates a table showing, the amount available for loans, for each State, from January 1 to June 30, 1954?

Mr. DOUGLAS. The table I have does not have a breakdown by States, but it gives the figures for each area.

Mr. AIKEN. The important omission was the amount available for loans for each State, beginning January 1, 1954.

Mr. DOUGLAS. I may say to the Senator from Vermont that I did not introduce that material into evidence, and I did not base our case upon it.

Mr. AIKEN. I was sure that the other day, when the Senator from Illinois was arguing so fervently for an increase in the appropriation for the REA, he did not have at hand the figures showing the amount already available for the remainder of 1954—which was half a year's supply of money.

Mr. DOUGLAS. Let me say to my good friend from Vermont that if he will take the trouble to consult the CONGRESSIONAL RECORD, which undoubtedly is at his desk, and will turn to page 7403, he will see precisely what I am talking about. It is rather fruitless to discuss a statistical table when one Senator will not look at the table to which another is referring.

Mr. AIKEN. I inserted this material in the RECORD today because I know full well the propensity of certain persons to use a Senator's vote on an amendment as indicative of his position on the whole subject to which the amendment relates. In fact, the Senator from Illinois may recall that in 1949, 1950, and 1951 he was listed as not being a friend of the REA, simply because he offered an amendment to the appropriation bill for 1951 reducing the appropriation from $100 million to $25 million. But I do not think that clearly represented the position of the Senator from Illinois.

Mr. DOUGLAS. I do not wish to be diverted by my good friend from Vermont into a side discussion as to our respective voting records on REA. I have no recollection of what the Senator from Vermont is talking about. I believe my voting record is 100 percent for REA and I am willing to stand on it, and I am sure the Senator from Vermont is equally willing to stand on his record. What I was trying to say was that the charge which the Senator from Vermont made, namely that the National Rural Electric Cooperative Association showed bad faith, and either the will to deceive or the practice of deceiving, in the figures which they submitted, does not seem to me to be borne out by the figures which I have at hand.

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

Mr. DOUGLAS. I did not interrupt the Senator from Vermont when he was making his address, although I was sorely tempted to do so. I should prefer to be allowed to continue. At the conclusion of my remarks I shall be very glad to submit to questions.

Mr. AIKEN. The Senator says that the Senator from Vermont made charges. I was wondering where the charges might be in the remarks of the Senator from Vermont. I was stating the facts. If anyone wishes to infer charges from a statement of the facts, I cannot help it.

Mr. DOUGLAS. I shall reply in greater detail to the statement of the Senator from Vermont after I have had time to examine his tables, which I have not had time to do until now. I wish to indicate that the REA cooperative associations submitted in full figures for a year and a half, and then made deductions from that total available to REA on January 1, 1954, and obtained a balance representing the need for fiscal 1955.

The Senator from Vermont has indicated in his remarks that the witnesses before the Senate and House Appropriations Committees did not consider the funds on hand January 1, 1954, when they made their calculations for the amount needed in fiscal 1955. I wish to point out that on pages 1073 and 1074 of the Senate Appropriations Committee hearings and on page 146, part IV, of the House Appropriations Committee hearings the record shows very clearly that the available funds were deducted from the estimated loan requirements.

The Senator from Vermont also asserted that Mr. Ellis was acting in a political fashion. I am not quite certain what words he used, but he implied that political pressure was being applied by Mr. Ellis upon Members of the Senate to induce them to vote for the Douglas-Humphrey-Gillette amendment increasing appropriations by $35 million.

I have always thought it was the right of American citizens to solicit support for measures which are before this body. It has never seemed to me improper for the heads of organizations to send out telegrams asking their members and friends to support an amendment which might be pending before this body or the other House. I have always thought that that was a part of the right of petition, which is guaranteed to American citizens by the Constitution. In the past I have received many telegrams and letters in response to appeals sent out by farm organizations supporting measures introduced by the senior Senator from Vermont. I am not aware that on those occasions the Senator from Vermont ever complained that the farm organizations had solicited support for his proposals. I may say that I certainly do not criticize them for such acts. I think it is perfectly proper for them to support the Senator from Vermont, and to try to marshal as much support as possible for his proposals. I did not resent either the telegrams which went out from the farm organizations or the telegrams which I received urging me to follow the program of the Senator from Vermont. I think it is somewhat extraordinary that the Senator from Vermont should resent the telegrams which went out from the REA Cooperative Association in support of the Douglas-Humphrey-Gillette amendment.

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

Mr. DOUGLAS. No; I will not yield until the conclusion of my remarks. Then I shall be glad to yield.

Mr. President, I am not interested primarily in the question as to which party has made the better record in connection with REA. The yea-and-nay votes in this body have been collected over a long period of time. They are available to the voters. We are ready to rest our record on those rollcalls, and we are ready to let the voters decide that issue.

However, I should like to point out to my good friend from Vermont that since the new administration has come into office the amounts requested by the administration for REA have markedly decreased. If the Senator will turn to page 866 of the Senate committee hearings he will find that the 82d Congress, in 1952, made available for REA purposes $245 million for the year 1952–53. For the year 1953–54, the year in which we now are, the 1st session of the 83d Congress made available a total sum of approximately $221 million, or a decrease of $24 million.

The Budget Bureau requested for the coming year a further appropriation of only $55 million, which, with the unexpended balances, would have made $147 million available for 1954–55 or $98 million less than had been available 2 years ago, and $74 million less than is available during the current year.

The House increased this amount by $35 million, bringing the figure of funds available for the succeeding year of 1954–55 to $193 million. However, that total was still $38 million less than is available for the current year, and $52 million less than was appropriated by the last session of the 82d Congress.

It was because of these facts that the Senator from Illinois, joined by the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Iowa [Mr. GILLETTE], offered our amendment to increase the appropriation by $35 million, to bring the total to approximately the same amount provided for the current year. That was our purpose.

The Senator from Vermont has drawn certain gratuitous inferences about our motives which I shall pass by, because I think they are unworthy of his better self. I believe that in due course of time, when he gets up to the Vermont hills, and gets away from the political fever which sometimes characterizes Washington, he will not wish to stand upon such statements.

That, frankly, is the situation. I ask leave to have printed at the appropriate points in my remarks further statistical material. I shall be very glad now to yield to the Senator from Vermont, if he wishes to ask me any questions.

Mr. AIKEN. Does the Senator from Illinois ask leave to put in the RECORD later today statistical material without telling the Senate what the statistical material consists of?

Mr. DOUGLAS. The Senator from Vermont placed some statistical material in the RECORD earlier today without telling the Senate what it consisted of, and the Senator from Illinois did not object to it. I shall submit to the Senator from Vermont any material that I intend to put in the RECORD.

Mr. AIKEN. I put nothing in the RECORD of a statistical nature, that was not read to the Senate.

Mr. DOUGLAS. I believe the Senator put in a great many tables, the contents of which were not very clear to me. However, that is agreeable to me, because I am sure the Senator from Vermont would not put anything in that was not proper.

Mr. AIKEN. I have no questions to ask of the Senator from Illinois, but I should like an opportunity to say, regardless of any inference that I was blaming the senders of the telegrams for trying to put pressure on the Senate, that is not so. I made clear in my remarks that I put no blame at all on the people who sent the telegrams. I only regret that, like the Senator from Illinois, they did not have the whole picture before them.

Did the Senator from Illinois, when he was speaking the other day, know that for the last 6 months of 1954 $14 million was available for loans in the State of Illinois for REA work? He knew there was $17 million in applications, but did he know $14 million was available? That is what I believe the witnesses before the committee left out, and that is what the Members of the Senate did not know the other day when they voted to add $35 million to the appropriation bill.

Mr. DOUGLAS. I may say to my good friend from Vermont that the amount available is not necessarily the amount loaned. In fact, some of the Senators on the other side of the aisle said there was no use in appropriating the amount of money we requested because the REA was determined not to lend the amounts which were available; therefore, it would not make the loans. Therefore, the amounts theoretically available are not particularly important.

Mr. AIKEN. Does the Senator from Illinois know of any year in which everyone who made an application for a loan got the full amount which was asked for?

Mr. DOUGLAS. Certainly not.

Mr. AIKEN. Does not the Senator from Illinois know that the order to reduce the loans to $165 million, regardless of what Congress might appropriate, was made by Harry Truman's Bureau of the Budget?

Mr. DOUGLAS. We went into all that last week.

Mr. AIKEN. That is correct.

Mr. DOUGLAS. It was pointed out that that order came in the midst of the Korean war, when there was a necessity to economize on copper and other material.

Mr. AIKEN. I could point out to the Senator from Illinois that Congress made available $600 million for those 2 years of the Korean war because it was felt that getting electricity to the farms was one of the most important factors in carrying on successfully the work on the farms.

However, I do not care to go into that question. I merely wish to say that I do not blame the people who sent those telegrams.

Mr. DOUGLAS. But the Senator from Vermont does blame Mr. Ellis for sending his telegram.

Mr. AIKEN. I blame him for not telling those people the whole story when he told them to telegraph the Members of the Senate. Certainly he did not tell them the whole story. There is no question about it.

Mr. DOUGLAS. Mr. Ellis will, I am sure, make his defense at an appropriate time, and I shall be glad to submit it. I merely wish to say that the attack which the Senator from Vermont has made on Mr. Ellis on the floor of the Senate reminds me of the attack which Mr. Aandahl, Assistant Secretary of the Interior, made on Mr. Ellis on the floor of the convention of the National Rural Electric Cooperative Association last January. But that charge was repudiated by the 5,000 delegates to the convention who were present. Mr. Ellis represents the rural electrical users of the country and needs make no apology to Mr. Aandahl or to the senior Senator from Vermont.

I am very sorry to have to get into this discussion with the Senator from Vermont, whom I respect and like very much but his statement on the floor of the Senate seemed to me to call for a reply. I have tried to make my reply in good temper I hope but I could not let the statement go by completely unnoticed.

Mr. AIKEN. Mr. President, will the Senator from Illinois answer one more question?

Mr. DOUGLAS. Certainly.

Mr. AIKEN. Will the Senator from Illinois state to the Senate just what statistical data the Senator from Vermont put in the RECORD that was erroneous?

Mr. DOUGLAS. I have not seen the material which the Senator put in the RECORD. Therefore I cannot tell. I did see him with many papers in his hand and I thought I heard him say he was asking unanimous consent to have the material printed in the RECORD. If I should get some statistical material during the day I shall show it to the Senator from Vermont prior to my submitting it for the RECORD, in order to give him an opportunity to make such reply or comment in the body of the RECORD as he may wish to make.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

Mr. KNOWLAND. Mr. President, in conformity with the prior discussion on the floor, I submit a proposed unanimous-consent agreement and ask that it be read for the information of the Senate. It is presented jointly on behalf of the distinguished minority leader and myself.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That following the morning business on Monday, June 14, during the further consideration of H. R. 8067, making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from New Hampshire [Mr. BRIDGES], in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided,* That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further,* That debate upon the bill itself shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Texas [Mr. JOHNSON].

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? The Chair hears none, and the agreement is entered into.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 1256, RELATING TO JANUARY 1954 ECONOMIC REPORT OF THE PRESIDENT

Mr. KNOWLAND. Mr. President, at the request of the distinguished Senator from Indiana [Mr. JENNER], who is chairman of the Committee on Rules and Administration, and is temporarily out of the Chamber, I present on his behalf reports on three resolutions and I ask that the resolutions be immediately considered. I have discussed them with the distinguished minority leader, and he is agreeable to having them considered. The first one is Senate Resolution 259.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 259) was read, as follows:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 3,000 additional copies of House Report No. 1256, current Congress, entitled "Report of the Joint Committee on the Economic Report on the January 1954 Economic Report of the President."

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

There being no objection, the resolution (S. Res. 259) was considered and agreed to.

ADDITIONAL FUNDS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. KNOWLAND. Mr. President, I now ask for the immediate consideration of Senate Resolution 251.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 251) was read, as follows:

Resolved, That the Committee on Labor and Public Welfare hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $5,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

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

There being no objection, the resolution (S. Res. 251), was considered and agreed to.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON ARMED SERVICES

Mr. KNOWLAND. Mr. President, I now ask for the immediate consideration of Senate Resolution 255.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 255) was read, as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

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

There being no objection, the resolution (S. Res. 255) was considered and agreed to.

WILLMORE ENGINEERING CO.—CONFERENCE REPORT

Mr. BUTLER of Maryland. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Co. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Company, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: That the Secretary of Commerce and Willmore Engineering Company each shall appoint an arbitrator, and they together shall appoint a third arbitrator, these three to serve as a Board of Arbitrators who shall, after having heard the evidence, determine and certify to the Secretary of the Treasury any amount which in their judgment would be required to satisfy any obligations of the United States to the Willmore Engineering Company for services and expenses in connection with its contract and the breach of it, if any, with the United States for production of winches for transport vessels necessary to the prosecution of World War II, pursuant to special emergency authorizations and commitments under war powers, for which it is alleged the United States has failed to provide adequate payment. To the extent not inconsistent with this Act, the provisions of Title 9 of the United States Code shall be applicable to proceedings under this Act. Any cost arising in the arbitration of these claims shall be fixed by the arbitrators and assessed equally between the Government and the claimants.

And the Senate agree to the same.

JOHN M. BUTLER,
HERMAN WELKER,
ESTES KEFAUVER,
Managers on the Part of the Senate.

EDGAR A. JONAS,
WILLIAM E. MILLER,
THOMAS J. LANE,
Managers on the Part of the House.

Mr. BUTLER of Maryland. Mr. President, I have discussed the consideration of the report at this time with the distinguished majority leader and the distinguished minority leader. They are both agreeable to having the Senate proceed now to the consideration of the report.

The conference report adheres to the principle of arbitration contained in H. R. 7258, as passed by the Senate with amendment on Calendar No. 1473, June 1, 1954, in that it provides for a Board of Arbitration composed of 3 arbitrators, instead of 1 arbitrator provided in the original bill.

The conferees agreed to recommend arbitration under provisions of title 9 of the United States Code, 1 arbitrator to be selected by the Secretary of Commerce, 1 arbitrator to be selected by Willmore Engineering Co., these 2 arbitrators to select a third arbitrator, all 3 to constitute a Board of Arbitrators.

As I stated on June 1, 1954, when the Senate passed H. R. 7258 with the Senate amendment to increase the number of arbitrators from 1 to 3, the usual administrative procedures and judicial processes had proved to be inadequate, hence the adoption of arbitration as the best practical solution.

The previous Senate amendment provided for the appointment of three United States district judges as arbitrators. The conferees, cognizant of the burden of extrajudicial duties imposed upon the courts by that amendment, and with due consideration of the need for conclusive action consistent with previous Senate action and established legal precedent, agreed on the selection of a Board of Arbitrators to be named by the method I have just described.

The purpose of the amendment to H. R. 7258, approved by the conferees, is consistent with previous Senate action and accepted arbitration procedures.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

AWARD OF MEDAL OF HONOR TO THE LATE CAPT. JOHN S. WALMSLEY, JR., OF BALTIMORE, MD.

Mr. BUTLER of Maryland. Mr. President, it is with a deep sense of humility that I inform the Senate that the President of the United States, in the name of the Congress, has awarded the Medal of Honor to the late Capt. John S. Walmsley, Jr., of Baltimore, Md. for conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty in action with the enemy.

The Medal of Honor will be presented to the widow of the late Captain Walmsley by the Honorable Harold E. Talbott, Secretary of the Air Force, on June 12 at Bolling Air Force Base, Washington, D. C. As a measure of tribute to Captain Walmsley for his dauntless bravery, I ask unanimous consent to have printed in the body of the RECORD, the citation signed by President Eisenhower.

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

Capt. John S. Walmsley, Jr., AO815023, United States Air Force, distinguished himself by conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty near Yangdok, Korea, on 14 September 1951. While flying a B–26 aircraft on a night combat mission with the objective of developing new tactics, Captain Walmsley sighted an enemy supply train which had been assigned top priority as a target of opportunity. He immediately attacked, producing a strike which disabled the train, and, when his ammunition was expended, radioed for friendly aircraft in the area to complete destruction of the target. Employing the searchlight mounted on his aircraft, he guided another B–26 aircraft to the target area, meanwhile constantly exposing himself to enemy fire. Directing an incoming B–26 pilot, he twice boldly alined himself with the target, his searchlight illuminating the area, in a determined effort to give the attacking aircraft full visibility. As the friendly aircraft prepared for the attack, Captain Walmsley descended into the valley in a low level run over the target with searchlight blazing, selflessly exposing himself to vicious enemy antiaircraft fire. In his determination to inflict maximum damage on the enemy, he refused to employ evasive tactics and valiantly pressed forward straight through an intense barrage, thus insuring complete destruction of the enemy's vitally needed war cargo. While he courageously pressed his attack Captain Walmsley's plane was hit and crashed into the surrounding mountains, exploding upon impact. His heroic initiative and daring aggressiveness in completing this important mission in the face of overwhelming opposition and at the risk of his life, reflects the highest credit upon himself and the United States Air Force.

OUR AILING MERCHANT MARINE

Mr. BUTLER of Maryland. Mr. President, there appeared in the New York Times of June 10, 1954, an article by Hanson W. Baldwin, noted authority on military preparedness, concerning the depressed condition of the American merchant marine to which he refers, rather aptly, as "the poor cousin of the armed services between wars." Because of Mr. Baldwin's high standing among commentators on military affairs, his views on the need for attention by the Nation to its shipping problems are deserving of consideration by every citizen.

I ask unanimous consent that Mr. Baldwin's article 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:

MERCHANT MARINE AILING—BY END OF THIS YEAR NO DRY-CARGO SHIP WILL BE BUILDING IN UNITED STATES YARD

(By Hanson W. Baldwin)

The President this week asked Congress for funds to aid our ailing merchant marine.

The request was small—for $82,600,000 for new merchant ship construction. Even if this request is approved by Congress, many months must elapse before contracts have been let, and when 5 mariner-class vessels, still building, are delivered later this year, the last of an order for 35, not a single ocean-going dry-cargo merchant vessel will be under construction in any American shipyard.

Thus the merchant marine, usually the poor cousin of the armed services in periods between wars, is again lapsing into somewhat the same depressed state that characterized it prior to World Wars I and II. The New Look military policies have paid, at best, lip service to the merchant marine even though those policies, which envisage an eventual reduction of our naval amphibious forces, put a greater degree of responsibility on merchant ships as troop carriers.

KEY ELEMENT IN DEFENSE

Merchant shipping always has been for the United States a key element of sound national defense and always will be so long as seapower forms one of the first lines of defense. This is more true today than it was prior to World War II, despite the increased capabilities of the plane.

For the United States is now far more dependent on foreign sources for vital strategic raw materials than it was a decade or two ago. Uranium, oil, manganese, columbium, and scores of other minerals and products must be transported across the seas to the United States if our war economy is to be maintained.

This must be done in time of war in the face of a formidable Russian submarine threat, which is not perhaps as serious as it has been painted, but which is nonetheless real.

Moreover, the plane has not proved that it can carry bulk cargoes economically in peace or war in competition with ships. About 95 percent of all supplies to Korea were transported in ship's bottoms. The Secretary of the Navy, Charles S. Thomas, said recently that 5 tons of supplies accompanied each man we sent to Korea and 64 pounds of supplies each day were necessary to sustain each man after his arrival.

"From 1950 to 1953," Mr. Thomas added, "the Military Sea Transportation Service (operated by the Navy) hauled more than 5 million passengers, 22 million tons of petroleum products and 52 million tons of dry cargo in support of the Korean military operations."

It is true that some experts are advocating the expansion of our air cargo and air passenger fleets. These men believe that combinations of atomic weapons, mines and submarines could sever us from our overseas sources of raw materials in time of war, if our carrying capacity were limited primarily to ship's bottoms.

TRANSPORT COSTS STRESSED

They assert that air transport costs already are competing with rail costs and that in time they may be able to compete with shipping costs. Such a vision, however, is for the future, if indeed it ever is realized. Today it is probably beyond the capability of any major nation to supply itself with all the bulk cargoes it needs by transoceanic air transport.

Even if other aspects of the operation were feasible, the problem of supplying fuel for the great numbers of cargo aircraft necessary would seem to be dependent, at least in part, upon tankers.

In view of these facts and the importance of the merchant marine to national security the state of our commercial shipping today is not reassuring, particularly as regards future trends. Shipbuilders are principally dependent, at the moment, upon the Navy, which hopes to be able to carry out a $1 billion program of warship construction, conversion, and modernization annually,

LAG IN CONSTRUCTION FUNDS

There were no appropriations for construction of new merchant ships in the current fiscal year's budget; next year, the appropriation will be only $82,600,000, if Congress approves the President's recent request. These figures contrast with merchant ship construction funds that reached $322 million in 1951.

The present merchant fleet is large in size, 3,348 vessels, 1,259 of them privately owned. But about half of all of these are classified as poor, from the point of view of speed and cargo capacity, and all of them are getting old fast. Within 9 years 80 percent should be replaced. Very few of these ships can make 18 knots, a desirable speed in the age of snorkel submarines.

The high cost of constructing and operating United States merchant ships is the major economic reason for the Merchant Marine's between-wars decline. Unions afloat and ashore are responsible for much of the increased costs and also for some of the uncertain discipline that periodically has marred United States merchant ship operation.

There is no doubt, however, that the Merchant Marine is an essential element of our security policies as they are now envisaged. Congress should consider it in that light.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The Secretary will state the first amendment of the Committee on Appropriations.

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

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

Mr. BRIDGES. Mr. President, I move that the bill be read for amendment and that the committee amendments be first considered.

The PRESIDING OFFICER. The Chair will state that that procedure is automatic.

The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the

heading "Title I—Department of State—Salaries and Expenses," on page 4, at the beginning of line 6, to strike out "$62,500,000" and insert "$62,027,280, and in addition $1,000,000 to be derived by transfer from the unobligated balance of the 1954 appropriation, 'Government in Occupied Areas'."

The amendment was agreed to.

The next amendment was, on page 4, line 20, after the word "that", to strike out "five" and insert "fifteen."

The amendment was agreed to.

The next amendment was, on page 4, line 22, after the word "wagons", to insert a colon and "*Provided further*, That none of the funds made available by this appropriation shall be used to pay the salaries and expenses of the Metals and Minerals staff in the Office of Economic Affairs."

The amendment was agreed to.

The next amendment was, under the subhead "Representation Allowances," on page 5, line 6, after "(22 U. S. C. 1131)", to strike out "$450,000" and insert "$500,000."

Mr. DOUGLAS. Mr. President, this item deals with the so-called "representation" allowance of $500,000 to provide members of the Foreign Service with an entertainment fund. The House appropriated $450,000 for that purpose. The Senate committee has increased the figure to $500,000.

It is well known that a considerable portion of the money is used for mutual entertainment by our Foreign Service of other members of our Foreign Service and members of the foreign services of other nations. In previous years I have tried to reduce the representation allowance in order to introduce into the conduct of our foreign affairs a greater degree of simplicity.

It is also well known that a considerable proportion of the money is used for liquid refreshments of an inebriating nature. While I do not wish to sail under false colors, and while I am not a teetotaler and do not pose as one, nevertheless it does not seem to me that the taxpayers of the United States should be compelled to pay such a large sum for entertainment purposes on the part of our diplomatic and consular service. If liquor is served at such functions, it should be paid for privately and not by the taxpayers.

If it is in order, I send to the desk an amendment to strike out the figure of $500,000 and to insert in lieu thereof $300,000.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

The CHIEF CLERK. On page 5, line 6, it is proposed to strike out the "$500,000" and to insert in lieu thereof "$300,000."

Mr. DOUGLAS. Mr. President, some of these expenditures are, no doubt necessary, but my amendment would still leave $300,000 for such purposes. Many of the expenditures, however, cannot be justified. They pay in part for liquid refreshments, which rarely consist of tea and tomato juice. It does not seem to me that we should try to float our foreign relations in a sea of champagne. It seems to me instead that we should try to bring about simplicity in the lives of governmental officials at home and abroad. Other nations look to us for leadership, not because we feed their representatives caviar and cocktails, but because we are strong both economically and militarily and we hope spiritually as well. There is no compelling need for our foreign officials to seek to make friends by mutual inebriation or to put it more mildly mutual exhiliaration. We can build better friendships on the sound basis of character and kindliness with out resorting to competitive consumption.

So, Mr. President, I hope my amendment may be adopted.

Mr. KNOWLAND. Mr. President, I sincerely hope that, whether it is for the purpose of a humorous story or a headline, the statement of the Senator from Illinois that this appropriation is for the purpose of mutual inebriation in the Foreign Service will not go unchallenged because it constitutes an indictment which I think is unfair, uncalled for, and not in accordance with fact, either under the preceding Democratic administration or under the present administration.

If there has ever been a general smear of guilt by association, it seems to me that the statement by a responsible Senator, on the floor of the United States Senate, that the fund is for any such purpose or has ever been used for any such purpose, either under the past administration or under this one, may be so characterized. It is unjustified and is not in keeping with either the dignity of the Senate of the United States or of the Foreign Service of the United States.

Mr. BRIDGES. Mr. President, in recent years this item has been steadily reduced in appropriation bills when the Senator from New Hampshire has had anything to do with such bills.

In 1947 the amount was $800,000. This year we are recommending $500,000, a reduction of $300,000.

I wish to join with the distinguished Senator from California in what he has said. I do not think the remarks made by the Senator from Illinois should be allowed to reflect on the entire personnel of the American Foreign Service because I do not believe by any means that the implications which might be inferred from his remarks are proper.

This fund is used for the purpose of purchasing wreaths for ceremonial occasions—for the purpose of decorating monuments in the countries of our great allies. It is used for the purchase of flowers on the death of a foreign minister or the king of a friendly nation. It is used for state dinners and many other functions which are typical occurrences in the conduct of the foreign affairs of this country.

Mr. FULBRIGHT. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. FULBRIGHT. Is it not also used for the necessary entertainment of visitors to this country and of visitors in our consulates and embassies abroad? It is necessary that they be entertained, though not in any lavish way. Is not that the purpose of the fund?

Mr. BRIDGES. That is correct.

Mr. FULBRIGHT. If it is not paid for in this way, it becomes an imposition upon our representatives in foreign countries who must use their private funds.

Mr. BRIDGES. I agree with the view of the distinguished Senator from Arkansas that if it is not paid for in this way, it must come out of the pockets of our Foreign Service personnel.

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

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Is it not true that in connection with the official entertaining which is done, either by representatives of the State Department or by representatives of other executive agencies who go abroad, there must be considered the importance of contacts with the representatives of other nations which are made at social gatherings? As bearing out what the distinguished Senator from Arkansas has pointed out, if such a fund is not provided by the Government, the expenses would be required to come privately out of the pockets of American representatives abroad, because they would either have to turn down all invitations themselves, or accept invitations, and then, in reciprocating, would be required to pay the expenses out of their own pockets. To do this would limit the representation abroad to persons of means, which I do not think is proper for our country to expect. The Government should be in a position to make it possible for persons who have to depend on their own salaries, but who have great ability to offer to their Government, to accept posts in the Foreign Service, rather than to limit such appointments to persons who have such substantial means that the additional expense of entertainment would mean nothing to them.

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

Mr. BRIDGES. I yield.

Mr. MANSFIELD. I wish to aline myself with the views of the views of the distinguished Senator from Arkansas and the distinguished Senator from California. As a matter of fact, in my opinion, $500,000 is not anywhere nearly sufficient for the activities which the representatives of the United States Government are required, as a matter of duty and necessity, to carry on.

It should also be mentioned that a great many congressional committees go abroad; and frequently the members of such committees are entertained by the use of funds which are allocated by Congress for this purpose.

I desire to suggest, if I am not out of order in doing so, that the Committee on Appropriations undertake an investigation to ascertain exactly how much our representatives abroad spend out of their own pockets to carry on the duties inherent in the positions which they hold. I think such a figure would prove to be very interesting and would confirm the view that in some foreign countries representatives of the United States spend much more than is allowed to them under congressional authorization to perform the duties which their assignments impose upon them.

Mr. BRIDGES. I may say to the distinguished Senator from Montana that, according to a rule of thumb which is used in testimony given before our committee, it is estimated that, roughly speaking, our representatives abroad have been required to spend $1 of personal funds for each $2 of appropriated funds for this purpose. But I think the suggestion made by the Senator is good; and with the approval of my committee, before another year has passed, we shall make a study of the Senator's recommendations and suggestions, so that such information may be available.

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

Mr. BRIDGES. I yield.

Mr. MAGNUSON. There is also involved another factor. Our consulates and Embassies are established having in mind certain ranges of salary, depending upon the importance of the positions at the time. But the world conditions have so changed that the Ambassador in Saigon, Vietnam, whose post was relatively unimportant only a few years ago, and who has a comparatively low salary, now is confronted with an increasingly large influx of visitors, so that the Embassy at Saigon is becoming probably the busiest American Embassy in the entire Far East.

Our Ambassador at Saigon, Mr. Heath, perhaps is not a man of great means, but he is now being called upon to meet and to entertain more and more visitors daily. This is a fluctuating item, which I think must be taken care of in this manner.

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

Mr. BRIDGES. I yield.

Mr. THYE. It has been reported that during the conference at Geneva, Secretary of State Dulles stayed at a hotel, while the representatives of Great Britain, the Soviet Union, and France stayed at villas along the lake shore, and entertained their guests at the villas, whereas the Secretary of State of the United States was required to entertain at the hotel. I think it deteriorates the prestige of our great Nation if our representatives cannot properly present themselves in conferences in foreign nations, because they are judged, perhaps, by their conduct and action. If they are required to conduct themselves as backwoodsmen, the United States is classed to a great extent in that category by others in the diplomatic circles.

I think the fund is very conservative. I was struck by the importance of what was said by the distingushed Senator from Washington about the Ambassador at Saigon, because undoubtedly there is now an influx of visitors at that point, and certainly the Ambassador there is faced with a tremendous expense every week. So I most certainly shall support this fund, or even a greater sum.

Mr. BRIDGES. I thank the distinguished Senator from Minnesota. I think it is clear from what has been said by the distinguished majority leader, the acting minority leader, the distinguished Senator from Arkansas [Mr. FULBRIGHT], the distinguished Senator from Montana [Mr. MANSFIELD], the distinguished Senator from Washington [Mr. MAGNUSON], and the distinguished Senator from Minnesota [Mr. THYE], that there is a general understanding of what this fund is intended to accomplish.

We realize that the United States Government, through its foreign officials, must adequately be represented in social functions or official functions abroad. When we consider the billions of dollars which are spent in other ways, certainly, in my judgment, it would not be wise to withhold reasonable funds for the use of our Foreign Service officials abroad.

I hope the amendment of the Senator from Illinois will be rejected.

Mr. DOUGLAS. Mr. President, I wish to make only one or two points. This is called a representation allowance. I believe "representation" is a word which has been taken from the French tongue, which is the language of diplomacy, and has intruded into the English or "American" language. "Representation" in the French language means "entertainment." I think it would be much better if the Bureau of the Budget and the Committee on Appropriations would hereafter call this an entertainment allowance rather than to use the somewhat mysterious word "representation."

I may say that perhaps many Members of Congress have been somewhat to blame in this matter. A great many of us take trips abroad or become world travelers. In the course of our trips, many drop in on the Embassies and consulates and expect the red carpet to be rolled out for us, and the poor members of the Foreign Service then feel under an obligation to entertain us.

At times, the behavior of Members of Congress in foreign countries has not been entirely decorous. I do not wish to pose as being particularly virtuous in this regard, but when I was abroad in the summer of 1952, and I visited Paris and Rome, I was very careful not to go near the American Embassies, lest the officials there might feel under some obligation to entertain me and to dip into the entertainment allowance.

I think some of the Members of this body, those present on the floor excepted, of course, like to have the entertainment allowance included, because it permits foreign Embassies to entertain them when they make the grand tour at the taxpayers expense.

As I have said, perhaps it is shouting against the wind to try to plead for simplicity of living on the part of representatives of the United States abroad, but it has never seemed to me that a country so great as ours needed to seek prestige by means of parties. The parties which sometimes have been given have not added to the prestige of the United States in the Mohammedan countries.

This, it is true, is not a matter of tremendous moment. But I tried to reduce these sums when my own party was in power. At such times, I never noticed any great indignation from Senators on the other side of the aisle when I made my proposals for such reductions. In fact, I believe, on past occasions eminent Republicans have joined me in proposing a cut in the so-called representation allowance. I regret that today I must stand alone. It is very interesting to see that the Republicans defend these appropriations now that they are in power.

As for myself, I am simply trying to be consistent. Having opposed these appropriations when my own party was in power, I certainly would be hypocritical if I did not oppose them now, under the existing regime. I think it somewhat extraordinary that those who were opposed to these appropriations when they were not in power, now defend them.

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

Mr. DOUGLAS. I had no intention of referring to the Senator from California.

Mr. KNOWLAND. My recollection is that the Senators who have spoken on the floor of the Senate today, insofar as they were present on the floor when the Senator made his observations in past years under a Democratic administration, opposed the amendments on this subject he then offered for the reasons actuating us in opposing his amendment today.

Mr. DOUGLAS. I was very careful to say I was not referring to those Senators who are present.

Mr. President, I do not think it is being at all "backwoodsish" to plead for simplicity in living and in entertainment.

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

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 6.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to take up out of order an amendment I desire to offer in conformity with my prior commitment in the Senate when a certain bill was being considered by the Senate. A matter of importance has arisen, and I have to leave the floor for a while, and I should like to have my amendment presently considered.

My amendment proposes, on page 25, to strike out the present section 207, which deals with funds for the prosecution of the Fallbrook case. The provision which is now in the bill would prevent the use of funds for that purpose. In conformity with my agreement, I desire to offer my amendment to strike out section 207. The amendment is at the desk, and I ask that it be stated.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment of the Senator from California? The Chair hears none, and the clerk will state the amendment.

The LEGISLATIVE CLERK. On page 25, beginning on line 18, it is proposed to strike out:

SEC. 207. None of the funds appropriated by this title may be used in the preparation or prosecution of the suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others.

It is also proposed to renumber section 208 to 207.

Mr. KNOWLAND. Mr. President, I should like to say that my proposal is in keeping with the statement I made previously on the floor of the Senate. I offer my amendment with full confidence that the executive branch of the Government will cooperate in helping to expedite the litigation in the Fallbrook case. However, my part of the understanding was that I would move to strike out section 207, and that I have done.

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

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

Mr. DOUGLAS. The Senator is aware, of course, is he not, that there probably will be an effort by the House in conference to retain the rider? I am wondering if the distinguished Senator from California, the majority leader, will express himself on the question whether or not the hand of the Senate would be strengthened in this matter if there were a yea-and-nay vote, in order to indicate, by such a vote, that it was the determined will of the Senate that the rider should be eliminated.

Mr. KNOWLAND. I do not believe that is necessary. I think the record in the Senate was made very clear. There is no question in my mind that the amendment would have overwhelming support in the Senate. I do not know whether I shall be a conferee on the bill, but I can assure the Senator that, so far as I am concerned, my motion to amend is no empty gesture. The amendment is one which would have the support, I am sure, not only of the Senate, but of the executive branch of the Government as well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

The amendment was agreed to.

Mr. BRIDGES obtained the floor.

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

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

Mr. KENNEDY. On page 34 of the report of the committee, in setting forth the estimates for 1955 for payments to air carriers from the Civil Aeronautics Board appropriation, there is shown the figure "minus $33 million" indicating that the appropriation recommended in this bill is $33 million below the estimates for 1955.

Mr. BRIDGES. Is the Senator from Massachusetts referring to page 34 of the report?

Mr. KENNEDY. That is correct. It shows an item of "minus $33 million." That would give the impression to the Senate that the reduction in subsidies to air carriers for fiscal 1955, as compared with the appropriation for last year, amounted to $33 million. Is that a fact? Is the appropriation recommended by the subcommittee for subsidies for the CAB for a period of 8 months, or for a year?

Mr. BRIDGES. The Senator is correct in raising that point. As the distinguished Senator from Massachusetts knows, a policy has been formulated recently, and it is now pending, which would recommend a rather fundamental change in subsidy programs. It was the view of the committee that instead of appropriating for subsidies for the whole year, it should appropriate a sufficient sum to carry on the operations to the end of the current calendar year, not the fiscal year, in order that it might be ascertained whether or not some of the economies brought about by a change in the program could be put into effect. The CAB would then be forced to appear before the Senate committee and present its case for additional funds and justify its request for funds for the remainder of the year. Hearings on the subject were held for several days; there was considerable discussion, and what I have stated finally seemed to be the general opinion. So the Senator is correct; the appropriation is not for the full year, but for a part of the year, with definite instructions that representatives of the Board shall appear before the Senate committee during the month of January of next year to give it a report.

Mr. KENNEDY. Then, the figure "minus $33 million" for subsidies for the CAB, which appears on page 34 of the report, is really not an accurate indication of a saving for fiscal 1955, as the appropriation is potentially for only 7½ months. Therefore, if the appropriation for the remainder of the year were carried through, there would not be a saving of $33 million, but the CAB would probably expend all the money which it had requested, would it not?

Mr. BRIDGES. If the distinguished Senator from Massachusetts will look at page 34, he will see that it does not state that amount will be saved. It does indicate that it is $33 million under the budget estimate.

Mr. KENNEDY. Of course, it is under the budget estimate, but as the Senator has just suggested, the amount appropriated would be for only 7½ months.

Mr. BRIDGES. Nevertheless, the budget estimate was so much for the full year, with $40 million appropriated for a part of the year. So that amount was listed under the budget estimate. There was no intention to mislead the Senator from Massachusetts or anyone else. I am frank in stating what happened.

Mr. KENNEDY. On page 17 of the report of the committee, in discussing the question of payments to air carriers, it is stated:

> The committee recommends $40 million, the same amount allowed by the House, but which is $33 million under the budget estimate and $40,655,000 below the comparable figure for 1954.

I wish to point out that although the subcommittee goes on to explain the figure, that statement taken by itself, is not an accurate one, since the appropriation is not $40,655,000 below the comparable figure for 1954, because the appropriation is only for about 7 months. If the CAB expends the money at the monthly rate suggested by the Senator's answer to the question originally asked, the CAB would probably expend as much for subsidies as it expended last year; thus, in fact, there is no saving.

Mr. BRIDGES. In reply to the Senator I may say that, of course, he can take a sentence of the report out of context and put on it a certain interpretation, as I could on a sentence from a statement or speech made by the Senator from Massachusetts. There is, however, no intention to fool anyone in any way. It is a way of handling the problem so that the Senate, the Senator from Massachusetts, and every other Senator will have a chance to review the appropriation shortly after the turn of the calendar year.

Mr. KENNEDY. Yes; I am not suggesting that the Senator is attempting to deceive anyone; but permit me to make clear the basis for an amendment I shall offer. The last sentence of the third paragraph on page 18 of the report reads as follows:

> If such action is taken—

In other words, taken by the Civil Aeronautics Board—

> subsidy requirements for the fiscal year ending June 30, 1955, may well be less than the amount estimated by the Board.

The amount estimated by the Board, that would be required—as stated in the testimony before the Appropriations Committee—was $80 million.

But I am concerned that the CAB may expend money at a monthly rate so that the appropriation will be exhausted by the middle of January, the date on which the subcommittee suggested the CAB appear before it again. The Appropriations Committee, recognizing that otherwise the CAB would be without funds to carry on, would then, of course, appropriate additional funds. As a result, by the end of the fiscal year 1955 we would have expended all or almost all of the $80 million the CAB originally requested for this item. That is what concerns me.

Mr. BRIDGES. Let me say to the Senator from Massachusetts that, as undoubtedly he is aware under the law, the CAB must pay, each month, or each period, whatever it may be, 95 percent of the subsidy payments per month or per period to the airlines. So they are able to work with some leeway.

However, it is our hope—and I think it is the hope of all members of the committee; there was no partisanship about the matter—that a way may be worked out to reduce the subsidies and to reduce the Government's expenditure. Instead of providing the total amount for the fiscal year, and letting that be the end of the matter, we wanted to give them time to react to the program, and then to come before the committee again, at which time we could see whether a saving could be made. But if a saving is made, it will have to be made by a readjustment of the subsidy program, because once the subsidy is granted, payment of at least 95 percent of the monthly amount must be made each month.

Mr. KENNEDY. However, the CAB is not authorized to pay subsidies in excess of the amount appropriated for that purpose by the Congress. Control is still in the hands of Congress; and Congress is not obliged to write a blank check to

the CAB permitting it to expend for subsidies whatever it may desire.

Mr. BRIDGES. On the eve of a new fiscal year, and with the Supreme Court's decisions, and with the discussion of the new air policy, the committee simply did not wish to limit the amount to an absolute figure, but wished to provide a chance to review the matter in the middle of the year. That is the purpose of the amendment. I do not know whether there will be a saving, but I hope there will be. By that means we might make a reduction in the appropriation; otherwise, we might not.

Mr. KENNEDY. But it does not seem to me that the present bill makes possible a saving in any way. On page 17 of the committee report it is stated that—

> The Civil Aeronautics Board testified that the House allowance would provide sufficient funds for subsidy payments to February 1, 1955.

In other words, the appropriation voted by the Senate Appropriations Committee, for the period to February 1955, is the same as the amount the House voted.

I read further from the committee report on page 17:

> The committee directs that the Board undertake a complete review of subsidy payments immediately and report to the committee not later than January 1955, the results of such study so that the committee will be informed as to whether the amount recommended will be sufficient to meet subsidy payments.

Under these conditions, and emphasizing the fact that we are appropriating for a period of only 8 months—and further reminding the Senate that the airlines will receive, in compensation, more than $61 million, for carrying the airmail, which includes, according to the recent rate decisions of the CAB, approximately $3,500,000 of subsidies—I shall submit an amendment to the bill to reduce this amount. My amendment is intended to achieve a reduction in subsidy appropriations for the full fiscal year 1955, rather than provide the amount the CAB originally requested. I have at the desk such an amendment, and I should like to call it up for consideration at this time.

Mr. BRIDGES. Is the Senator from Massachusetts offering his amendment to the committee amendment?

Mr. KENNEDY. I desire to have it taken up at this time, yes.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Acquisition of Buildings Abroad," on page 5, line 9, after "(22 U. S. C. 292–300)", to insert "including personal services in the United States and abroad; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

The PRESIDING OFFICER. Does the Senator from Massachusetts realize that this committee amendment is not the one to which he desires to submit his amendment? The committee amendments are being taken up in order.

Mr. KENNEDY. Then, Mr. President, I ask unanimous consent that my amendment may be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. BRIDGES. Mr. President, reserving the right to object, let me say it is entirely out of order to proceed in that way. However, if the Senator from Massachusetts is required to leave the Chamber, because of other business——

Mr. KENNEDY. No. I am agreeable to postponing submission of my amendment until we reach that part of the bill to which it relates.

Mr. BRIDGES. That is the better course—unless the Senator from Massachusetts is compelled to leave the Chamber——

Mr. KENNEDY. No; I do not have to leave. I shall be glad to postpone the submission of my amendment.

The PRESIDING OFFICER. Does the Senator from Massachusetts withdraw his unanimous-consent request?

Mr. KENNEDY. I do.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, in lines 9 to 16.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. What is the pending committee amendment?

The PRESIDING OFFICER. The pending committee amendment is on page 5, in lines 9 to 16. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, in line 9, after "(22 U. S. C. 292–300)", it is proposed to insert "including personal services in the United States and abroad; salaries, expenses and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

Mr. DOUGLAS. Mr. President, to that committee amendment, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. We have not yet reached the committee amendment to which the amendment of the Senator from Illinois relates.

The pending committee amendment is, on page 5, between lines 9 and 16. This committee amendment ends in the middle of line 16, whereas the committee amendment to which the amendment of the Senator from Illinois relates, begins at the end of that line.

The question is on agreeing to the committee amendment on page 5, between lines 9 and 16.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 5, line 16, after "(5 U. S. C. 55a)", after the amendment intended to be proposed, to strike out "$2,750,000" and insert "$2,500,000."

Mr. DOUGLAS. Mr. President, to this committee amendment, I now offer the amendment, which I send to the desk.

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

The LEGISLATIVE CLERK. In the committee amendment on page 5, at the end of line 16, it is proposed to strike out "$2,500,000" and insert "$2,000,000."

Mr. DOUGLAS. Mr. President, the committee recommends $2,500,000 for this purpose namely the acquisition of diplomatic buildings abroad but it has also included in the $2,500,000 a provision to permit funds also to be expended for regular State Department overhead. This is under the general heading of "Acquisition of Buildings Abroad."

In times past this appropriation has been defended on the ground that this money was being deducted from counterpart funds and hence did not constitute specific appropriations from current funds by Congress.

I have always been skeptical about the somewhat lavish buildings we have been buying and building for our Foreign Service abroad. We have palaces in Rome, Paris, and London, and many other foreign capitals. Probably it is true that 40 years ago our services abroad were very inadequately housed; but we have left that era, and have entered a period in which I would say that, on the whole, our diplomatic service is housed with excessive luxury. Therefore it has seemed that in times past we could have made better use of the counterpart funds than has been made of them by the appropriations which have been approved. But this year this item is to be financed not merely by counterpart funds, but also by $500,000 in outright expenditures by the Treasury, in American currency. I am not proposing to limit the authorizing legislation for State Department overhead expenses, but if it were used, the funds would have to come from foreign credits.

It is not at all clear how much of this appropriation is for purposes of constructing buildings, and how much for "expenses of attendance at meetings concerned with activities provided for under this appropriation." That is a general phrase, which can cover a multitude of sins.

So I hope very much the Senate will reduce this appropriation to $2 million. My plea for simple living seems to have drawn down on my head the ire of various Members of this august body. I do not believe that high living and conspicuous consumption are sound ways to conduct our foreign relations. They only stir up hatred and jealousy of the United States, and create false assumptions among our allies.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 5, line 16.

Mr. BRIDGES. Mr. President, as the Senator from New Hampshire understands, the amendment offered by the

Senator from Illinois is to reduce the appropriation from $2,500,000 to $2,000,000, and to eliminate hard dollars. Let me say that the reason for the hard dollars is that in South and Central America—to which the Senator of New Hampshire certainly thinks we should be giving more attention—no other currencies are available, and we must use hard American dollars in order to do business.

Mr. DOUGLAS. Mr. President, may I ask my good friend from New Hampshire if he would be willing to reduce the counterpart funds from $2,000,000 to $1,500,000, leaving $500,000 in hard American currency to be spent in Latin America?

Mr. BRIDGES. I will say "No" to the Senator from Illinois, because that money is at hand in those countries. It is there, and we must use it for some purpose. I cannot think of a better purpose for which to use it than creating a permanent asset to our country in the form of permanent buildings which we will own. The Appropriations Committee reduced the House figure somewhat, as the Senator knows. I should say that $2 million of such credits, used in that manner, plus hard dollars in countries where there are no counterpart funds, would be a good investment for our country.

Mr. DOUGLAS. As the Senator from New Hampshire well knows, the counterpart funds which are available for us to draw upon, to be spent only within the foreign country itself, or in the so-called sterling bloc countries, can be used for other purposes than the acquisition or construction of buildings. They can be used for military supplies. They can be used for the Fulbright scholarship program. The more money we put into buildings the less we have for other purposes. We do not have unlimited amounts to draw upon, and when we spend $2 million for these purposes, that means just so much less available for military equipment, and so much less available for building international friendship through the exchange of persons; and if we are interested in promoting foreign relations, it is much better to have rank-and-file citizens of other countries visit us, and rank-and-file Americans visit other countries, than to build palaces within which members of the Foreign Service may work and entertain visiting guests.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 5, line 16.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 5, line 16.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 5, line 17, after the word "than" to strike out "$2,400,000" and insert "$2,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Missions to International Organizations," on page 6, line 25, after the word "chauffeurs", to strike out "$1,050,000" and insert "$1,053,000."

The amendment was agreed to.

The next amendment was, under the subhead "American Sections, International Commissions," on page 10, line 23, after the word "vehicles", to strike out "$235,000" and insert "$248,000."

The amendment was agreed to.

The next amendment was, under the subhead "International Fisheries Commissions," on page 12, line 10, after the word "Congress", to strike out "$295,000" and insert "$325,000."

The amendment was agreed to.

The next amendment was, under the subhead "International Educational Exchange Activities," on page 13, line 13, after the word "appropriation", to strike out "$9,000,000" and insert "$15,000,000."

Mr. MANSFIELD. Mr. President, in my opinion the Appropriations Committee has acted wisely in recommending an allocation of $15 million for the international educational exchange program of the State Department. It seems to me that these exchanges are one of the most economical as well as effective means we have of influencing key people in other countries who are responsible for the formulation of national policy and public opinion. The exchange program affords us an opportunity to bring such key people to the United States to observe at first hand our institutions, and our way of life. When they go home, these people tell our story for us to important groups in their countries. Often these people are connected with the press or in other mass media fields, and their message reaches hundreds of thousands of people who can thus get a balanced picture of us from their own countrymen.

If the cut voted by the House were sustained, none of these influential people from 61 countries could be brought over to the United States. It seems to me very urgent that we not allow this to happen. I believe that we should confirm the report of our Appropriations Committee and let our conferees know that we wish to support the full amount of $15 million for the exchange program.

Mr. HICKENLOOPER. Mr. President, I have only a few words to add in support of the recommendation of the Appropriations Committee to restore the appropriation under this item to $15 million.

In the past few years I have had some experience in connection with the international information and interrelations situation. Let me say to the Senate that of all the programs which contribute long-range mutual benefits both to our country and to other countries, I believe the educational program, the Smith-Mundt program, and the Fulbright program have contributed most soundly.

Last year and the year before I served with the Senator from Arkansas [Mr. FULBRIGHT], who is the author of the Fulbright program, and I have served on committees with the Senator from New Jersey [Mr. SMITH] and the Senator from South Dakota [Mr. MUNDT], who were the authors of the Smith-Mundt program.

I have found that in a number of foreign countries—in fact, in most foreign countries—this exchange program has met with enthusiastic acceptance. It plants permanently in the minds of exchange students—both our students who go abroad and foreign students who come here—the fundamental truths with respect to the governments, institutions, and economic conditions in the various countries.

This program goes further than anything I know of in establishing within each country a coterie of people who having learned about the other fellow and becoming acquainted with him realize that he is a pretty good fellow. It establishes a backlog of people in other countries who do not in the main believe in or disseminate falsehoods about the United States. Such falsehoods are disseminated in countries where the people do not have the advantage of first-hand experience with the United States.

Certainly no one has ever accused me of being in favor of increasing an appropriation; but I believe that situations must be evaluated on their merit, and I would say, Mr. President, that this is a program—and the information program as now constituted is another such program—which I could very well support with a far greater appropriation than is now contemplated in the pending bill or was recommended by the Bureau of the Budget.

I earnestly hope that on this item the Senate conferees will stand like the Rock of Gibraltar against any reduction of the $15 million which the Committee on Appropriations of the Senate has recommended.

I cannot testify too strongly to my belief in the merits of this cause, and I cannot testify too strongly to my belief in its very great and already proven success.

In closing I should like to quote a finding which the special committee on the information program, of which the Senator from Arkansas [Mr. FULBRIGHT] was the first chairman and on which I served as the succeeding chairman, placed in its final report on the exchange plan.

> The program enjoys a high prestige both at home and abroad and is, therefore, able to attract the voluntary participation of leading citizens. It is nonpolitical and nonpropagandistic in character so that it is acceptable in all parts of the non-Communist world. * * * Exchanges often are or may become prominent in Government, business, and the professions, and their potential impact on attitudes toward this country is considerable.

Mr. President, there are a number of countries in this world where at least a half or a major portion of the leading Government officials and officeholders are persons who have been educated in the United States and who, because of that fact, are a bulwark in the defense of the United States against the false propaganda that is disseminated against the United States in those countries.

Therefore, I earnestly hope that the amendment of the committee on this item will be adopted, and that the Sen-

ate conferees will not budge to the extent of one thin dime at any time so far as any reduction of this item is concerned. In my judgment, the amount could well be larger, not smaller.

Mr. THYE. Mr. President, I should like to join with my colleagues who have spoken in favor of this item in the appropriation bill, the Senator from Montana [Mr. MANSFIELD] and the Senator from Iowa [Mr. HICKENLOOPER].

During the past 2 years I met a number of students from various countries who studied in the United States under the program we are discussing. In each instance the student told me that he or she had had no conception of what America was like before coming to our country. The students told me that they were very happy indeed to have had the privilege of seeing for themselves what America is like, and that they were returning to their respective countries to tell their fellow countrymen that we in the United States enjoyed a democratic form of government and a standard of living and opportunity for all without regard to the station in life in which any person may have been born, and that our Government really did serve the people far beyond any conception they had of it before they had the privilege of visiting our shores.

I believe that the Smith-Mundt Act and the Fulbright Act are doing much to acquaint our young people who study in foreign countries and the young people of foreign countries who study in the United States with what the respective countries are really like.

Therefore, I am in full support of the amendment.

I shall not take the time of the Senate to read the 2-page statement which I prepared on the amendment, because I have already spoken at various places in the past in support of the 2 acts I have mentioned and in support of the amount now contained in the appropriation bill.

Therefore, I ask unanimous consent that the statement which I prepared be printed in the body of the RECORD at this point in my remarks.

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

STATEMENT BY SENATOR THYE

As a member of the Appropriations Committee which reviewed and approved the request of $15 million for the International Educational Exchange Program of the State Department, I would like to comment on why we supported this amount.

The committee does not consider $15 million a compromise figure.

It is the very least amount, in my estimation, which the Government needs to continue a worthwhile job.

In addition to Government witnesses, the committee received testimony from many private organizations and groups in this country.

They represented not only the interests of our universities and colleges but those of our community leadership, of all major religious denominations, labor, etc.

All of them felt that Government support for this kind of international activity is necessary, is furthering their efforts along similar lines, and is forwarding our national goals in international relations.

I think the committee was convinced that the American public is wholeheartedly behind this program and expects us to support it.

This seems to me quite understandable because these exchanges, while primarily developed for their impact overseas, are of real benefit to Americans.

They help our people to get firsthand experience in foreign countries—to acquire knowledge and understanding of areas and cultures and the ways of other people.

This knowledge is vital to us if we, as a democratic nation, are to act wisely in international affairs.

We want other free nations to join voluntarily with us to secure a peaceful world.

Our potential enemies want to divide us.

We in the free nations cannot act in concert unless we understand and respect the motives, deep-rooted in the minds and hearts of our people, which guide the policies of each of our nations.

If we go back to the figure of $9 million voted by the House, we will cut off these opportunities for getting acquainted with the people of half the countries of the free world.

We should not take such a backward step.

It should be clear to our conferees that nothing less than $15 million will make it possible to carry out the mandate which the American public supports—of keeping the exchange program a going and effective operation.

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

Mr. THYE. I yield.

Mr. MAGNUSON. I believe the record should show that the committee was unanimous on this item, not only as to the merits of the program, but also on the amount recommended.

Mr. THYE. The committee was unanimous on the amount, and it reinstated the amount recommended by the Bureau of the Budget. Many of us, when we heard of the reduction which the House had made in the appropriation recommended by the Bureau of the Budget, voiced our regrets at the action of the House.

I urge, as the Senator from Iowa [Mr. HICKENLOOPER] has urged, that in conference the Senate conferees stand firm and not yield one penny on the item. It is the best way in which we can strive toward an understanding among the peoples of the earth, which will bring about a lasting peace, certainly at far less expense than by resort to some other method, especially resort to military operations.

Mr. FULBRIGHT subsequently said: Mr. President, I should like to complete the record in connection with the pending committee amendment, which was under discussion at the time the Senator from Oregon [Mr. MORSE] began his address. I ask unanimous consent that my remarks appear in the RECORD immediately before the Senator from Oregon began his address, because my remarks are a continuation of the discussion relative to the appropriation for the exchange of students.

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

Mr. FULBRIGHT. Mr. President, I wish to compliment the Committee on Appropriations for restoration of the budget figure of $15 million for this item. I have before me two statements which have been prepared on this subject. One relates to the effect on the Latin American program, and the other to the geographical distribution of the grants. I ask unanimous consent to have the statements printed in the RECORD at this point as a part of my remarks.

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

EFFECT ON LATIN-AMERICAN PROGRAM

I would like to commend the Appropriations Committee for its very sound judgment in restoring the full amount of $15 million requested for the international educational exchange program of the State Department. I think that this is the minimum we can allocate if we want this program to continue its effective work. Its success has been attested to by a variety of objective surveys, by committees of Congress, by the Vice President, and by public bodies like the Advisory Commission on Educational Exchange. I see no wisdom in curtailing these activities at this time. For a number of years this exchange program has been helping us build bridges of understanding and mutual respect between ourselves and our neighbors overseas. If we blow up these bridges today, it will take more than engineering skill to rebuild them. Such destruction will confirm what many people abroad are already saying about us—that we care only about military expediency and have no real interest in their problems and their aspirations and do not really want them as friends in building a free society of co-equal nations.

Take Latin America, for example. There we have had a modest exchange program for nearly 15 years, and the growth of solidarity and understanding has been increasing steadily. If the $6 million reduction voted by the House were to be sustained, we would have no such program with our neighbors to the south at all. In view of Dr. Milton Eisenhower's strong, clear recommendations to the contrary, such a drastic reduction would be utterly contradictory.

I believe that we ought to carry out the recommendations of the Appropriations Committee by voting the $15 million requested for the exchange program and assure our conferees that we consider this the minimum amount necessary for this activity.

GEOGRAPHICAL DISTRIBUTION OF GRANTS

I am glad that the committee commented on this question. Certainly if the goal of this program—that of understanding of the United States abroad—is to be reached, it is important that our foreign visitors be spread through all parts of this country. This has been a matter of continuous concern to me and to those responsible for the conduct of the exchange program, and it has been systematically studied several times, especially by the Board of Foreign Scholarships. While I agree that we must be vigilant about this problem and that the present situation is by no means perfect, I think we should be aware of the complexity of the problem and what has already been done to solve it. Our concern, of course, is with more equal distribution among the States and institutions and increasing the number of institutions participating.

At present all 48 of our States, the District of Columbia, and the Territories are represented in the exchange program and over 500, or about half, of our institutions of higher education. Those conducting the program have made constant efforts to distribute information about the opportunities offered under the program to interested persons. All institutions of higher education—1,400 or more, as well as professional societies and editors of their journals—are canvassed. Special advisers have been appointed on nearly 1,000 campuses. State committees have been established in every State to

nominate American students within a quota of two per State. Directives to contract agencies which stress the need for the widest possible geographic distribution of grantees have been issued regularly and checked on.

The major difficulties in solving this problem center around the following points: First, most of the foreign nationals coming here for study are people whose seriousness of purpose, maturity and promise of future leadership has had some chance to be tested. Their studies are specialized and at the graduate level. Our resources for graduate study, as you know, are not evenly divided among the 48 States. Secondly, about half of these students get only partial scholarships from this Government. Consequently they go to the college that offers them the additional grant they need or to the college they choose to attend if they are paying the difference themselves.

The Americans who receive study grants are also those who are prepared to carry on advanced study abroad. They must be able to do much of their work independently, with a minimum of classroom supervision. The number of students so equipped—from any State—is bound to be relatively small. The problem is aggravated by the fact that not all of our students so prepared want to study abroad, and not all our colleges are equally prepared to encourage and recommend such students.

Similar difficulties attach to the exchange for lecturing and research. Here an even smaller number of opportunities is available and the openings are more specific. Less than a quarter of the foreign grantees get full financial support from this Government. As to the Americans, they are selected largely in terms of our needs abroad for particular kinds of lecturers in specific fields of specialization. Thus the distribution and placement of these people is even more restricted than that of students.

I think we are wise to keep this matter under review, but I also feel that much is being done to solve this problem as equitably as possible, keeping in mind the objectives of the program, the limitation of funds, and these other inherent difficulties.

Our colleges and universities also have a responsibility in this matter and can continue to help by encouraging the right kind of people to apply and by offering the kind of opportunities which foreign participants need.

Mr. FULBRIGHT. Mr. President, I wish to say a few words, particularly with regard to the comment in the report of the committee concerning geographical distribution of grants. This question has been before the Board of Foreign Scholarships for a number of years. The Board has instituted a system of State committees which is designed to overcome this difficulty. The Board is fully aware of the problem, and I think is approaching it in a sensible manner. I am very grateful for the contribution of the Committee on Appropriations with regard to the geographical distribution of students, both our students going abroad and foreign students coming to this country.

I had intended to ask for a yea-and-nay vote on this particular amendment, because of the difference between the House action and the unanimous action of the Senate committee. I conferred with some of my colleagues, and in view of the statements made by Members on both sides of the aisle just a few minutes ago, and after consultation with the chairman of the committee, I think it is quite evident that the action of the Senate committee is supported by the overwhelming majority of the Senate. In view of the lateness of the hour I shall not press the request for a yea-and-nay vote. I am quite confident, and I believe it is now quite evident, that the overwhelming majority of the Senate will support the action of the Committee on Appropriations.

I also ask unanimous consent to have printed in the RECORD a letter which I have received from Mrs. Seth C. Reynolds, of Ashdown, Ark., regarding the appropriations for the exchange program.

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

ASHDOWN, ARK., *June 6, 1954.*

Senator J. W. FULBRIGHT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR FULBRIGHT: At a recent meeting of the Ashdown Improvement Club, a motion was made and carried unanimously, that the club go on record as opposing any decrease from the original $15 million appropriated for the Fulbright Scholarship Fund, and favoring the restoration of the recent $6 million cut. I was appointed to write and tell you of our stand on this important matter.

We feel strongly that it would be a sad mistake and false economy not to appropriate the full $15 million. We can conceive of no better plan to cultivate friendly relations with other countries than the exchange of our youths in colleges and universities under the proper supervision. One young lady from Holland was in our county and all who met her and heard her speak were very much impressed.

We feel that in the interest of our own national security and world peace, this interchange must not be curtailed at this time but if possible should be increased.

Please see that this is placed in the proper hands.

Yours truly,
Mrs. SETH C. REYNOLDS.

WIRETAPPING VERSUS FREEDOM: THE STRUGGLE IN THE COURTS AND CONGRESS

Mr. MORSE. Mr. President, this is the second of a series of speeches on the wiretapping issue.

Many times in history the rights of the people have been intruded upon by unwise, overzealous, or tyrannical officials. Sometimes the people have been slow to assert their rights, and the courts have been cautious about recognizing and protecting them. Protection of these rights requires vigilance and unwavering faith in the processes of democracy.

Thomas Jefferson once said:

> Though written constitutions may be violated in moments of passion or delusion, yet they furnish a text to which those who are watchful may again rally and recall the people; they fix, too, for the people the principles of their political creed.

In my last speech to the Senate on the Brownell proposal to legalize wiretapping by Government and military agents I discussed the historic struggle to protect the homes and the privacy of the people from official intrusion that led to adoption of the fourth amendment to our Constitution.

Opposition to the Brownell proposals today is a continuation of the struggle against the practices of arbitrary officialdom that was waged by our forbears. I have been shocked by this campaign to push a wiretapping bill through the Congress, because so little has been said about the impact of such a measure upon the principles embodied in our Bill of Rights.

The philosophy of the wiretappers apparently being that the end justifies the means, their thinking seems to be that only the end, and not the means, should be discussed. The professed end being to fight communism, the fact that the proposed means may be ineffective and inconsistent with democracy is either not considered or is brushed aside.

DEMOCRACY MUST BE DEFENDED

I am willing to discuss the end. And I submit that the end should be both to defeat communism and to defend democracy. But I also want to discuss the means, because I want to make sure that in waging this fight against communism we do not lose the fight for democracy.

The arguments of those who propose legalized wiretapping often seem to treat democratic processes as a weak thing—a sort of luxury that we allow ourselves in periods of calm, but which they propose be set aside in times of turmoil.

The CONGRESSIONAL RECORD of April 7, 1954, shows this kind of argument was advanced in favor of legalized wiretapping by a Representative who said that he had participated in the prosecution of Nazi war criminals in Germany. He argued, "Those Nazis said that they would use the weakness of democratic processes to defeat the prerogatives of freemen."

The position in which the Nazis found themselves at the time of the trials proves the fallacy of that argument. The fight against nazism was won without a compromise of our democratic principles. The fight against communism must be won—will be won—without resort to police-state methods.

FEAR ARGUMENTS FOR TIMID PEOPLE

Democratic processes are a strength, not a weakness. They are a necessity, not a luxury. When I hear the fear arguments of the wiretapping proponents, I am reminded of these words of Jefferson:

> Timid men * * * prefer the calm of despotism to the boisterous sea of liberty.

Americans are not timid people. We do not fear that our democratic processes may be weak. Our concern is about the apparent willingness of some of our officials to abandon them.

Today I propose to discuss the Supreme Court decisions in respect to wiretapping, and to comment on the present state of law enforcement in this field. This is another aspect of the wiretapping controversy that has received scant consideration in the arguments of the wiretap proponents.

The United States Supreme Court first considered the subject of wiretapping in the case of *Olmstead* v. *United States* (277 U. S. 438 (1927)), when it affirmed a conviction of defendants charged with a conspiracy to violate the National Prohibition Act.

Evidence introduced in the prosecution of the case in a Federal court was ob-

tained by Government agents who tapped telephone wires in violation of State law. The tapping took place in the basement of a large office building and on public streets close to the homes of the defendants.

THE TAFT OPINION IN THE OLMSTEAD CASE

Speaking for a 5 to 4 majority of the Court, Chief Justice Taft said that evidence illegally obtained was not inadmissible in a Federal court unless a violation of a constitutional guaranty was involved.

Ruling on the question of whether or not wiretapping was a violation of the prohibition against unreasonable searches and seizures in the fourth amendment, Taft said:

> The amendment does not forbid what was done here. There was no searching. There was no seizure. The evidence was secured by the use of hearing and that only. There was no entry in the houses or offices of the defendants.

The Taft opinion was based on a literal construction of the amendment. In the decision he said:

> Neither the cases we have cited nor any of the many Federal decisions brought to our attention hold the fourth amendment to have been violated as against a defendant unless there has been an official search and seizure of his person, or such a seizure of his papers or his tangible material effects, or an actual physical invasion of his house "or curtilage" for the purpose of making a seizure.

HOLMES AND BRANDEIS DISSENT

Justice Holmes, dissenting, condemned the use of evidence illegally obtained. He argued that if the existing code did not permit district attorneys to have a hand in such "dirty business" it did not permit the judge to allow such "iniquities" to succeed. He said:

> It is desirable that criminals should be detected, and to that end that all available evidence should be used. It also is desirable that the Government should not itself foster and pay for other crimes.

He concluded:

> I think it a less evil that some criminals should escape than that the Government should play an ignoble part.

Justice Brandeis, in a dissent concurred in by Justice Stone, argued for a construction of the fourth amendment that would meet new conditions and purposes. He said that when the amendment was adopted "the form that evil had theretofore taken" had been necessarily simple, but that time had worked changes. He went on to say:

> Subtler and more far-reaching means of invading privacy have become available to the Government. Discovery and invention have made it possible for the Government, by means far more effective than stretching upon the rack, to obtain disclosure in court of what is whispered in the closet.
>
> Clauses guaranteeing to the individual protection against specific abuses of power, must have a similar capacity of adaptation to a changing world. A principle to be vital must be capable of wider application than the mischief which gave it birth. This is peculiarly true of constitutions. They are not ephemeral enactments, designed to meet passing occasions.

He warned:

> The progress of science in furnishing the Government with means of espionage is not likely to stop with wiretapping.

THE RIGHT TO BE LET ALONE

Justice Brandeis took issue with the majority's refusal to apply the principles of the fourth amendment to other than material things. He said that the framers of the Constitution recognized the significance of man's spiritual nature and knew that only a part of the pain, pleasure, and satisfactions of life are found in material things.

He declared:

> They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized man.

Mr. President, I wish to emphasize that great observation on personal liberty by Brandeis in his dissent, when he said:

> They conferred as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized man.

As I indicated previously, Mr. President, when we are dealing with the right of privacy in a freeman's castle we are dealing with the essence of liberty. Take that away, and man lives not in a free state but in a police state—a lesson which Brownell has never recognized, apparently, a lesson which, apparently was never taught him in his law school, or if it was taught him, he does not remember the teaching. Take away the privacy of the freeman's castle, and we have done away with the personal liberty of freemen.

In the majority opinion Taft said that the language of the amendment could not be extended to include telephone wires "reaching to the whole world from the defendant's house or office."

It was argued that the Court had extended that kind of protection to sealed letters. Taft said the analogy failed because a letter is a paper, a material thing in the custody of the Government.

Implicit in the dissenting arguments was recognition of the fact that modern law recognizes as property and protects all forms of possessions, intangibles as well as tangibles.

Justice Butler said in his dissent that the contract of use between telephone companies and consumers contemplated private use of the facilities employed in the service. He argued that communications belong to the parties between whom they pass, and that during their transmission the exclusive use of the wire belongs to the persons served by it.

In my judgment, Mr. President, it was an observation which was unanswerable, and we shall not find any answer to it in the majority opinion. I think Justice Butler was on sound legal ground when he pointed out that the relationship between the subscriber and the telephone company is such a contractual relationship that during the period of transmission it is a contract of privacy. The right to have the conversation transmitted without interception, in my judgment, cannot be separated from the right of privacy of a free man.

SPIRIT OF THE FOURTH AMENDMENT

Butler also criticized the majority of the Court for its failure to reach a decision which would effectuate the spirit of the fourth amendment, saying that the Court had always construed the Constitution in the light of the principles upon which it was founded. He stated:

> The direct operation or literal meaning of the words used do not measure the purpose or scope of its provisions. Under the principles established and applied by this Court, the fourth amendment safeguards against all evils that are like and equivalent to those embraced within the ordinary meaning of its words.

In my judgment, it is impossible to square the majority decision in the Olmstead case with the rule of constitutional interpretation laid down by the Court in *Boyd* v. *United States* (116 U. S. 616 (1885)), the leading American search and seizure case.

In the Boyd case the Court said that the principles of the English case of *Entick* v. *Carrington* (19 Howell's State Trials 1030 (1765)), which I discussed in my May 18 speech, were embodied in the fourth amendment, and it said of those principles:

> They reach further than the Concrete case before the Court. They apply to all invasions on the part of the Government and its employees of the sanctity of a man's home and the privacies of life. It is not the breaking of his doors, and the rummaging of his drawers, that constitutes the essence of the offense; but it is the invasion of his indefeasible right of personal security, personal liberty, and private property.

The Court said further:

> Illegitimate and unconstitutional practices get their first footing by silent approaches and slight deviations from legal modes of procedure. This can only be obviated by adhering to the rule that constitutional provisions for the security of person and property should be liberally construed.
>
> A close and literal construction deprives them of half their efficacy, and leads to gradual depreciation of the right, as if it consisted more in sound than in substance.

OLMSTEAD DECISION WAS ILL-ADVISED

I said in my last speech, and I want to repeat today: As a lawyer, I am willing to take the stand on the floor of the Senate that the history of the fourth amendment as it developed in both English and American jurisprudence cannot be reconciled with the majority opinion in the Olmstead case. I believe that if in 1954 we could get a case on all fours with the Olmstead case, the Supreme Court would overrule the ill-advised decision of the majority in that case.

As for the Congress, it has affirmative duties to act within the Constitution. This is no sterile obligation merely to desist from violating some specific prohibition of the basic charter. There is the solemn obligation to adhere to the principles of government and freedom instinct in the Constitution and to legislate to give fresh meaning and vitality to the guaranties of private property and individual freedom which are the concrete realizations of democratic principles.

I do not think we ought to try to write into permanent law the ill-advised decision of the majority in the Olmstead case

by going along with the Brownell wiretapping proposal.

PUBLIC OPINION AGAINST TAFT DECISION

Public disapproval greeted the Olmstead ruling and the period from 1928 to 1938 was marked by popular demand for regulation of wiretapping. In the 71st Congress, four bills to prohibit the introduction of wiretap evidence in the Federal courts were sponsored in the Congress, and another group of bills were introduced in 1932 to forbid wiretapping by Federal employees.

In 1933 a Federal statute was enacted forbidding the use of wiretapping in the enforcement of the National Prohibition Act. This was precisely the activity at issue in the Olmstead case.

A year after the Olmstead decision, J. Edgar Hoover, Director of the FBI, told a congressional committee:

> We have a very definite rule in the Bureau that any employee engaged in wiretapping will be dismissed from the service of the Bureau. While it may not be illegal, I think it is unethical, and it is not permitted under the regulations of the Attorney General.

Attorney General Sargent told Congress in 1931 that the Bureau followed this rule:

> Wiretapping, entrapment, or the use of any illegal or unethical tactics in procuring information will not be tolerated by the Bureau.

COURT DECLARES WIRETAPPING UNLAWFUL

The present rule against admissibility of evidence obtained by wiretapping in the Federal courts was established in 1937 by the Supreme Court in the first Nardone case, *Nardone* v. *United States* (302 U. S. 379).

The decision was based on section 605 of the Communications Act of 1934, which forbids anyone to intercept and divulge or publish a telephone message. The Government urged that a construction be given the section which would exclude Federal agents from its operation.

The decision of the Court said:

> We nevertheless face the fact that the plain words of section 605 forbid anyone, unless authorized by the sender, to intercept a telephone message, and direct in equally clear language that "no person" shall divulge or publish the message or its substance to "any person."
>
> Taken at face value the phrase "no person" comprehends Federal agents, and the ban on communications to "any person" bars testimony to the content of an intercepted message.

HOLMES, BRANDEIS DISSENTS RECALLED

In words reminiscent of the Holmes and Brandeis dissents in the Olmstead case, the Court declared:

> The same considerations may well have moved the Congress to adopt section 605 as evoked the guaranty against practices and procedures violative of privacy, embodied in the fourth and fifth amendments to the Constitution.
>
> Congress may have thought it less important that some offenders should go unwhipped of justice than that officers would resort to methods deemed inconsistent with ethical standards and destructive of personal liberty.

The Supreme Court has long followed the practice of declining to consider constitutional questions if the particular case before it offers another ground upon which the case can be decided. Section 605 provided a nonconstitutional ground for deciding cases involving wiretapping, making it unnecessary for the Court to review and possibly overrule the decision in the Olmstead case.

FRUIT OF THE POISONOUS TREE

Nardone was retried, and in the second case, *Nardone* v. *United States* (308 U. S. 338 (1939)), the Court extended the rule of inadmissibility "not only to intercepted conversations but also to evidence procured through use of knowledge gained" by wiretapping. Evidence so procured was described by the Court as "a fruit of the poisonous tree."

The Court here commented on its decision in the first Nardone case:

> That decision was not the product of a merely meticulous reading of technical language. It was the translation into practicality of broad considerations of morality and public well-being.

In *Weiss* v. *United States* (308 U. S. 321 (1939)) the Court ruled that the provisions of section 605 applied to intrastate as well as interstate telephone conversations, and it barred admission in trials in Federal courts of evidence obtained by interception of such intrastate calls.

In *Goldstein* v. *United States* (316 U. S. 114 (1942)) it was held that the right to object to wiretapping evidence was a personal right, that a person could not object to the introduction of wiretapping evidence unless he had been one of the parties to the intercepted conversation.

While the Supreme Court was making explicit its views in opposition to wiretapping in Nardone and subsequent cases, Government officials also condemned the practice.

HOOVER CONDEMNED WIRETAPPING

In a letter dated February 9, 1940, J. Edgar Hoover termed wiretapping an "archaic and inefficient" procedure which "has proved a definite handicap or barrier in the development of ethical, scientific, and sound investigative technique."

A Department of Justice release of March 15, 1940, declared:

> Notwithstanding it will handicap the FBI in solving some extremely serious cases, it is believed by the Attorney General and the Director of the Bureau that the discredit and suspicion of the law-enforcing branch, which arises from the occasional use of wiretapping, more than offsets the good which is likely to come of it. We have, therefore, completely abandoned the practice as to the Department of Justice.

In 1942 the Court, in *Goldman* v. *United States* (316 U. S. 129), was called upon to rule on the admissibility of evidence obtained by the use of the detectaphone, a device which when placed against the wall of a room picks up and records conversations of persons in an adjoining room.

Mr. President, we are making rapid technological advances in the whole field of wiretapping and collecting of evidence by means and methods which invade privacy. I have been advised by technical experts that there now exists a little microphone about as large as the Ingersoll watches we used to carry in our pockets as boys, for which we paid $1 apiece, with a little battery back. It can be placed in the home, office, hotel room, or any place else where an individual is and detectives can sit in an automobile a mile away, and by radio interception take down what is said in that home, office, or room.

Not only is there that kind of instrument these days, but the detectaphone, which is referred to in the Supreme Court case now under discussion in my speech, is an instrument which can be placed on the wall in a room adjoining the room in which the person whose conversation to be tapped is located, and without any wire connections at all, one can take down through the instrument any conversation that is audible and taking place.

Mr. President, this technological advancement has some negative features which I shall discuss in a more technical way later in another speech. I merely desire to point out today the possibility of faking conversations by taking a perfectly proper conversation, recording it, taping it, and then doctoring the tape by taking a syllable or a word out of context and adding it to a syllable or a word out of context, resulting in the preparation of a completely phony tape which will give all the appearances of being a tape representing the tapped conversation of an individual In other words, there is such a tremendous danger in that kind of device, from a technological standpoint, that I think we need to be on guard regarding the subject.

Returning to the discusssion of the Goldman case, although some of the recordings were of conversations spoken into the mouth of a telephone, it was held that section 605 of the Communications Act did not apply because there was no "tapping" of telephone conversation, and the use of detectaphone evidence in Federal courts was allowed.

It seems to me the Court had a little difficulty—and I speak most respectfully of the Court—in understanding what wiretapping is. The Court took a very literal view on that occasion. It seemed to think there had to be some interference with wires, and that there was no violation of privacy unless in some way, somehow, one interfered with wires. Of course, privacy is invaded, Mr. President, just as much if one uses some other medium for the transmission of sounds besides wires, if one uses, for instance, a device such as the detectaphone; which did not involve the use of wires.

JUSTICE MURPHY CALLED OLMSTEAD RULE "STRANGE DOCTRINE"

Justice Murphy dissenting, criticized the decision in the Olmstead case, which held that securing evidence by the use of hearing alone was not an illegal search and seizure, and stated:

> It is strange doctrine that keeps inviolate the most mundane observations entrusted to the permanence of paper but allows the revelation of thoughts uttered within the sanctity of private quarters, thoughts perhaps too intimate to be set down even in a secret diary, or indeed, utterances about which the common law drew the cloak of privilege—the most confidential revelations between husband and wife, client and lawyer, patient and physician, and penitent and spiritual adviser.

Justices Stone and Frankfurter, joining in the dissent, expressed themselves as willing to overrule the Olmstead decision.

Justice Murphy said that the search of one's home or office no longer required physical entry, for science had brought forth devices more effective than the direct and obvious methods the use of which inspired the fourth amendment, but he stated, "surely the framers of that amendment would abhor these new devices no less."

I continue to read from Justice Murphy's dissent:

> The benefits that accrue from this and other articles of the Bills of Rights are characteristic of democratic rule. They are among the amenities that distinguish a free society from one in which the rights and comforts of the individual are wholly subordinated to the interests of the State. We cherish and uphold them as necessary and salutary checks on the authority of government.

Mr. President, I think what is set forth in the glorious dissent of Justice Murphy in this case is a beautiful statement of a great principle of personal liberty. I would advise those who advocate the use of wiretapping, but only in certain cases, to pay close attention to these words by Justice Murphy, and I quote him again:

> Rights intended to protect all must be extended to all, lest they so fall into desuetude in the course of denying them to the worst of men so as to afford no aid to the best of men in time of need.

Another insidious devise to aid Government eavesdropping was involved in the case of *On Lee* v. *United States* (343 U. S. 747 (1951)). A Federal undercover agent, an old acquaintance of the defendant, had entered the customer room of the defendant's laundry and engaged him in conversation. Concealed on the agent's person was a tiny radio transmitter. The words of the defendant and the agent were listened to by another agent at a place outside the premises.

The court ruled, in a split decision, that the testimony of the outside agent, as to the conversation which he heard on the receiver, was admissible in evidence.

BAD POLICE METHODS BREED DISRESPECT FOR LAW

Justice Frankfurter's dissent was strongly worded. He told the Court:

> To approve legally what we disapprove morally on the ground of practical convenience, is to yield to a shortsighted view of practicality. It derives from a preoccupation with what is episodic and a disregard for long-run consequences.
>
> Loose talk about war against crime too easily infuses the administration of justice with the psychology of war.
>
> Of course criminal prosecution is more than a game. But in any event it should not be deemed to be a dirty game to which the "dirty business" of criminals is outwitted by the "dirty business" of law officers.
>
> The contrast between morality professed by society and immorality practiced on its behalf makes for contempt of law. Respect for law cannot be turned off and on as though it were a hot-water faucet.

Here, again, Mr. President, it seems to me we have a great judicial pronouncement of the direct relationship between the protection of the privacy of free men and the practices the Government uses in the field of law enforcement that may invade the privacy of free men.

Justice Frankfurter then said, in his great dissent that "dirty business" on the part of police made for lazy, and not alert, law enforcement, and put a premium on force and fraud, not on imagination and enterprise and professional training.

He quoted a graphic example from Stephen's History of the Criminal Law in England:

> During the discussion which took place on the Indian Code of Criminal Procedure in 1872, some observations were made on the reasons which occasionally lead native police officers to apply torture to prisoners. An experienced officer observed, "There is a great deal of laziness in it. It is far pleasanter to sit comfortably in the shade rubbing red pepper into a poor devil's eyes than to go about in the sun hunting up evidence."

WIRETAPPING CALLED CORRUPT AND INEFFICIENT

Justice Frankfurter had this to say of the majority opinion in the Olmstead case:

> It is a quarter century since this Court, by the narrowest margin, refused to put wiretapping beyond the constitutional pale where a fair construction of the fourth amendment should properly place it.
>
> Since then, instead of going from strength to strength in combating crime, we have gone from inefficiency to inefficiency, from corruption to corruption. The moral insight of Mr. Justice Brandeis unerringly foresaw this inevitability.

Justice Douglas, who had been one of the majority of the Court holding detectaphone evidence to be admissible in the Goldman case, was one of four dissenters in the 1951 On Lee case.

Said Justice Douglas:

> I now more fully appreciate the vice of the practices spawned by Olmstead and Goldman.

Mr. President, I always commend such a display of complete intellectual honesty when I witness it. Justice Douglas was one of the majority in the Goldman case. Yet, by the time the On Lee case reached him for decision, and when he had reviewed further the authorities, and when he obviously had studied more deeply the history of the fourth amendment and the fifth amendment, and when he had come to see the relationship of this precious right to personal privacy and liberty and the development of American and English jurisprudence, he was willing, in a spirit of intellectual honesty, to—in effect, in his dissent in that case—reverse the holding in the Goldman case in which he had joined the majority. I wish to commend Justice Douglas for such judicial courage.

Mr. President, it has been argued that if listening through walls by means of mechanical devices, and recording private conversations by means of concealed radio transmitters, is legal and constitutional, wiretapping should be considered legal and constitutional. I find myself unable to accept this "two-wrongs-make-a-right" argument.

In the recent case of *Irvine* v. *People of State of California* (22 Law Week 4127) it was shown that State police officers had entered a home, installed a hidden microphone, bored holes for wires in the wall, and reentered the home, with a pass key, to shift the microphone. The United States Supreme Court concluded that actions of this kind by Federal officers would be a violation of the Federal Constitution.

It is my opinion that the Supreme Court should, and some day will, declare activities of the type at issue in the Goldman and On Lee cases, together with wiretapping, to be violations of the fourth amendment.

THE TRIAL OF JUDITH COPLON

Attorney General Brownell and the other proponents of wiretapping have made much use of the Coplon case in their arguments that Government prosecutors are "handicapped" by the present law. In the House Judiciary Committee hearings on wiretapping, the author of the bill which passed the House told the committee:

> This problem was brought out dramatically in the trial of Judith Coplon. Her attorneys turned the trial into a fiasco, and won out for her on appeal, to a large extent because this law is so vague and unsatisfactory.

Miss Coplon, a person obviously guilty of the crime with which she was charged, was tried twice. One of the trials was in the Federal District Court in New York City—*United States* v. *Coplon* (185 F. 2d 629). It is this trial which the wiretapping proponents invariably discuss.

The Coplon conviction in the New York case was reversed on two grounds. One was the admission in the lower court of evidence seized on the person of the accused at the time of her arrest. The United States Court of Appeals held that the arrest by an FBI agent without a warrant was illegal and the evidence seized was therefore incompetent.

A second ground for reversal was the refusal of the judge in the lower court to allow defense attorneys to examine prosecution records which they claimed would prove that some of the Government's evidence came from "leads" obtained by wiretapping.

COPLON CONVICTED WITHOUT WIRETAP EVIDENCE

The case which Brownell and the other proponents of wiretapping do not mention is the Washington, D. C., trial—*Coplon* v. *United States* (191 F. 2d 749). In this case Judith Coplon was convicted and sentenced to a 10-year prison term, and the conviction was conditionally affirmed by the United States Court of Appeals.

The significant thing about the Washington trial is that here the Government prosecutors were able to convict Judith Coplon without wiretapping evidence or evidence flowing from wiretapping evidence or evidence flowing from wiretapping "leads."

In the Washington case it was claimed that Government agents had listened to private telephone conversations between the accused and her counsel before and during the trial. The Court of Appeals held that if that kind of wiretapping took place, the accused was thereby deprived of her right privately to consult with counsel as guaranteed by the fifth and sixth amendments.

The court took the unusual step of remanding the case for a hearing as to whether the alleged interception of calls between attorney and client did occur. The lower court was instructed that if it found that the accused had been deprived of her constitutional rights, she should be granted a new trial.

This pointing to "the trial of Judith Coplon" as an example of an alleged need for a change in the wiretapping law—without mentioning that in the Washington case Miss Coplon was convicted without wiretapping evidence—is an example of the kind of half truths and misinformation relied upon in this campaign to sell wiretapping to the American people.

Obviously a change in the present law against wiretapping would not allow the kind of wiretapping condemned by the Court in the Washington trial of Judith Coplon.

The case stands not as an example of the need for legalized wiretapping, but as proof that defendants in national security cases can be, and have been, convicted without the use of wiretapping evidence.

GOVERNMENT SETS THE EXAMPLE

Justice Brandeis said in the Olmstead case:

> In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy.

I cannot leave that great quotation from Justice Brandeis without pointing out that an example of the kind of anarchy which will flow from the violation of the privacy of freemen in the United States if we follow Brownell's advice and enact a wiretapping law will be the anarchy of police blackmail, a constant threat to freemen, because the history of freedom shows that we have always had to strike a very careful balance between giving to the police necessary and legitimate law-enforcement powers and checking them in following courses of action which lead to police tyranny.

One of the forms of police tyranny is, of course, police blackmail. It is one of the devices of the third-degree technique—obtaining illegally certain evidence not having any relationship to the admission or confession of the kind of crime which the police are seeking to bludgeon out of an unfortunate victim before them.

The police say to him, in effect, "Now, we know what you said on such and such an occasion. We have all the evidence. You had better come clean and tell us what happened, and confess to what we know you did, because if you do not we are going to publish and disclose all the other evidence we have against you." In many instances that evidence is obtained illegally. It is evidence that could not be used against the defendant, but, because many such defendants are uninformed, ignorant, and frightened, what happens? The police break them down. That is police tyranny and anarchy. That is not police protection. You and I, Mr. President, are not protected by any police department which uses the kind of tyrannical and anarchical methods about which Justice Brandeis warned us in this historic dissent.

One of my great fears—and we have the right to fear it, because the record of police tyranny speaks for itself in the history of American law enforcement—is that the proposal to legalize wiretapping will lead us into police anarchy, to which the great Brandeis referred.

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

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

Mr. DOUGLAS. Has the Senator from Oregon ever conversed with attorneys defending persons accused in the Federal courts in tax and other matters?

Mr. MORSE. Yes; I have.

Mr. DOUGLAS. Have those attorneys ever expressed to the Senator from Oregon their belief that their wires were being tapped by the Department of Justice?

Mr. MORSE. Only last week a constituent from Oregon was in my office. He was very much concerned about a tax matter in which he is satisfied that he is the victim of such methods as have been described. I am not condoning what may have been improper conduct on his part. That is the trouble with this subject. When we seek to protect a great principle of liberty it is said that we are condoning wrongdoing. I do not condone what this man may have done, although he denies it to me. I am a good enough lawyer to know that I will pass final judgment on whether or not he is guilty only after I see the entire record. Nevertheless, he is very much concerned because he is satisfied that Federal agents have violated his personal rights in collecting evidence.

Mr. DOUGLAS. Will the Senator from Oregon permit the Senator from Illinois to give a little testimony?

Mr. MORSE. I am sure my colleagues would not object. I shall be delighted to have the Senator from Illinois make a statement on this point.

Mr. DOUGLAS. I have talked with a number of reputable attorneys in this country representing clients in tax matters and in certain criminal cases. They have said that they are almost certain that their wires have been tapped continuously, and that therefore the defense which they intended to put up in court was known to the prosecution. Is not the prosecution given a tremendous advantage when it knows what the defense will be?

Mr. MORSE. Of course, the prosecution has a tremendous advantage, and an unfair advantage. In my judgment, the great problem is not so much the fact that the prosecution has an advantage. The great problem is the violation of the privacy of the victim.

Mr. DOUGLAS. Will the Senator from Oregon comment further on that point? The Constitution is supposed to grant to the people the right of counsel. Does not that right carry with it the right of privacy in consulting with counsel?

Mr. MORSE. That is my judgment. Of course, that is the Coplon case. That is the point I made in respect to the Washington Coplon case. She had the right to private conversations with her counsel, and if such conversations were not private, she was really denied the constitutional right to be represented by counsel.

Mr. DOUGLAS. Neither the Senator from Oregon nor the Senator from Illinois is defending Miss Coplon.

Mr. MORSE. Not at all. I said earlier in my speech that I am satisfied she is guilty.

Mr. DOUGLAS. So am I; but I should like to point out that if it is true that the Department of Justice puts taps on the wires of defense attorneys in tax and criminal cases, that gives the prosecution an unfair advantage when the case comes to trial.

Mr. MORSE. It does.

Mr. DOUGLAS. Would the Senator permit further testimony on this point?

Mr. MORSE. I yield further.

Mr. DOUGLAS. I have talked with reputable persons who have attended trials in Federal courts. I do not wish to identify them further, except to say that they were in a position of vantage, where they could follow what was happening. These witnesses have told me that in two cases the prosecution made comments which threw the defense into utter consternation. The expressions on the faces of attorneys for the defendants indicated that the information could have been derived only from listening in on the conversations between the defendants and their attorneys. This was in a Federal court.

Mr. MORSE. I am fearful that it is going on all the time.

That leads me to a little personal testimony. I give the testimony in quite good humor, because to me the incident was really very amusing. I am sure that if we could have had a picture of it it would have been the picture of 1953. It is not this particular incident that has aroused my interest in wiretapping, because my record for years has been a record of opposition to wiretapping. I have spoken against wiretapping many times, as a teacher, as a lawyer, and as a public official, long before the particular incident to which I refer, which was to me very amusing.

Last year a secret service agent conveyed to me his belief that a microphone was hidden in my office in the Senate Office Building or my home. The information was conveyed to me through the secret service agent and a very prominent newspaperman. The secret service agent was able to repeat conversations which took place across my desk in the Senate building and at home, conversations which were heard only by myself and one other person, namely, my administrative assistant.

Those conversations were never repeated elsewhere to anyone. I am willing to testify that they were not repeated by my administrative assistant to anyone. The very nature of the conversations would have spoken for themselves on that point. But the picture I should

like to have had was the picture of my administrative assistant, the newspaperman, and myself, on our hands and knees in front of the fireplace in my office, with a hand up in the flue to see if we could find the microphone up there. We did not find a microphone. The FBI could not find the microphone. The FBI sent an agent to see if it could be found.

The interesting thing is that the question was asked me, "Have you sent a lamp from your home in recent days for repairs, or have you sent a chair out to be repaired?" I said, "I do not know. Let us call Mrs. Morse."

We got Mrs. Morse on the telephone and she said, "Yes, we sent a lamp out a few days ago, but we did not send a chair out. You remember that we bought a new chair."

I had a sense of humor throughout, but we did examine the lamp which had been returned, and the chair. I cite my experience as an example of the kind of suspicion and fear which is developing in America these days. It shows that even a public official may be advised by a secret service agent, "You had better be on guard, because I am satisfied that there is or has been a hidden microphone in your office or home."

We did not find the microphone. As the FBI agent said, "Of course, one of those little microphones can last for 8 or 10 hours, and it may well be that it was taken out after it was used."

Whether or not it was there I still do not know, but it is remarkable that an account of our conversation reached the ear of the secret service agent.

What happened illustrates my point that we must be on guard, if we are to protect the right of privacy in this country and if we are to avoid the danger of developing police-state methods by which even elected officials of our people have cause to wonder whether they are working in a Senate office which may be tapped.

Mr. President, that is a frightening thing, because of its symbolism alone. Forget about me. I do not care whether it is I or BOB HENDRICKSON, of New Jersey, or PAUL DOUGLAS, of Illinois, or MAGNUSON, of Washington, or GEORGE, of Georgia, or any other Senator—to name some of those who are on the floor now. The fact is that if we have reached the point where even a Government official apparently feels that a law legalizing the practice of wiretapping should be passed, I say to the Members of the Senate, "Look out for your freedoms, because if you set up those police-state methods your precious right of privacy is jeopardized."

I yield further to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that, like every other practice, once this practice is adopted in perhaps very serious cases, it can then be extended, little by little, until finally the Department of Justice depends upon it to a very large extent, as the Senator from Oregon has intimated?

Mr. MORSE. The use of such a practice always grows by accretion, and the accretion takes the form of repeated use, with a little extension of it each time the device is used.

Mr. DOUGLAS. Is it not also true that many of the men in the Department of Justice and in other agencies of the Government leave the Government service but still retain that information which they derived as Government agents?

Mr. MORSE. That is correct.

Mr. DOUGLAS. And that knowledge gives them great blackmail powers, if such a practice is carried out. Is that not correct?

Mr. MORSE. Some become private detectives and private agents of one kind or another, and of course they retain that background of information.

That is another reason why we should not be so foolhardy as to be frightened into the passage of a wiretapping law.

Senators will remember that in my speech of May 18 I pointed out that in the Virginia Constitutional Convention the big fight was whether there should not be a bill of rights written into the Constitution before the Constitution was ratified.

Patrick Henry took the position that such a bill of rights should be written into the Constitution before ratification, and it took all the persuasion of Jefferson and Madison to get a bare majority in the Virginia convention to ratify the Constitution without a bill of rights being written into it first. That was done only with the assurance that a bill of rights would be offered in the form of amendments. Assurance had to be given in order to defeat Patrick Henry in the Virginia Constitutional Convention.

The point I started to make when I referred to the Virginia Constitutional Convention was that one of the reasons that was advanced by some of the delegates against a bill of rights was that the Government could be trusted not to overstep proper bounds or abuse its powers. Does that not sound like 1954?

In that great speech of Patrick Henry, he pointed out that he would not take his chances—and I paraphrase him now—with law enforcement procedures which were not confined by the checks and guaranties of personal liberty defined by a bill of rights.

Mr. President, that great pronouncement by Patrick Henry at the constitutional convention is as true today as it was then. Let us not forget that in the Revolutionary days there were still a great many colonists who were sympathetic to the loyalist cause, and that a great many people were not sympathetic to the independence of the Colonies. I say that the threat of treason at the time of Patrick Henry was as great, in my opinion—greater, I will say—than the threat of subversive activity is in the Nation today.

There is no one in the Senate who will fight harder to check subversive activity than the Senator from Oregon. However, I shall not do it by way of voting to give law-enforcement officers in this country a weapon of tyranny to be held over men and women in the form of a violation of the sanctity and privacy of the American home.

In making this fight, we are keeping faith with the spirit and intent of the Bill of Rights, and repeating the historic fight in the Constitutional Convention, when State after State in the debates in the convention warned against the danger of the general warrant. A wiretap authorization is a general warrant. By no safeguard yet proposed by any of the proponents of wiretapping legislation is it possible to take wiretapping out of the realm of general warrants. Why? It is because when a conversation is tapped, the whole conversation is tapped. It is not possible to select or to be selective. It is not possible to select the portion that is desired to be offered in evidence, because when a conversation is tapped, privacy is destroyed and there is placed in the hands of someone else certain knowledge, which creates the danger of abuse.

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

Mr. MORSE. I yield.

Mr. DOUGLAS. Is it not also true that when a conversation is chronicled on a tape recorder, it is later possible to edit the tape recording in such a way as to pick out certain portions of the conversation and, by omission, to give a totally false impression of what was said?

Mr. MORSE. Yes; that is absolutely correct. I have already pointed out that some of our technicians in the field have told me that they can take an hour's speech of any Senator on any subject and in a few hours they can process the tape to the point where that Senator is repeating the Internationale.

Mr. DOUGLAS. By cutting the tape and manipulating it.

Mr. MORSE. By manipulating the tape and cutting it and cutting and bringing together sounds, syllables, words and phrases and clauses and sentences, the technicians can take the speech of any Senator and make any person who does not know the facts believe that the Senator in question is a raving Communist.

Mr. DOUGLAS. This point can be illustrated very simply if we take the Commandment "Thou shalt not kill," and omit the word "not." It then becomes "Thou shalt kill," does it not?

Mr. MORSE. That is correct. It is a very simple example of how juggling can be done in order to misrepresent.

Mr. DOUGLAS. A recorded conversation can then be passed off as the correct original conversation.

Mr. MORSE. As the original tape of the conversation. Even the mechanics of the proposal are dangerous, let alone the principle involved.

Mr. DOUGLAS. As the Senator from Oregon well knows, the subject is before the Judiciary Committee. While neither the Senator from Oregon nor the Senator from Illinois is a member of that committee, and, therefore, not privileged to make suggestions, would the Senator from Oregon say it might be a good thing if the subcommittee investigating the subject should go into the degree to which wiretapping is now practiced?

Mr. MORSE. By all means. I take it for granted that the committee will do so. I take it for granted that it will give us a thorough report on the entire problem and that we are going to have an investigation which will show all facets of the problem, including many of the evil practices which have arisen under wiretapping in the several States. I quite agree with the Senator from Illinois.

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

Mr. MORSE. I shall be happy to yield to the Senator from Washington.

Mr. MAGNUSON. I hope the Senator will cover this point. There is a basic cardinal principle of evidence with which the Senator is familiar, that in court the confidential relationship between lawyer and client, doctor and patient, and man and wife has been part of our Anglo-Saxon rules of evidence for many years. I hope the Senator will go into the general proposition of how this sort of thing would violate those three relations alone, which are basic rules of our evidence. They also include confessors and spiritual advisers.

Mr. MORSE. I shall go into it, and I say to my friend from Washington that I think this subject is of tremendous historic importance. This is only the second of a series of speeches I shall make with reference to it. The speech today has been devoted to an analysis of adjudicated cases in the Supreme Court. At a later time I shall go into the subject which the Senator has mentioned.

I have alluded to the Washington Coplon case. That is not the case about which Brownell is talking. He is talking about the New York Coplon case. In the Washington Coplon case there had been a conviction which did not have anything to do with the wiretapping evidence which was involved in the New York case. The reversal in the Washington Coplon case was based only on the fact that it was found she did not have the benefit of the right to have counsel. Whenever the Department of Justice is intercepting conversations between the client and her attorney, it bears upon the point which the Senator from Washington has in mind. But that is not the wiretapping point about which I was speaking. She was convicted on the basis of evidence which did not involve wiretapping. The wiretapping feature of the Washington case became involved only because it involved the possible interception of certain conversations between herself and her attorney, which caused the court to say that such monitoring would take away from her the right to be represented by counsel, because one is not being represented by counsel if counsel has to talk to his client in the presence of a prosecutor.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon further yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. That is why we have always had in jails a separate room where we can talk with the defendant without any interference from anyone, so that we might establish that relationship. The whole basis of our criminal procedure has been built upon the fact that this relationship should remain inviolate.

Mr. MORSE. That is correct.

I am delighted to have what I interpret, and, I think, rightly, these words of encouragement from the Senator from Illinois and the Senator from Washington on at least some facets of the issue concerning which I am raising these objections today.

Mr. President, what is the example set by the Federal Government in the case of wiretapping?

Wiretapping is prohibited by law in most States. Section 605 of the Federal Communications Act of 1934 provides that "No person shall intercept any communication and divulge or publish such intercepted communication to any person." The section further provides that no person shall "use" any intercepted information for his own benefit or for the benefit of another, and that no person having received such information shall "divulge, publish, or use" such information.

Section 501 of the act provides:

> Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing, in this act prohibited or declared to be unlawful * * * shall, upon conviction thereof, be punished for such offense * * * by a fine of not more than $10,000 or by imprisonment for a term of not more than two years, or both.

In the January 1954 issue of Nation's Business, Attorney General Brownell said that in respect to wiretapping what he seeks is a change in a rule of evidence.

On February 7, 1949, the Director of the FBI, J. Edgar Hoover, made the following statement:

> It is no secret that the FBI does tap telephones in a limited type of cases with the express approval in each instance of the Attorney General of the United States.

May I say, Mr. President, very respectfully, that language is a little different from the statements of the same Director of the FBI made a few years ago which I quoted earlier in my speech today. Several years ago he said wiretapping was unethical.

It was unethical then, Mr. President, and may I say to J. Edgar Hoover that it is unethical today.

I am one American citizen who regrets to read the J. Edgar Hoover confession that the FBI taps wires in any case at any time for any purpose; and when he does it and authorizes it, he, in my judgment, violates the rights of privacy of freemen and, in my judgment, also invades the sanctity of the American home.

I happen to be one who believes that before this Congress concludes its session it should make clear to J. Edgar Hoover and to Brownell that it will be illegal for them, beyond any question of doubt, to tap any wire for any purpose for any prosecution aims or objectives.

I stand with Hoover on his pronouncement of years ago when he said wiretapping was unethical. I regret that he is not standing on that pronouncement.

A Department of Justice release dated January 15, 1950, quoted Mr. Hoover on wiretapping as follows:

> There has been no concealment of either the policy or the practice. * * * I have no reason to doubt the conclusions of my superiors as to the legality of wiretaps as practiced by the FBI.

STRAINED INTERPRETATION OF LAW

By a strained interpretation of section 605 of the Communications Act, Attorney General Brownell and some of his predecessors in the Department of Justice have evolved the theory that the act does not bar wiretapping—that only the divulgence of the contents of intercepted messages is illegal.

Earlier in this speech I mentioned the Department of Justice release of March 15, 1940, containing the statement that the practice of wiretapping had been completely abandoned in the Department of Justice.

Attorney General Jackson's annual report to Congress for the fiscal year ending June 30, 1940, had this to say about section 605:

> It is reasonable to assume that the intent of Congress in enacting this prohibition was to prevent unauthorized persons from intercepting radiograms or telephone conversations and to penalize telegraph and telephone operators who may divulge the contents of a message which goes through their hands or which they overhear.

In a letter to the House Committee on the Judiciary dated February 10, 1941, Attorney General Jackson recommended passage of a wiretapping bill. He repeated the above statement and said:

> In the interests of national defense, as well as of internal safety, the interception of communications should, in a limited degree, be permitted to Federal law-enforcement officers.

On March 19, 1941, the Attorney General again wrote the committee to urge passage of a wiretapping bill. This time he said:

> There is no Federal statute that prohibits or punishes wiretapping alone. The only offense under the present law is to intercept any communication and divulge or publish the same. Any person, with no risk of penalty, may tap and act upon what he hears or make any use of it that does not involve divulging or publication.

PROHIBITION AGAINST USE NOT MENTIONED

No mention was made of the provision in section 605 prohibiting the use of intercepted information.

On October 9, 1941, Attorney General Biddle added another interpretation to section 605 of the Communications Act. He stated that he was certain that to prohibit "divulgence" was not to prohibit an investigator from reporting to his superiors.

In the Coplon case it was shown that Department of Justice handling of wiretapping material involves the recording of a telephone conversation by agents who attach a written summary to the recording and deliver it to a superior—listening to the record and reading of the summary by the superior, who in turn adds a written report to the material and forwards it to his superior—the record together with summaries and reports finally being placed in files from

which information may be passed on to other agencies and bureaus. This, the Department of Justice contends, is not divulgence of the intercepted material.

In addition to the prohibition against "use" of intercepted material in section 605, there will be recalled the statement of the Supreme Court in the first Nardone case, where Government lawyers contended that the provisions of the act should not be extended to include Federal agents:

> The plain words of section 605 prohibit anyone, unless authorized by the sender, to intercept a telephone message, and direct in equally clear language that "no person" shall divulge or publish the message or its substance to "any person." Taken at face value the phrase "no person" comprehends Federal agents.

That is the language of the Court, not my language, but I think the court is right.

There is only one reported case of a governmental prosecution for wiretapping. In *U. S.* v. *Gruber* (123 F. 2d 307 (1941)) an attorney was convicted for abetting a Government telephone switchboard operator who intercepted and divulged to him a Securities and Exchange Commission message.

COURT APPLIES PLAIN MEANING OF WORDS

The Court said in the Gruber case:

> As to the words "indulge or publish," I cannot conceive that this refers only to a divulgence in court. The section prohibits divulgence or publication to "any person." As was held in the first Nardone case, the words "any person" and "no person" should be taken at their face value. The words "any person" in the section means exactly what it says, "any person."

In 1941, Mr. James L. Fly, Chairman of the Federal Communications Commission, stated that the plain meaning of section 605 forbade both divulging and using intercepted messages.

On May 20, 1953, Mr. Rosel H. Hyde, present FCC Chairman, told the House Committee on the Judiciary:

> It seems equally clear to us that it was not the intent of Congress in adopting the present language of section 605 to permit outside parties to intercept private radio or wire communications and use them for their own ends and to the possible detriment of the parties to the communication.

JUDGE LEARNED HAND SAID INTERCEPTION UNLAWFUL

Judge Learned Hand said in the New York Coplon case:

> It is, of course, well-settled law that wiretapping is forbidden by statute.

At another point in the opinion Judge Hand referred to a tapped telephone conversation as "unlawfully intercepted."

In the same case in the lower court, Judge Ryan stated:

> Section 605, prohibiting wiretapping * * * not only forbade such interception but rendered its contents inadmissible as evidence.

I wish to digress for a moment to say that I think there has been a false assumption in all the discussion by the Department of Justice, beginning with Justice Jackson, when he was Attorney General, that under section 605 it is all right to intercept; that tapping itself is lawful.

I think Judge Hand is right, Mr. President, in his statement of the intent of the law in the New York Coplon case. Not only does the statute condemn interception, but it is unlawful to divulge, and the evidence which is obtained by interception and the divulgence cannot be admitted.

Here again, I think we shall have to wait until we get a case "on the nose," as we lawyers say, before the Supreme Court on a set of operative facts which will draw this question into direct issue. In my judgment, when it gets there, the Court may follow the observation of Judge Hand in the New York Coplon case.

The Supreme Court has not ruled on the question of whether or not interception alone is illegal, for the simple reason that the Department of Justice has never taken a case of prosecution for interception before the Court.

Until a case of prosecution for interception is taken before the Supreme Court, I think it is a mistake to assume that the administrative practices of the FBI, based upon its interpretation of what constitutes divulgence, are lawful, but that that which is not lawful is offering in evidence the material which is gained by the interception.

I wish to make it very clear that I know very well that this is a disputed legal point; it is a matter about which lawyers disagree. I have done my very best in the speech this afternoon to present both the pros and the cons of the argument. I have presented the statements of the Attorneys General which hold to the contrary of the argument I have made. I have presented the view of Judge Hand in the Coplon case. But, in my judgment, I think the language of section 605 clearly shows an intent that both interception and divulgence shall be considered to be illegal, and that Congress sought to prohibit both.

In 1950, when public opinion forced the Department of Justice to proceed against wiretappers in the District of Columbia, the grand jury failed to return an indictment. A Senate investigating committee later found that the reason for this failure "lay in a strained and overtechnical interpretation by the Department of Justice and the United States District Attorney for the District of Columbia of the provisions of the Federal Communications Act"—Senate Report No. 2700, 81st Congress, 2d session, 5 (1950).

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

Mr. MORSE. I yield.

Mr. DOUGLAS. Am I correct in my understanding that the Senator from Oregon is referring to the so-called Shimon case?

Mr. MORSE. That is the case.

Mr. DOUGLAS. Is not that the case in which the District of Columbia Police Force was accused of tapping the wires of private citizens?

Mr. MORSE. That is the case. I may say that it is a perfect example of the police abuse to which the Senator from Illinois alluded, not only today, but also when he questioned me on the floor of the Senate during my speech on May 18.

Mr. DOUGLAS. May I ask the Senator from Oregon if my memory of that case is correct in that the fact of wiretapping by Lieutenant Shimon was not denied?

Mr. MORSE. It was not denied.

Mr. DOUGLAS. It was admitted by Lieutenant Shimon.

Mr. MORSE. It was recognized.

Mr. DOUGLAS. I remember that the wires of Mr. Howard Hughes had been tapped.

Mr. MORSE. That is correct. As Justice Holmes would say, it was dirty business, and it was dirty business by the police, and it is the kind of dirty business the Senator from Oregon is seeking to warn the American people about in this series of speeches, in this period of history, when it is sought to make wiretapping legal on the ground that there are subversive activities in the United States, and when the American people are asked to give up the precious rights for which they fought, and which were written into the Constitution to protect such rights.

Mr. DOUGLAS. Does the Senator from Oregon think it would be a proper inference that if the tapping of wires in the particular case under discussion was engaged in by the Washington Police Department, particularly by Lieutenant Shimon, wiretapping had also been practiced in other cases?

Mr. MORSE. I not only discuss the question on the basis of presumption, but on the basis of knowledge, resulting from my experience in criminal work, long before I came to the Senate, when I was the editor and developer of the five-volume work in the Department of Justice of release procedures and prison administration. That work took us into many phases of the question, including police practices themselves. Wiretapping is one of the police abuses that exists too often and in too many places.

Mr. DOUGLAS. Would it have been possible for Lieutenant Shimon to have acquired the skill which he had attained in tapping wires without previous experience?

Mr. MORSE. One does not acquire such skill by random activity.

Mr. DOUGLAS. In other words, the lieutenant must have served his apprenticeship before having tapped the wires in question and becoming such a master.

Mr. MORSE. There is no doubt about that.

I wish to thank the Senator from Illinois for his contribution. What I have held up for attention is one of the dirtiest abuses in the whole field of police activity in the United States. I am not going to sit here and vote my sanction for the Department of Justice or the FBI, even if headed by the great J. Edgar Hoover, having legal authority to wiretap the phones of particular Americans. I want to say we have got to be on guard against the spread of police-state methods in America in 1954, at a time when so much fear and hysteria is rampant across our country.

Mr. DOUGLAS. Although this in part repeats a question which the Senator from Illinois asked the Senator from Oregon some weeks ago, I should

like to ask if it is not the opinion of the Senator from Oregon that the practice of wiretapping is very widespread amongst local police departments.

Mr. MORSE. Yes, and not only is it widespread in the case of local police departments, but let me say that it is spreading and is expanding and fanning out in connection with a lot of private agents in this country. Do my colleagues know what is developing? At long last, I am glad to say that businessmen in America are becoming aware of it and are beginning to recognize the danger of wiretapping as far as privacy of business is concerned. They are beginning to recognize that it is not a very nice practice to be allowed to develop without clear legal prohibition against it, removing any question of doubt or any question as to vagueness or ambiguity. Businessmen are beginning to see that if we move into this phase of police-state methods, in the field of so-called law enforcement, the same methods can even extend to the economy of the country and into economic practice. Labor leaders are beginning to see what the use of such police state devices can mean in the field of labor relations. Civil liberty groups are at long last beginning to concern themselves. I do not think it is to be considered stretching the imagination to say that if we do not watch out, not even the confessional of the church will be safe from wiretapping.

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

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

Mr. DOUGLAS. While it is true that neither the Senator from Oregon nor the Senator from Illinois are experts in the technique of wiretapping, and I am very glad we are not; is it not also true that, in all probability, there are two systems by which wires may be tapped? In one method the tap is imposed upon an individual line, and the communication is known only to the tapper. But there may also be a tap placed in a central telephone exchange, and a certain range of telephones are tapped and the conversations recorded. Is that not true?

Mr. MORSE. That is what the technical experts told me in my examination of them.

Mr. DOUGLAS. In the second case I mentioned, where the tapping takes place at the central telephone exchange, it can only be done with the acquiescence and consent of the telephone company itself; is that true?

Mr. MORSE. That is true. I think we should prohibit the telephone companys from being aiders, abettors, and colluders in wiretapping.

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

Mr. MORSE. I yield to the Senator from Washington.

Mr. MAGNUSON. I wanted to point out to the Senator from Illinois and the Senator from Oregon that, in my district attorney days, the wiretapping situation was so bad that the telephone company worried that it might be accused of wrongdoing, and actually hired its own detectives, who were well versed in wiretapping, to chase away the persons who were tapping wires.

Mr. MORSE. That practice has been very common.

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

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). Does the Senator yield?

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

Mr. HENDRICKSON. The Senator from New Jersey must leave the floor very shortly, but before I go I want to compliment and commend the Senator from Oregon for a very able presentation of the facts in the issue. I hope every Member of the Senate will not only study the facts, but give them the most careful consideration possible. I think the Senator from Oregon has made a great contribution to the future of this country by alerting the Congress and the people to the dangers in this area.

Mr. MORSE. I am deeply indebted and deeply moved by the remarks of the Senator from New Jersey.

Mr. MAGNUSON. I might say that I know of no one who has been more concerned with the subject, as he told me on many occasions, than has the distinguished Senator from New Jersey who sat in on the hearings having to do with the District of Columbia wiretapping case involving Lieutenant Shimon.

Mr. MORSE. I cannot use a descriptive phrase more accurately, in painting a true picture of the Shimon case, than that used by Justice Holmes when he said "it is dirty business," and by Justice Frankfurter "represented the fruits of a poisonous tree."

Mr. President, the practical effect of the Department of Justice interpretation of the law against wiretapping has been a hesitancy about prosecuting persons for private wiretapping. As Attorney General Jackson said in one instance:

> I do not feel that the Department of Justice can, in good conscience, prosecute persons for a practice engaged in by the Department itself, and regarded as legal by the Department.

I am so sorry, Mr. President, that the then Attorney General did not apparently have a better group of lawyers surrounding him, so that they could at least read the clear and literal meaning of section 605 of the act. I am at a loss to understand how reading the language and giving to it the ordinary meaning can cause any question. Of course, that is a very sound rule of legal interpretation, as the lawyer now presiding over the Senate [Mr. BUTLER of Maryland] will agree. If language can be interpreted by giving to it the ordinary meaning, that is the meaning which should be given to it, and one should not go all around Robin Hood's barn and create ambiguity in the meaning of a statute by giving its language an interpretation which is beyond the ordinary meaning of the words.

I ask my colleagues to take section 605 and read it to lawyers and nonlawyers alike. The ordinary meaning of the language is clear, that use of intercepted material or divulgence to any person is prohibited. I have always been at a loss to understand the strained interpretation Attorney General Jackson gave to section 605.

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

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

Mr. DOUGLAS. Am I correct in inferring that what the Senator from Oregon is saying is that since the Department of Justice itself has been misinterpreting the law, the Department feels it cannot prosecute others for breaking the same law?

Mr. MORSE. Yes; and I think it is a very poor judge of such cases; that it is a prejudiced witness, and that we ought to recognize the Department of Justice, not as an impartial witness in this matter, but as a partisan with dirty hands. The Department of Justice does not come to the Senate with clean hands on this issue. The Department of Justice comes to the Senate with a tortured interpretation of section 605, because, in my judgment, it has alibied and rationalized a course of illegal action on its part, through a series of Attorneys General. Attorney General Brownell is not the only wrongdoer in this matter; it goes back through a series of Attorneys General who have been giving to section 605 a tortured interpretation. I think that good faith called on them, years ago, to get squarely before the Supreme Court a case as to whether section 605 makes the interception illegal and whether its interpretation of the word "divulge" is correct. If that had been done, there would not have been this buildup of opinion precedents—not judicial precedents—of Attorneys General and lawyers in the Department of Justice.

PRIVATE WIRETAPPING TOLERATED

Attorney General Brownell told the Senate subcommittee on wiretapping on April 20, 1954:

> As the law now stands, it does not keep people from tapping wires. It is still useful to those who make private use of it for personal gain.

Mr. President, do you see all the implications of that statement? Do you see the overtones and the undertones of it? I would prefer to have the Attorney General of the United States take the position that this kind of an invasion of privacy must not be allowed, either by Government officials or by private persons. That is so because I do not think that morally and ethically it is possible to justify taking advantage of the rights of privacy of freemen, either for personal gain or for law enforcement.

Brownell was asked about legislation to prohibit private wiretapping. He was asked:

> I wanted to know if you would care to express an opinion for or against such a regulation of wiretapping or if you believe the legislation should be confined only to the question of what evidence may be used in court, leaving the situation wide open as it is now for anybody to tap anybody's wire.

Brownell replied:

The particular question that concerns the Department of Justice is the latter. We have not considered that aspect of it sufficiently for me to express any considered opinion right now.

Mr. President, it saddens me when I realize, from that statement, that Attorney General Brownell admits he has forgotten most of the constitutional law history that I know must have been taught to him in law school—the story of the great, historic battle that was fought, over the decades, to protect the American people from the general warrant. It is very clear that the questioner raised the issue of whether both Government officials and private persons should be allowed to violate the right of privacy of free men—and Mr. Brownell has to have time to consider that. Enough said, Mr. President, in my judgment, about his qualifications to be an expert witness before us on the question of the proper interpretation, meaning, and intent of the Bill of Rights, as raised by the wiretapping issue.

Brownell and the other wiretapping proponents have claimed that in the Coplon case, Judge Learned Hand advocated a change in the present law against wiretapping. The record shows that Judge Hand listened to the Department of Justice claims of a need for a change and said:

All these are matters with which we have no power to deal, and on which we express no opinion; we take the law as we find it.

Mr. President, that is exactly what the Judge should have said.

LAW AGAINST WIRETAPPING SHOULD BE ENFORCED

I suggest to Attorney General Brownell that he too, like Judge Learned Hand, take the law as it is found on the statute books—and enforce it.

Today there are people who look for a compromise between the various wiretapping bills before the Congress, who seek a way to have wiretapping "with safeguards." I say to these people that there are no safeguards which can effectively protect the personal security and privacy of Americans from the evils inherent in wiretapping. There can be no compromise with the freedoms and protections guaranteed Americans in the Bill of Rights.

The wiretapping controversy of today is a modern, condensed version of the struggle against arbitrary searches and seizures by Government officials that took place in England before 1765, and in colonial America.

I am confident that the end of the present controversy will bring a reaffirmation of the principle that in a democracy, the rights of its people are always superior to the expediencies of its officials.

Mr. President, we need today the same awakening of the consciences of the American people regarding the precious nature of their personal rights that occurred during the Constitutional Convention at which our great Republic was born. Once again we need to heed the advice of Jefferson, Madison, Henry, and the rest of the great constitutional fathers who, although a majority of them finally decided they were willing to ratify the Constitution, reached that decision only upon condition that following its ratification there would be submitted what we know as the Bill of Rights, including the principle, spirit, and intent of the fourth, fifth, and sixth amendments. Those principles are the ones for which the Senator from Oregon, once again, as a Member of this body, is raising his voice in this debate and is pleading for protection of the privacy of freemen, without which there cannot be freedom for the individual.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 3096) to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category.

The message also announced that the House had passed the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, with an amendment, in which it requested the concurrence of the Senate.

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its session this evening it stand in recess until Monday next at 12 o'clock noon.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Is there objection? Without objection, it is so ordered.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, which was, in line 13, to strike out "July 1, 1954" and insert "July 1, 1955."

Mr. CLEMENTS. Mr. President, this bill is for the third time before the Senate. Last week a clerical error was made in the bill in the House of Representatives. This matter has been fully explained on two different occasions. I believe every Member of the Senate who desired to learn what the bill would accomplish has had an opportunity to do so.

If no Member of the Senate desires any further explanation, I move that the Senate concur in the House amendment.

Mr. BUTLER of Nebraska. Mr. President, will the Senator give us a little more information about the bill?

Mr. CLEMENTS. The bill does one thing, and one thing only. It increases from 40 to 50 percent the penalty on all tobacco grown over the quota.

Mr. BUTLER of Nebraska. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to.

SWISS PROPAGANDA AND UNEMPLOYMENT IN THE JEWELED WATCH INDUSTRY

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. BUTLER of Nebraska. Mr. President, will the Senator from South Carolina yield to me, to permit me to request the printing of a statement in the RECORD?

Mr. JOHNSTON of South Carolina. Yes, if it is understood that in yielding for that purpose, I shall not lose the floor.

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

Mr. BUTLER of Nebraska. Mr. President, I thank the Senator from South Carolina for doing me the courtesy of yielding to me at this time, for I had expected to speak to the Senate on the question of Swiss propaganda and unemployment in the jeweled watch industry. However, in view of the lateness of the hour and the fact that the Senator from South Carolina has the floor, I now ask unanimous consent that a statement I have prepared be printed at this point in the RECORD.

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

STATEMENT BY SENATOR BUTLER OF NEBRASKA

SWISS PROPAGANDA AND UNEMPLOYMENT IN THE JEWELED WATCH INDUSTRY

On May 18 the New York Journal of Commerce carried a news story that I found very interesting. It was from Bienne, Switzerland, and it said that "increasing unemployment in the Swiss watch industry is causing concern here as over 2,000 workers are drawing benefits for total or partial layoffs." It went on to say that this is the highest unemployment figure the Swiss industry has recorded since the end of the war.

This story interested me because it was another manifestation of the propaganda campaign of the Swiss watch cartel that has obscured and confused a situation of vital importance to the national security of our Nation — the forthcoming decision on whether or not tariffs on Swiss watches and watch movements will be increased in order to preserve the American watchmaking industry and assure the continuance of facilities and skills that are of great significance to our national defense. This propaganda campaign is obvious to me and to a great many Members of the Senate. It may not be so clear, however, to the public or even to others who have a direct interest in our foreign-trade program.

I, therefore, decided to look into this situation and I obtained some figures from the United States Department of Commerce that I think have a very significant bearing on this effort of the Swiss propagandists to win sympathy for "poor little Switzerland." I found that the Swiss watchmaking industry now employs about 60,000 workers. Thus, if there really are 2,000 Swiss watchworkers totally or partially unemployed, they represent about 3 percent of the industry's workers.

By contrast, in the United States, I found the following to be true: In 1951 the 4 remaining American jeweled-watch manufacturers employed 8,151 workers on watch production, in 1953 they employed 6,670 workers, and in 1954 they will employ an average of less than 5,000 workers on watch production. Thus, in the 2½ years since the end of 1951, domestic employment in production of jeweled-watch movements has fallen approximately 40 percent. Now, which group of workers should we feel sorry

for—the 3 percent in Switzerland or the 40 percent of Americans who have had their jobs exported to Switzerland?

I found some other interesting figures while I was checking this situation. In 1951 the 4 American manufacturers made 3.1 million jeweled watches. That year the Swiss exported 9.1 million jeweled watches into our market. In 1953 the Swiss sent 10.6 million jeweled watches here and the American producers were then able to manufacture and sell only 2.2 million because our market was flooded with cheap Swiss imports. As a result of the fact that 1.5 million more Swiss watches were thrown onto the United States market, nearly 1 million fewer American watches were made and 1,500 American watchworkers were deprived of jobs.

Now let us look at the growth and the operations of the Swiss watch cartel more closely. In the years 1937 to 1939 employment in the Swiss watch industry averaged approximately 40,000 workers. They had already made substantial progress in taking over the American market, following a slash of more than 30 percent in American customs duties under the trade agreement. Then the war started, the American factories were converted 100 percent to war production, and the Swiss cartel really moved in. In 1941 employment jumped from 40,000 to about 45,250. In 1943 it went to 46,700, or 18 percent greater than before the war. In 1950 the total was 54,000 or 35 percent higher. In 1951 it was 63,000 or 57.5 percent greater than at the time of the reciprocal trade agreement.

Now, here is an interesting fact. As I just said, in 1943 there were nearly 47,000 watch workers employed in Swiss factories. But in that year Switzerland exported fewer watches than it had in any year since the depression. It exported 14 million watches—just half as many as in 1937. Why did the highly efficient Swiss need 20 percent more workers to produce only half as many watches? The answer, I think, is fairly simple—they were producing fuzes and other munition components for Germany and Italy—or the fine machine tools that those Fascist governments needed for their war production.

While the entire American watch industry was mobilized 100 percent for needed military production, the Swiss were, in fact, producing for and trading with the enemy because the enemy, at that time, held all the trump cards and could apply more pressure than we could—until the closing weeks of the war.

It is on the record that during World War II the Axis allowed the Swiss to export certain "civilian" timepieces to the United States and other belligerent and neutral nations. I have been told of one grimly amusing incident in this connection. So desperate were we at that particular time for additional watches for our ground and air forces, that some of these Swiss watches were placed in military cases and issued to our fighting men. And I am told that these Swiss companies made vigorous protests against this practice—on the grounds that the watches were not intended for this use and so the soldiers that used them and found them unsatisfactory might not be in the market for watches of these brands after the war. That was a major Swiss concern when our men were dying on battlefields all over the world.

But to resume: In return for the privilege of sending watches to America and thus taking this market when our own factories were devoting full time to the war effort, the Swiss were obliged by Germany to produce and deliver vast quantities of military timing mechanisms and other precision equipment. And this Swiss military production in World War II was used by our enemies to kill and wound American soldiers, sailors, and airmen. We have no guaranty—economic, political, or otherwise—that in the event of another war, an even more powerful Swiss watch industry will not repeat this tragic performance under pressure of an enemy of the United States.

A very small part of the Swiss contributions to the German war effort is detailed in the book entitled "The Hidden Weapon." Its authors, David L. Gordon and Royden Daingerfield, were formerly chiefs of the Economic Blockade Division of the United States Government's Foreign Econmic Administration during World War II. Here is an example of the information it contains:

"Swiss exports to Germany in 1942 reached a value of 2.8 times as great as in 1938. Shipments of metals to Germany in 1943 were nearly 600 percent (by value) over 1938 levels; those of machinery, vehicles, and related products over 500 percent; those of clocks, watches, and precision instruments, 460 percent; and those of drugs and chemicals, 350 percent. These increases were substantially greater than the decline of Swiss exports to other destinations; so that they represented not only a replacement of allied and overseas markets by German-controlled areas, but a shift in the orientation of the whole Swiss economy with a greatly increased emphasis on war goods. * * *

"But whatever the justification, there can be no question that Swiss imports were of substantial importance to the German war effort. Many of them were manufactures requiring an exceptionally high degree of skill and precision, for which the Swiss-watch and machine-tool industries are world famous; they comprised arms and ammunition (including such highly efficient weapons as the famous Oerlikon guns), airplanes, bearings, delicate and complex fuses for bombs, and artillery shells, machine tools, electrical machinery and equipment, radio and telegraph equipment, turbines, locomotives, engines, precision instruments, military watches, and other timing and measuring devices. Fine watchmaking machinery, on which the Swiss had a near monopoly, and which they have previously refused to sell abroad, was shipped in increasing volume to Germany to make and repair essential military timepieces and timing devices."

Confirming the authors of The Hidden Weapon, here is a quotation from a report of a survey of the German watch and clock industry made just after World War II by three expert members of the United States Technical Intelligence Committee of the G–2 division of SHAEF. The report was originally restricted and is now declassified. They reported:

"Practically all plants, in the last few years, from the largest to the smallest, had acquired an astonishingly large number of new Swiss and German tools of the best quality. In the opinion of the team, the quantity of machine tools is greatly in excess of prewar production requirements. The equipment includes such items as Swiss jig borers, Swiss plate-routing machines, Swiss precision multiple-plate drilling machines, various types of Swiss automatic screw machine, various types of Swiss machines for cutting pinions, wheel, etc. They also had excellent Swiss toolmaking equipment, some of which was highly specialized. This equipment is not in all cases made available to United States manufacturers by reason of export prohibition by the Swiss Government."

Please note that—these tools could not be exported to the United States, but it was perfectly all right with the Swiss Government if they were sent to Germany to make ammunition, bombs, and projectiles for use against the nations of the free world.

I do not think there should be any grave concern in this country when Swiss propagandists tell us that poor little Switzerland now has 2,000 watch workers unemployed—when you consider that since the reciprocal trade agreement went into effect Switzerland was able to build its watch industry from around 40,000 workers to 60,000, and since as a direct result of that trade agreement, employment in the American industry has fallen to just about the lowest point since the depression.

The Swiss watch industry has fattened and grown great on war. And not just World War II. Here is a quotation from the American Legation report on the Swiss watch industry in 1950:

"At the beginning of 1950, it was generally expected that exports and production of horological products would decline further. The first half of the year indeed was disappointing to the manufacturers, especially the first quarter when a considerable drop took place. Sales during the first quarter were 25 percent below corresponding 1949 sales.

"With the outbreak of the Korean war, the Swiss watch industry was suddenly flooded with orders, especially from the United States. Since June of 1950, the industry has enjoyed boom conditions such as it has hardly ever experienced before. The dismissal of over 1,600 watch workers was the result of the unsatisfactory situation during the first half of the year. When the heavy orders placed as a result of the world situation after the outbreak of the Korean war began to reflect on production, the employment situation rapidly improved."

I call particular attention to the fact that in 1950 when 1,600 Swiss watch workers were laid off, there was no campaign in the press to win sympathy for their plight. But in 1950, there was no tariff action impending, and the Swiss, like the ruthless and efficient businessmen they are, simply chopped their work force and shed no tears for the jobless watch workers. But now that a tariff increase is under consideration, great stress is placed on the economic distress in Switzerland as a result of this unfeeling American action.

Finally, I should like to call to the Senate's attention the fact that great pressures are being brought by the Swiss to forestall any increase in the present tariffs on watches and watch movements. These pressures worked in 1952 when the Tariff Commission's recommendation that increases be granted to protect and preserve our domestic watch industry was rejected. Here is proof out of the Swiss' own mouths on how these pressures worked. I quote from the weekly press service sheet of the Swiss Trades Union Council, which is gloating over President Truman's refusal to grant the tariff increase. This is what the head of the Swiss watch workers union had to say then:

"We can note today with legitimate satisfaction that the efforts of the Swiss Metal and Watch Workers Union and the Swiss Trades Union Congress to alert American labor organizations and public opinion have not been in vain. The CIO and the A. F. of L., following the request of Swiss labor, intervened with Mr. Truman on this matter. Moreover, one finds in the Presidential announcement many of the ideas presented by the Swiss Metal and Watch Workers Union and the Trades Union Council to the American labor organizations, and we therefore express to them the full gratitude of the Swiss labor movement."

It's a fine thing when the recommendations of the President of the United States contain "many of the ideas presented by the Swiss labor unions" and the recommendations of our Tariff Commission and the pleas of our own industry are ignored. And, I am told, that the major American labor organizations once again are being solicited to support Swiss labor rather than their fellow American workers.

I think I have demonstrated that there should be slight cause for tears in this country because a few Swiss watch workers are unemployed. I hope that I have helped, to some extent, to counteract the vicious Swiss propaganda campaign that seeks to win

the sympathy of the American Government and the American people to the complete destruction of the jeweled-watch industry in the United States.

I hope that instead of wasting sympathy on the Swiss we will now begin to think of the hundreds of American watchworkers who are unable to practice their craft because an unrealistic trade policy has given their jobs to Swiss workers. And I hope we will begin to think of what will happen if the American jeweled watch industry—the only industry capable of producing these watches outside of Europe—is allowed to die. We cannot afford to be deluded by Swiss crocodile tears, shed for propaganda purposes, whose sole objective is to ruin the American watch industry so that they can make 100 percent of the world's timepieces instead of the 95 percent they now produce.

The following article appeared in a recent issue of Newsweek:

"Switzerland: Peace and precision equal prosperity

"Geneva hotels were filled this week. But Geneva hotelkeepers were unhappy. The swarms of delegates, bodyguards, and correspondents at the Far Eastern conference left little room as the summer season approached for tourists. As long as the conference went on, Geneva hotelkeepers could only look enviously at their competitors in such spots as Montreux or Interlaken—ready and able to welcome vacationers.

"Some 1.5 million tourists will visit Switzerland this year. They will ski at the fashionable international resorts at Davos, St. Moritz, Grindewald, and Zermatt, in the shadow of the Matterhorn. They will sun themselves on the beaches at Lugano and Locarno, photograph the covered bridge at Lucerne and the William Tell statue at Altdorf, buy watches and carved wooden bears, sail past the Castle of Chillon on the Lake of Geneva, marvel at the mechanical animals and men on the clock tower in Bern, eat fondue between sips of kirsch, pick edelweiss, ascend the Jungfrau by the cog railway that climbs inside the mountain, and watch the Alpenglühen, the summer sunsets that bathe the mountaintops in red.

"Behind the scenery and sports is another Switzerland often overlooked by tourists and diplomats alike. The Swiss have overcome imposing handicaps to reach their state of peace and the highest standard of living in Europe. Although they number only 4.8 million (about half the population of New York City), they speak four national languages—German, French, Italian, and Romansh, a Latinate dialect. Their landlocked country of 15,944 square miles (less than New Hampshire and Vermont combined) is almost entirely without natural resources. Barely 6 percent is arable.

"Yet Switzerland's per capita gold holdings top all other countries' at $306 (the U. S.: $138). Its unemployment rate is probably the lowest in the world. In June 1953 it was 0.3 percent (the U. S. then: 2.4 percent).

"Recipe for Success

"How have the Swiss done it? 'The answer is that Switzerland's principal asset is labor,' President Rudolphe Rubattel told Newsweek, '[and] the manufacture and export of goods of high value from imported raw materials.'

"The watch industry is an extreme example of this recipe for success. The Swedish steel for hairsprings costs $5 a pound. The finished hairsprings are worth $50,000 a pound.

"The increased value is added by Swiss skill and precision. Building a single watch requires more than 2,000 separate operations. Parts include screws no more than .004 inch in diameter. Some 50,000 would fit in an ordinary thimble. Yet their heads are slotted for a screwdriver. To learn his skills, a would-be watchmaker must study for a minimum of 4 years at 1 of 7 schools.

"The Swiss watch industry, concentrated in the Jura Mountains around Bienne, has some 2,500 manufacturers, employing 50,000 workers. Last year they exported more than 33 million watches and watch movements worth $258 million.

"Tariff Fight

"This success has been boosted by the United States-Swiss Reciprocal Trade Agreement of 1936, under which the American tariff on watch movements has been cut from 82.6 to 37 percent. Since 1950, United States watch manufacturers, notably the Hamilton, Waltham, and Elgin companies, have been demanding a protective increase to prevent 'serious injury.' They are opposed by more than 100 United States watch-assembly firms—organized behind Longines-Wittnauer, Gruen, Bulova, and Benrus—which import their movements from Switzerland. On May 28, the United States Tariff Commission recommended an increase. Under the law, the amount was not disclosed, and President Eisenhower was given 60 days to approve or veto.

"But watches are only one aspect of Swiss industry. Of every 1,000 working Swiss, 436 are engaged in industrial labor and manual trade—a proportion exceeded only in Britain and Belgium, where mining increases the ratio. Last year Swiss exports of machines earned $242.3 million, instruments and tools, another $82 million; textiles, $141.7 million; and chemicals, $129.4 milllion. The tourist trade earned only $116.5 million.

"Locomotives and Lighters

"The range of Swiss products and markets is as sweeping as Switzerland is small. A Swedish power station above the Arctic Circle is equipped by Brown, Boveri & Co. Thailand and Bolivia use Diesel-electric locomotives built by Sulzer Bros. The Swiss Locomotive & Machine Works, with Brown-Boveri, built Britain's first gas-turbine locomotive, and Escher Wyss developed the variable-pitch airplane propeller. Paillard is famous for its Bolex movie cameras, Thorens for its cigarette lighters, and Oerlikon and Sécheron for their armaments. Among Swiss chemical firms, Ciba, Sandoz, J. R. Giegy, and F. Hoffmann-La Roche & Co. export some 85 percent of their production.

"To guard the sources of raw materials on which their national life depends, the Swiss have developed neutrality to a fine art. Although trade with Communist countries has been a source of repeated friction with the West, the true Swiss position, says Dr. Max Petitpierre, chief of the Political (Foreign Affairs) Department, is 'neutrality plus solidarity.'

"Perhaps an equally revealing glimpse of the secret of Swiss success is to be found in one of the favorite stories told in the cafes of Basel:

"A Swiss manufacturer was sent three supposedly identical ball bearings by a United States company, and asked how much he would charge to manufacture them. The Swiss cabled back: 'Which one?' "

WIRETAPPING

Mr. JOHNSTON of South Carolina. Mr. President, I desire to engage the attention of the Senate for a few minutes in order to voice my objections to whatever proposed measure may issue from the Committee on the Judiciary on the question of legalizing so-called wiretapping, with all its related possibilities of intercepting communications.

Several days ago and again today the Senate was enlightened by a masterful address on this general subject matter delivered by the junior Senator from Oregon [Mr. MORSE]. I did not know that he intended to speak again on the subject, but when I reached the Chamber today I found that he was delivering another address on this same subject.

The scope and depth of research exhibited in that address, together with the compelling authorities cited, are cause for admiration on the part of all who wish to see democracy develop rather than be retarded.

For many years the right and propriety of intercepting communications, for whatever cause or reason, has engaged the serious thinking of this and preceding Congresses. By the same token, this vast field of inquiry has been of great concern to private citizens and business undertakings generally. The implications and ramifications involved in the interception of communications, particularly in view of the advances in science and technology are sufficient reason to make us pause, reflect, and, I trust, reconsider the route which we in the Congress should now pursue. Several roads are open to travel.

As a member of the subcommittee which is holding hearings on the bills relating to wiretapping, I have become very much interested in this question. My convictions are deep-seated. Whatever proposal of a permissive character may come from the Judiciary Committee as a result of its consideration of the several measures before it, it will not meet with my approval. I am against them one and all. Everyone of them does gross violence to my concept of the democratic way of life. Not one of them makes the slightest contribution to a freer way of life.

Entertaining these views, I would be a moral and mental renegade had I not the courage to give open and public expression to my deep-rooted opposition to the inroads which these measures must make upon our modern civilization.

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

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oregon.

Mr. MORSE. Let me say to the Senator that the statement the Senator has just made, as a member of the subcommittee which is holding hearings on the proposed wiretapping legislation, is a statement of tremendous historic significance. Mark my words, before we are through with the great constitutional debate in which we are now engaged, the statement of principle which the Senator from South Carolina has just spoken will, in my judgment, be as quotable in the future history and writings on this subject as the statement that "wiretapping is the fruit of a poisonous tree." When the Senator from South Carolina points out that he cannot reconcile wiretapping proposals with his conception of ethics and morality I think he goes to the heart of the matter so far as the responsibility of individual Senators is concerned.

I am not surprised to hear the statement made by the Senator from South Carolina. Not only is he a great lawyer, but he is a man who in the Senate has demonstrated time and time again his dedication to the free way of life. We

are again fighting to preserve the free way of life in the United States.

Mr. JOHNSTON of South Carolina. I thank the Senator from Oregon for his remarks. I believe the whole Senate owes him much gratitude and appreciation for what he has said to the Senate today and for what he said on the 18th of May. One can add little to the historical review of the growth of individual and priceless personal rights so ably presented by the Senator from Oregon. The possession of these rights is our heritage.

Mr. President, I am aware of one of the ugly, reprehensible tactics employed in the House of Representatives when it was considering H. R. No. 8649. The proponents of that measure gave it a catchall name—the antitraitor bill. "Legalization of eavesdropping" would have been a far more accurate name to describe such proposals.

Wiretapping and similar methods of improperly and illegally obtaining evidence by all the bills which have come to my attention seem to be taken as an accepted fact. The acceptance of such a condition as one which is proper and approved seems to run through all these measures. The purpose of the proposed legislation, whatever its particular provisions may be, is to make certain (a) the admission of evidence already in hand received through these irregular channels and (b) to change the previous existing rules permitting the admission in the future of evidence obtained through devices of interception. I wish to contend that the fruits of the forbidden tree already in hand and those which may be gathered in the future should now and forever be barred as admissible evidence in any Federal court in our land.

If I am able to judge the needs of the times—the signs of the times—their portents and requirements, and, if real democracy is to survive and progress here in one of its last strongholds, we need: patience and sanity, not sensation and passion; we need calm reason to supplant blind hysteria.

My objections, Mr. President, may be grouped into two rather general classifications: (a) Eavesdropping or snooping violates every right of privacy, and (b) the carbuncle of wiretapping in all its phases retards rather than promotes the free life in a democracy.

The growth and development of the law from the Magna Carta to the last act of Congress dealing with personal liberty show progress toward a state enveloping the greatest measure of personal freedom. Any act or measure restricting that growth and reinvesting the state with rights enjoyed by freemen is a step toward fascism, communism, statism, or some other ism foreign to my conception of Americanism. Has it not always filled our hearts with pride and joy to be able to refer to the great charter of personal rights and freedoms wrenched from the unwilling hands of King John at Runnymede on June 15, 1215? Upon that foundation through seven and a half centuries we have gradually built a superstructure of individual human rights, which is the envy and at the same time the glory of the world. No other government under the canopy of heaven can boast that its citizens enjoy the individual freedoms equal to those enjoyed by our citizens. Much yet can be added. Little, if any, can be taken away. Man's progress requires additions not subtractions.

The legalistic details, the authorities, the citations and reasoning of the courts were set forth in such formidable, convincing array by the distinguished Senator from Oregon in his address to the Senate on May 18 last, that to inject other supporting cases would detract rather than add to the unanswerable force of the argument already made.

Vain would be the task of one who might try to subtract from the traces of doubtful rights enmeshed in the hazy past, as those rights step by step, through the centuries emerge into written and accepted instruments of government, finding a crowning achievement in our own Bill of Rights. What priceless jewels they are in the firmament of man's government for man.

The chain of events through the years marking man's slow elevation from bondage to freedom always demands new links. Let there be no severance in that chain in the upward struggle for an equality of rights and opportunities. Take away from man a single right won through years of perseverance and a justification will soon be presented for withholding or diminishing other rights. We should ever be mindful of having the scales tilted toward a gain rather than any loss of rights.

I am aware of the conflict in the existing decisions of our Supreme Court on the law of wiretapping. I am mindful that a few persons are under arrest or out on bond who could possibly be successfully convicted if the prosecutor could get into evidence the ill-gotten fruits of wiretapping. I am aware of the fact that a few more could be entrapped if their wires could be tapped. I am more conscious, however, of the everlasting harm that will come to us as a Nation, and particularly as individuals, if this poisonous wedge of legalized interception is driven further into our body-politic and becomes an accepted part of the law of the land.

I am not beguiled by the asserted circumscriptions that this seductive method of obtaining evidence will be limited to cases of subversion, sabotage, or in the interest of national security. Any argument built around those restrictions is bait for the gullible. Has it or can it be demonstrated that wiretapping is required? Surely it is desired. It assists a lazy, indifferent, or overzealous detective or police enforcement officer. But, really, is it required? I find no convincing reason. Other methods exist and serve our society with a marked degree of efficiency.

Wiretapping is repugnant to every instinct I possess as a free man.

One cannot intercept the communications of the bad citizen without inevitably involving and doing harm to the good citizen.

To me, privacy, the right to be let alone, the right to exchange confidences, and the right of free and unrestricted exchange of communications where no law is being violated is a precious right of privacy. This distinctive attribute of freedom is instinctive with those who cherish our American way of life.

I shall dwell only briefly on the legal phase of the matter of violating privacy when the Bill of Rights was attached to our Constitution. There were no telegraph lines, telephones, television, or other electronic means of transmitting messages either of fear or hope, joy or despair, madness or gladness, love or hate, charity or miserliness—or even death and destruction. How prophetic, at least in principle, were our Founding Fathers? They guaranteed to us the security of our persons, houses, papers, and effects against unreasonable searches and seizures. Moreover, under the fifth amendment, no American citizen could be deprived of life, liberty, or property without due process of law or be made a witness against himself in a criminal case.

My thoughts are my property. They are among my effects. They are the product of my mind. When the conversation of a person is intercepted and used against him, does he not then become an unwilling witness against himself? I contend with every fiber of my being that any bill which proposes to permit a message to be intercepted violates in principle, if not in fact, the substance of the provisions of the fourth and fifth amendments to the Constitution which I have enumerated. I shall never knowingly vote nor raise my voice in support of a measure permitting a Government official or private individual to do indirectly what I understand he may not do directly. I will not so stultify my conscience.

It is not a pleasant thing to contemplate that one cannot communicate with his friends, his pastor, his lawyer, doctor, or members of his family in complete confidence. What a precious personal privilege would be denied if, by the enactment of a law such usually accepted confidences were to be made no confidences at all, and if all one might say, though pure in thought and spirit, could be transcribed for future recording. Would anyone have any privacy left? Would not all of us lose the confidential right of free speech?

I have been discussing the loss of personal rights of privacy and the infringements against the individual in the security he enjoys in the absence of the interception of his messages. There is another phase of the interference with privacy which is alarming and has in it the potentials of many evils. We should foresee their happening and guard against them. We should do nothing to let the bars down.

I refer to the unfairness and injustice which will inevitably flow from the misuse of intercepted communications in the commercial and political world. Let me illustrate my point. Business firm A, salesman A, broker A, merchant A, corporation A, tap, by whatever device may be most acceptable, the lines of communications of B who is engaged in like undertakings. What is to become of our free-enterprise system, if

it has to confront the conditions arising from such interceptions? What man or company is to be secure in his or its property? What protection is left to anyone? The thought, the consequences, and the effects of interceptions and intermeddling in the business world should alarm us. Such a contemplation should put us on immediate guard.

Let me quote briefly from a very conservative news organ. It is supposed to represent business. Among other things, the Wall Street Journal in its editorial of November 19, 1953, said:

> It could create an atmosphere in which people would be afraid to talk on the telephone about anything—it may be argued that only spies need fear it. But it is not quite so simple as that. Telephone conversations can be misconstrued, innocent remarks interpreted as evil. Who would feel wholly secure knowing that any conversation could be recorded to use against him?

The privacy of business needs the protection of existing laws. Here and there supports and lifts are required but business does not require our loosening the termites upon it that the proposed wiretapping legislation would permit.

There is no privacy today behind the Iron Curtain. It is the rule of life of the totalitarian governments that nothing is sacred to the individual. All belongs to the State. Must we ape the Communist practices to preserve our democracy? Some distinctions should remain. The use of interceptions by Communists do not justify such a radical departure on our part. Listen to the words of the great liberal Justice Brandeis. While he was voicing a dissent against the use of wiretapping, his was the voice of great experience and truth. He said in *Olmstead* v. *United States* (277 U. S. 438, 479):

> Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

Chip away here and there a vital value of human liberty under the guise of national interest, and soon all will be lost. Divest one here and there of this or that item of personal freedom, and soon the individual is stripped of many of his hard-won, inherited rights—those rights, I mean, which distinguish us Americans from those who are less fortunate in other lands. Let us not compromise on these fundamental principles of human, individual rights for the sake of expediency or under the guise of national safety. There are today no perils which we cannot successfully meet.

There is another phase of the right of privacy which should attract the attention of some Members of the Senate.

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

Mr. JOHNSTON of South Carolina. I yield to the distinguished Senator from Nevada.

Mr. McCARRAN. We know that at present there is prevalent the tapping of wires. That is the common understanding. Something should be done not only to prohibit the tapping of wires, but to make the practice criminal.

Mr. JOHNSTON of South Carolina. I have made that statement.

Mr. McCARRAN. There is only one exception to which I would agree, and that is whenever the national security is in jeopardy. The bill now pending, which I have had the honor to introduce, would make that one exception and no other.

In what the Senator from South Carolina has said, to the extent that I have had the opportunity to listen to him, I join with him very happily. But I find one exception. I think that with proper safeguards one exception might be made.

The United States has gone a long way in the issuance of search warrants. Congress has tried to protect the public as much as possible in their issuance. The courts have been authorized, upon a proper showing, to issue search warrants, and search warrants have taken their place in our jurisprudence.

I would not, under any circumstances, authorize wiretapping and permit such power to be placed in the hands of a political individual. My thought has been—and it is a matter to which I have given study for a long time—that whenever the national security is involved, Congress might well permit an application to be made to the courts and, upon a proper showing, allow the courts to issue an order for the tapping of wires. On such a showing, wiretapping for the purposes of national security might be permitted. That is as far as I would go, and that is as far as my bill goes.

I wholeheartedly concur in what the Senator from South Carolina has said, so far as I have had the opportunity to listen to his expressions.

Mr. JOHNSTON of South Carolina. I am glad to have the remarks of the distinguished Senator from Nevada.

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

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oregon.

Mr. MORSE. I do not know of anyone in the Senate who has a greater respect for the judicial background and the legal learning of the Senator from Nevada than has the junior Senator from Oregon. I certainly agree with the Senator from Nevada in his general opposition to wiretapping. But, as I have argued on the floor of the Senate, both today and on May 18, and as I shall argue in the future, when it comes to protecting the privacy of the individual I differ with my friend from Nevada that there should be any exception in the field of wiretapping. As Patrick Henry said in the Constitutional Convention of Virginia, when the argument then was made that the general warrant might be justified in the case of detecting traitors, there cannot be an exception.

The question of protecting the privacy of the individual and of not destroying such privacy must be considered. The difficulty with the safeguard which my good friend, the distinguished Senator from Nevada, proposes, even if court approval has been obtained, is that the tap is a tap of all the conversation which takes place, not only of the suspected subversive, but also of the innocent person who calls him.

The need for wiretapping, in my judgment, has not been established, because I think a case against a subversive can be proved by efficient law enforcement without any exception being made to the prohibition against the general warrant. In my judgment, wiretapping, no matter what so-called safeguards may be attached to it, becomes a general warrant.

When on a great constitutional or legal issue, I find myself opposed to or by the distinguished Senator from Nevada, I always regret it; but I do not think the situation today is a bit different in its seriousness, so far as the welfare of our country is concerned, than it was in the time of the constitutional conventions. Then our forefathers had the vision to see that the general warrant should be prohibited in all respects. I am calling for a rededication to our belief in the protection of the privacy of the individual.

The Senator from Nevada is right when he says that private wiretapping is rampant, and that public wiretapping by public officials is rampant. I think the part of his bill which should be accepted is the part which removes any question of doubt as to whether or not interception shall be declared illegal; but then no exception should be made to the illegality.

Mr. JOHNSTON of South Carolina. I am glad to have the remarks of the distinguished Senator from Oregon. I have always felt that although some persons who are Communists and who might do harm to our Government probably would be protected, and although possibly a few more persons might be convicted, still I do not believe that that would be worth what would be lost by giving the right to tap wires. When a wire is tapped, several persons are likely to be involved, and the one who is listening will be really listening to the innocent persons as well as to those who are guilty. I simply do not see how, in the long run, wiretapping would benefit the United States.

There is another phase of the right of privacy which should attract the attention of some in this body. I shall treat of it only briefly. Its implications are obvious. It will have no effect upon the statesmen who adorn our assemblage. The politicians among us should beware. I have read of instances of even city aldermen having received great political benefit through wiretapping and message interceptions. When a device can be employed to such advantage at the grassroots, the upper foliage, however warmly caressed by the first rays of the rising sun and however fortunate in being able to witness the last gleam of the golden sunset, is bound to feel the impact of this new invasion.

One possibly should not speak of these potentials—certainly not before the approaching election—but they accentuate the reason I advance that privacy once lost can never be regained. We shall all live alike in the fishbowl of common existence. There shall be no morning, noon, or night. Nothing, however sacred, can be concealed. Everything must be revealed.

We shall be asked to support a measure permitting our every expressed thought to become public property. Make no mistake about that. Look out for the day when mechanical mind-readers shall be employed to search for and reveal our contained thoughts. The proposals in these measures are only entering wedges. Later on we must amend and amend and amend. When amendments are over, total surrender of all our rights will have been accomplished. Who is there to argue otherwise?

This proposed legislation gives every Government official under the Attorney General a license to become a peeping-tom. The business of the private key-holder is destroyed. No longer will a man's home be his castle. We shall all be the victims of that silent, undesired, unexpected listener-in. He will intrude without invitation, fear, or favor. He will take his ill-gained knowledge and with it the remains of every remnant of a priceless inheritance under our Bill of Rights. No threat, peril, nor imminent national disaster appear on our horizon which would justify this kind of sacrifice on our part.

The price of wiretapping by the Government, local or national, is a parasitical growth grounded upon expediency in law enforcement methods and procedures. It has evolved around us without any sanction in law; and, as a matter of fact, it has developed notwithstanding the restrictions placed upon the introduction of wiretap evidence by the provisions of the Communications Act of 1934.

I consider wiretapping to be a carbuncle on the free growth and exercise of one's rights and liberties in a Democratic, free government.

The proposals in the several bills before the Congress involve a great deal more than may be comprehended in our individual or collective opposition to communism. Our dislike for communism demands no such conflict of ideals.

The proposals to which I refer involve a person's deepest convictions.

They involve the workings of one's conscience.

They involve his ability, inherent or acquired, to appreciate and understand the meaning and purpose of individual personal liberty.

They involve the fullest appreciation and enjoyment of our Bill of Rights.

There is room for no legitimate question or doubt, personal or official, that opposition to these proposals implies a belief or opinion that spies, saboteurs, subversives, or Communists should be treated lightly, softly, or gently. To them there should always be the severest application of existing means of detection, apprehension and enforcement of existing laws.

The snare of such a tangent argument, that wiretapping is desired, is for the unthinking, those unwilling to analyze, those who blindly trust any benign design of Government or the wiles of a devious enforcement officer. When we go to the trouble of ascertaining the consequences of any such childlike faith, we quickly see the bad effects.

Mr. President, embraced and lurking within these proposals are dragnets and pincers, the enlargement, development and legalation of which will surely retard our free way of life.

It is of transcendent importance that we do nothing to hamstring our free way of life. If democracy is to grow and flourish, it requires the wholesome atmosphere of faith, confidence, trust and good will; it withers in suspicion, distrust, hate or fear. The latter are characteristics of a people accustomed to oppression, not freedom.

Is not a basic distinction between a democratic form of Government on the one hand and tyranny on the other here involved?

We cherish, we love and we sanctify a free life. We teach our children its blessings. We distinguish it to them from the forms of government under which others are born and destined to live. We glory in its material and spiritual blessings.

It is not necessary that the liberty of the individual be subordinated to the safety, security or preservation of the State. Especially is this true in time of peace. Such arguments of suppression find their reasoning in the justifications asserted by men like Hitler, Mussolini, and Stalin. Patrick Henry, Thomas Jefferson, James Madison, and Andrew Jackson never employed any such argument in support of the recognition of a right already existing, or in preparing proper safeguards for any right threatened to be taken away. I prefer to follow the course of reasoning of our own illustrious forebears. Have democratic values lost their meaning? Is not this proposed cure of our ills by wire-tapping worse than the cancer it is supposed to remedy? Let us see.

How often, how repeatedly, have we heard echoed down through the years the sage advice of Jefferson that "the least governed is the best governed," and "democracy to live must be kept close to the people"?

Do we understand the full significance of that advice? Do we now comprehend what we are about to do, should these proposals be enacted? Do we foresee the second step in the direction of the long road such a measure would have us travel? To what destination does such a signpost point? Progress is a forward movement. Let us not reverse the trend of our national and local movements.

If like proposals of wiretapping were bad in the summer of 1941 when Tojo, Hitler, and Mussolini were astride the world, when the flames of a world war were threatening our shores, and a holocaust of destruction filled the skies, why now, with only a few spies and foreign agents in our midst, do we require this extraordinary invasion of our constitutional rights in the name of national security? There is no nationwide appeal, no concerted effort of the States through their legislatures, nor have there been any great conventions of our people, demanding the passage of legislation of this character. I dare say that if our people were cognizant of the evils embedded in the proposed measures they would rise up as a unit in opposition to these drastic propositions.

I referred a while ago to a fundamental concept of Thomas Jefferson. He wrote much. He spoke often in his letters and communications. The underlying concept and the golden thread of his entire concept of democracy was that there should be no government by remote control. The right of the individual, the safeguards of his liberties and freedom and those of his fellow citizens, were best served by keeping the authority over them close by the local ballot box. He always envisioned centralization of authority and concentration of power in the Federal Government as obstacles to the freedom of the individual. Liberty begins at the home level and should always remain close by.

At a later date I may have the opportunity to discuss more fully the philosophy of Jefferson and Jackson as each viewed the relationship between our national and local governments. Their views in the main were quite akin. Each was alarmed by the warning that a right given up by the individual or the State to the central government was the loss of another valued item of freedom and individual liberty. There has been a growing tendency over the past two decades or more to transfer from the local to the national scene all our problems for solution. This is a drift from democracy to a form of statism. The cry has been as though it came from a hapless and helpless people, "Let Uncle Sam do it." We must reverse the direction of that cry if freedom is to be preserved and democracy is to continue to abound.

Let us not forget that our greatness as a Nation is the result of the growth, strength, and independence of our local communities and State governments. The lines of demarkation must be preserved at all costs. The intelligence, the capacity, and the ever-present desire of our people for local self-government need to be encouraged, not frustrated. We could well, and should, consider measures which remove many of our Federal restrictions and return various powers to the States and local communities. This will aid the democratic process, and will restore rights to our people.

With particular reference to wiretapping and all the other devious methods employed in the interception of communications, what may we foresee? Prior to coming to Washington, I watched from a distance the mounting growth of a Federal bureaucracy. Since becoming a Member of the Senate, I have viewed with alarm every extension. As the Federal Government, its power and its activities increase, to that extent there is suppression and loss of State and local authority.

State lines are obliterated in many activities. States rights are more a symbol, than a reality. Let me illustrate my point by referring to situations that cause concern. Every executive department and agency has its security officers and corps of operating personnel. The armed services have their inspection and detection officers. Then there is the FBI, with its countless agents. The Central Intelligence Agency has its agents and representatives, here and abroad. The Treasury Department and the Bureau of Internal Revenue have their special detective forces. The Post

Office Department has its inspectors throughout the country. The Civil Service Commission has its investigators, here and in every district. In other words, there is on every hand a host of detectives for almost every conceivable purpose. They add nothing to our liberties. While harmless and protective in the main, their main responsibility to our good citizens is to narrow their rights to fit the straight jacket and pattern of central conformity.

What does the proposed legislation seek to do? Would it add to our individual rights and liberties as a free people? No. However harmless and innocuous this measure may be said to be, nonetheless, its passage and enactment would result in the creation of another horde of snoopers; another pack of skilled, technical, and expert detectives would be turned loose to prey upon the individual's inherited rights of privacy and to peep into the vested rights of business, large and small. Let us not be misled by believing that the lens of the telescope of intrusion into our rights would be restricted in its area or scope. It may be said that these interceptors are to view only Mars, Venus, Jupiter, and Mercury. Yet, within their range would be the entire solar system of our individual existence. Who would doubt that ere long the entire field of our everyday existence would come within the purview, and fall under the supervision, of these interceptors?

Before it is too late, we should hesitate; we should take careful stock of our rights, and at least should attempt to foresee for the future whither this legislation beckons us. We should determine what we are about to give up and what we are to get in return.

We are prepared to meet a prowler in the night, an intruder upon our real property, and a trespasser either by theft or trickery against our personal property. We are not prepared to fence off the agent who would, by stealth or deceptive device, steal our confidences, our thoughts, our private or business plans. When, with so little armor of defense, we enter a field open to interceptions of our entire life's work and ambitions, how futile it is to assert that only spies need fear the outcome. What implicit, childlike faith is wrapped up in the garment of such an argument.

While none of us would erect a barricade or shield to protect a spy, a saboteur, or a subversive, none of us ought, for fear of them, want to forsake any of the constitutional guaranties of our own freedoms, as set forth in the Bill of Rights. Let us not become a Nation of faceless people. Let us ever be vigilant, virile, and strong. May we always be a people of personality, privacy, and dignity, possessing, cherishing, and protecting our individual rights and the sacred values of freemen.

In this brief time, Mr. President, I have sought to show that, if this proposed legislation becomes law, we shall have lost every right of privacy, and shall not have strengthened our Bill of Rights. To the contrary, we shall have subtracted from the priceless values of the freedoms guaranteed us by the fourth and fifth amendments.

It may be well for a moment to consider the reasons for our Bill of Rights. Our people felt it necessary to place restraints upon the Central Government. They wished no encroachment upon their rights and immunities either as a people constituting a sovereign State or upon themselves as individuals. Our people wished to preserve the rights they already enjoyed and the liberties they feared might be transgressed.

Briefly, our Bill of Rights does two things: (a) It declared the existence of certain privileges and freedoms which may not be infringed upon; in other words, it creates a shield of protection against intrusions from a central authority; and (b) it sets up separate fields of power for the Federal and State governments, with grants, on the one hand, and reservations, on the other. Very little else can rightly be comprehended within the first 10 amendments of the Constitution, our Bill of Rights.

Mr. President, I do not now hold, and never will hold, any brief for communism, for subversion, or for sabotage. But, I shall forever hold a brief for our Bill of Rights, for the sacredness of the home and for the individual's right of privacy. I shall and do maintain that we have an enforceable right to speak freely and confidentially by telephone or wire. I want these personal rights to remain secure from tapping or any other means of interception. They should remain inviolable.

I want to be able to communicate with my wife, my children, my friends, and associates with a feeling and confidential security uninterrupted by the frailties of human nature, the jealousies of the envious, or the suspicions of the ignorant. Wiretapping once legalized prevents these methods of rightful communications.

It is the judgment of many that the ball of centralized power is now wound sufficiently large. An unwinding and an unraveling of it is long overdue. Now is the time to start. The proposed legislation affords us an opportunity to begin that process.

We were warned by Jefferson when he said:

> Where all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated.
>
> * * * * *
>
> The true barriers of our liberty in this country are our State governments.

Speaking of concentration of power, Jefferson had this to say:

> The time to guard against corruption and tyranny, is before they shall have gotten hold of us. It is better to keep the wolf out of the fold, than trust to drawing his teeth and claws after he shall have entered.

We would do well to heed the advice of Andrew Jackson in his farewell address. He foresaw the evils of centralized power, for he said:

> It is well known that there have always been those amongst us who wish to enlarge the powers of the General Government, and experience would seem to indicate that there is a tendency on the part of this Government to overstep the boundaries marked out for it by the Constitution. Its legitimate authority is abundantly sufficient for all the purposes for which it was created, and its powers being expressly enumerated, there can be no justification for claiming anything beyond them. Every attempt to exercise power beyond these limits should be promptly and firmly opposed, for one evil example will lead to other measures still more mischievous; and if the principle of constructive powers or supposed advantages or temporary circumstances shall ever be permitted to justify the assumption of a power not given by the Constitution, the general government will before long absorb all the powers of legislation, and you will have in effect but one consolidated government. From the extent of our country, its diversified interests, different pursuits, and different habits, it is too obvious for argument that a single consolidated government would be wholly inadequate to watch over and protect its interests; and every friend of our free institutions should be always prepared to maintain unimpaired and in full vigor the rights and sovereignty of the States and to confine the action of the general government strictly to the sphere of its appropriate duties.

The solution I have proposed, and the substitute I offer, is to outlaw all forms of interception and wiretapping, including wiretapping and interception by private detectives, local police departments, agencies of the State government, and every branch of the Federal Government. Wiretapping and interception by all such individuals and agencies should be forbidden by law, with strict penalties for violation of the law.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. Would my good friend from South Carolina go further and propose to outlaw the rule of evidence that one who talks with another can relate that conversation in a court of law?

Mr. JOHNSTON of South Carolina. How far does the Senator propose to go?

Mr. WELKER. I am asking the Senator from South Carolina if he wishes to outlaw all disclosures of communications of whatever nature? I feel that a man who is a liar would not hesitate to lie in respect to a conversation between, say, the Senator from South Carolina and the Senator from Idaho.

Mr. JOHNSTON of South Carolina. We cannot, by legislation, make a truthful man out of a liar.

Mr. WELKER. Is not the same thing true with respect to the "peephole" operators?

Mr. JOHNSTON of South Carolina. There is a difference. When one is tapping a wire and making a record, that is a different operation. In a great many instances it invades the home. I should like to have the Senator tell me how one could tap wires without sometimes invading the privacy of the home.

Mr. WELKER. That is very true. However, as the able Senator from South Carolina knows, the bill covers only espionage and sabotage. I think I suggested kidnaping. I do not know of any way of catching a kidnaper other than by tapping the telephone in the home of the parents when the man who seeks the money calls. As the Senator well knows, we have not yet marked up the bill, but I made the suggestion with respect to including kidnaping. Certainly no

purely private conversations should be used as evidence.

Mr. JOHNSTON of South Carolina. The Senator from Idaho knows that when wires are tapped a great deal of information is disclosed which probably will never be used in court. Nevertheless, such information is used against the individual, sub rosa, so to speak, in a great many ways. I do not know whether the Senator has ever seen an FBI report or not, but I think it would awaken many people in the United States if they knew just how the FBI obtains records, and how it goes about wiretapping at the present time. I think it should be prevented from wiretapping. They get information by listening in, and they make it a part of their report. They also talk to people and say it has been reported by someone that so and so did thus and so. They take take it all down, and it all goes into the record. There are a great many things going on that I do not approve of. I do not approve of the FBI and the Department of Justice—certainly not the Department of Justice—being given the carte blanche right to do anything like that.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I certainly agree with the Senator in his conclusion that all private wiretapping should be eliminated. However, when our country is in danger, and espionage agents are working day and night, it seems to me that we should not put roadblocks in the path of our police officers and open the gates for subversives, saboteurs, and espionage agents.

Mr. JOHNSTON of South Carolina. That is where I differ with the Senator from Idaho.

Mr. WELKER. We never differ, because we are dear friends. I admire the Senator's great legal ability, and I am here to be educated. I ask the Senator from South Carolina to tell me in what way we differ.

Mr. JOHNSTON of South Carolina. What is the Senator's question?

Mr. WELKER. I said I agree with the Senator from South Carolina with respect to private wiretapping with such detecting devices as are used in divorce cases, for example.

Mr. JOHNSTON of South Carolina. The Senator knows that at the present time there are being used some devices which can be taken into an adjoining hotel room, for example, and with which, even without the use of any wires at all, it is possible to take down everything that is being said in the other room. Some of the devices resemble small watches, and with them it is possible to take down everything that is said in conversations. I believe that the use of that sort of device should not be permitted.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I am sure the Senator remembers the famous case involving Clarence Darrow, in which he was charged with subornation of perjury in connection with the bombing of the Los Angeles Times building. I am sure the Senator is well aware of the fact that the police had his room "bugged," as that practice is called, with what I believe are called dictographs.

Mr. MORSE. Detectaphones.

Mr. WELKER. They had those things all over the room. I believe that is why Clarence Darrow was acquitted. I cannot agree with the Senator from South Carolina that the best way to convict a man is by wiretapping. As a matter of fact, we are inclined to give the wrong impression if we believe that to be the case. The Senator, being a great lawyer, knows very well that the use of such devices would be one of the best ways in which to acquit a man. Does not the Senator agree with me?

Mr. JOHNSTON of South Carolina. Using such a device is certainly taking advantage of the other fellow. I believe the jury in such a case would quickly come to the conclusion the Senator mentions and free the man, instead of convicting him, if unfair means were used in trying to convict him.

Mr. WELKER. Mr. President, will the Senator yield further? I do not like to bother him too much.

Mr. JOHNSTON of South Carolina. That is perfectly all right. I have about concluded my remarks.

Mr. WELKER. The question was asked of me when I was holding hearings whether I would agree to wiretapping. I was asked that question by a former Democratic Attorney General, Mr. Biddle, and by the present Attorney General, Mr. Brownell. I said I would be in favor of it in order to protect the security of my country. That I firmly believe in. I should say further to the Senator from South Carolina that I have spent the major portion of my life in defending people who were charged with crime. I do not like to see an advantage taken of anyone. I do not believe that politics should enter into the consideration of this subject. I am sure the Senator from South Carolina agrees with me about that.

Mr. JOHNSTON of South Carolina. Neither do I believe that politics should enter into it; but I believe it would be very hard to keep politics out of it if we should give the Attorney General the right to employ wiretapping. I care not who the Attorney General might be, no matter who the Attorney General might be, it would be very hard to keep politics out of it.

Mr. WELKER. Regardless of who might be the Attorney General, he is the chief law-enforcement officer of the Nation.

Mr. JOHNSTON of South Carolina. Yes. I do not mean any reflection on any person who serves as Attorney General; but there is a certain amount of politics involved. An Attorney General is appointed because of his politics, and an Attorney General is usually dismissed because of his politics. That principle goes down the line. So I believe it will be very hard to keep politics out of it.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. The Senator and I, when we became lawyers, took a very solemn oath, an oath which I am sure both of us respect, never to take advantage of the defenseless and the oppressed, I cannot imagine an Attorney General, whether he be a Republican Attorney General or a Democratic Attorney General, trying to take advantage of a man in an effort to send him to jail.

Mr. JOHNSTON of South Carolina. Generally speaking I believe that is correct. I have found that some prosecutors go into court trying to convict everybody, that other prosecutors really are too good to the criminals, and that still other prosecutors stand on a sort of middle ground. The human element enters into these considerations. That is what I have found to be the case.

Mr. WELKER. Under a rule of law a person may bore 4 or 5 peepholes and through them hear intimate personal conversations, for example, between myself and the Senator from South Carolina, and that person may be a vicious liar. However, his veracity is a question for the jury to determine. Am I not correct in that regard?

Mr. JOHNSTON of South Carolina. That is correct. The jury passes on the question of whether such a person is telling the truth.

Mr. WELKER. I still believe in the fundamental right of trial by jury, because I do not believe juries are fooled a great many times.

Mr. JOHNSTON of South Carolina. They do not make too many mistakes, although they make some, of course.

Mr. WELKER. They have made a few in cases in which I have been interested.

Mr. JOHNSTON of South Carolina. I, too, have had a few, a few such experiences. At least, I thought so at the time.

Mr. WELKER. As I understand, the Senator does not favor even the amendment offered by the Senator from Nevada [Mr. McCARRAN], with respect to first getting the consent of a judge before wiretapping is used.

Mr. JOHNSTON of South Carolina. That is better than the other proposal. I would vote for such an amendment to the bill, but personally neither proposal suits me.

Mr. WELKER. Even when the security of our country is involved?

Mr. JOHNSTON of South Carolina. I believe the security of our country can be very well protected without such a practice. I remember that, according to the testimony of J. Edgar Hoover, there were three times as many Communists in the United States when President Hoover went out of office than there are now. Nevertheless we did not hear any agitation for the passage of this kind of a law at that time.

Mr. WELKER. Mr. President, I should like to have the Senator answer my question with respect to the amendment offered by the Senator from Nevada [Mr. McCARRAN], which provides that a district judge shall first give his consent to wiretapping.

Mr. JOHNSTON of South Carolina. I do not believe anyone should be allowed to tap wires, even with the consent of a

judge. That is my position. To do so means giving up a part of our sacred liberties under the Constitution.

Mr. WELKER. The Senator understands that it is not a violation of the fourth or fifth amendments of the Constitution.

Mr. JOHNSTON of South Carolina. I would not say that question has been ruled upon.

Mr. WELKER. It has been ruled upon by the Supreme Court, a court with which I know the Senator is unhappy.

Mr. JOHNSTON of South Carolina. The Supreme Court did not rule directly on the point.

Mr. WELKER. I beg the Senator's pardon. In the case of United States against Olmstead, the court said it was not a violation of the fourth or fifth amendment——

Mr. JOHNSTON of South Carolina. That it was not a violation to employ wiretapping?

Mr. WELKER. Yes; that it was perfectly legal.

Mr. JOHNSTON of South Carolina. But the court did not say it could be used as evidence.

Mr. WELKER. No.

Mr. JOHNSTON of South Carolina. The bill proposes to grant the right to use it as evidence.

Mr. WELKER. Who stopped the use of it as evidence?

Mr. JOHNSTON of South Carolina. Who stopped it?

Mr. WELKER. Yes.

Mr. JOHNSTON of South Carolina. No case has come up on that direct point.

Mr. WELKER. Oh, yes.

Mr. JOHNSTON of South Carolina. What case?

Mr. WELKER. The Judith Coplon case.

Mr. MORSE. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. I think the Senator is referring to the Communications Act as passed by Congress.

Mr. JOHNSTON of South Carolina. I quoted from that act a few moments ago. I do not think we have ever had a direct ruling on the constitutional question itself.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. There was a ruling in the case of United States against Olmstead.

Mr. JOHNSTON of South Carolina. The Olmstead case did not go so far as to hold that such evidence could be used in court.

Mr. WELKER. Oh, no.

Mr. JOHNSTON of South Carolina. What was the ruling of the Court in that case?

Mr. WELKER. That wiretapping was perfectly legal, and did not violate the fourth and fifth amendments to the Constitution.

Mr. JOHNSTON of South Carolina. But the Court did not grant the right to use it as evidence.

Mr. WELKER. The Court has never passed on that point, but in the Coplon case the Court used section 605 of the act, and the Court held the wiretapping could not be used as evidence. Is that correct?

Mr. MORSE. Mr. President, will the Senator from South Carolina yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. In the Olmstead case the Supreme Court, by a 5-to-4 decision, ruled that wiretapping did not constitute a violation of the fourth and fifth amendments. The Senator from Idaho is correct. As I said in my speech today, there were well-reasoned dissenting opinions, and I have cause to believe that if we could get the facts before the Court again there might be a different decision. In another case the ruling was laid down that the evidence could not be used because the Court interpreted section 605 of the act to mean that evidence collected by any interception was divulged even when the officer reported to his superior, and it would be in violation of the statute from the standpoint of divulgence and from the standpoint of the incorporation in the statute of the word "use." It also prohibited the use of the evidence. Therefore, as the Senator points out, it cannot be admissible in evidence.

When we come to the Coplon case—and the Senator may not agree with this analysis, but I discussed the two Coplon cases at some length today—we have the Washington Coplon case and the New York Coplon case. The interesting point is that the conviction of Miss Coplon in the Washington case did not involve wiretapping evidence. She was convicted without any wiretapping evidence at all. In the New York case there was wiretapping evidence involved, but it was thrown out on the ground that the use of the wiretapping evidence was in violation of the statute.

But the interesting point about wiretapping in the Washington Coplon case is that the wiretapping did not involve the collection of any evidence offered in the case against her, but the wiretapping process in the Washington Coplon case involved the interception of a telephone conversation between Miss Coplon and her attorney. The court ruled that what she was denied in the Washington Coplon case was her constitutional right to be represented by counsel. That was on a constitutional point.

Mr. WELKER. I agree with that.

Mr. MORSE. I am of the opinion that we can convict traitors, subversives, and Communists without wiretapping. I am convinced that we can convict them short of wiretapping. I think we are in exactly the same situation as was Patrick Henry when the argument was advanced by some persons that a general warrant was needed in order to detect traitors. Henry denied it, as I deny today that we need wiretapping to detect Communists and subversives. I think what we need is the right type of persevering, efficient law-enforcement officers. I do not believe we have to invade the privacy of the American home in order to catch saboteurs and espionage agents.

Mr. JOHNSON of South Carolina. Does the Senator from Oregon believe that Communists are too sly or too slick to use the telephone?

Mr. MORSE. No; I would not say that. In some instances that may be true, but I do not think there is any doubt that Communists use means of communication, and tapping those means does give an opportunity to listen into conversations of Communists, although I am also inclined to believe that to go all the way and completely legalize the use of wiretapping would cause most of them to be canny enough to recognize that they would have to find other means of communicating. I am inclined to think it would drive them underground even more than they are now.

Mr. WELKER. Would not that be a wholesome thing?

Mr. MORSE. No; not if we use the word in the sense in which I use it. I would drive them out of the country, if I had my way.

Mr. WELKER. I am sure of that.

Mr. MORSE. When I use the word "underground" I mean driving them into various subterfuges and devious devices for carrying on their work without the use of the telephone. Honest men differ on this question, as I think is being demonstrated at this moment, but I cannot support the use of any wiretapping device even on the ground that it is to be used only in detecting subversives, because what it amounts to is the general warrant. No matter what check we try to impose by way of court action, what is tapped is always a conversation, which thus becomes the property or the knowledge of some third person, opening the way to many dangers, such as police abuse, blackmail, third-degree methods, and what not. I do not think we need it and I do not believe we should tolerate it in the name of checking so-called Communist activities, because I have greater faith in the detection processes of efficient law-enforcement officers than to believe that we have to reconstitute the general-warrant concept.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield, so that I may answer the Senator from Oregon?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. How, on God's green earth, could an innocent man object to his wire being tapped if, in fact, J. Edgar Hoover felt that the man was a subversive?

Mr. MORSE. I may say most respectfully, in the vein of two lawyers disagreeing, that I think it is a highly non sequitur argument on the whole issue of protecting the privacy of Americans to say, "If you do not have anything to hide, what objection do you have to giving up your privacy?"

My objection is that privacy is so precious that I do not believe because I have nothing to hide, that therefore I should be willing to relinquish it.

The privacy of the home, which is the castle of a free man, is so precious to freedom, that I do not believe any American ought to be forced by law to give it up simply on the basis of the argument: "What do you have to hide?" The

answer to the argument is, "Nothing; but what I want to preserve is my right to complete privacy."

Mr. WELKER. I appreciate the statement by the Senator from Oregon that we are lawyers disagreeing. But is it not a fact that the windowpeeper, the man who bores a hole in a door and hears what Senator MORSE says to Senator WELKER, is invading the right of privacy?

Mr. MORSE. If the Senator from Idaho wishes me to answer that question legislatively, I will go along with him and the Senator from South Carolina in saying that that invasion of privacy should be plugged up also.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield once more to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Idaho.

Mr. WELKER. The Senator from Oregon said the Communists might go underground if the bill should be enacted. Why under the sun should they not use the communications systems when they have a free road to use them, while the law-enforcement bodies of the Government have no right whatsoever to do so?

Mr. MORSE. I do not know what conclusion is to be drawn from the Senator's question. I do not know what conclusion the Senator seeks to have drawn from it. Of course, if there is to be freedom, it must be a precious right to be enjoyed by everyone in the country who is entitled to it, the crooks as well as the honest. The basic philosophy of British and American jurisprudence, as the Senator from Idaho knows, is that fair procedure should be applied to the guilty as well as to the innocent. That is a part of our whole system of justice. We protect the guilty as well as the innocent, in the sense that the guilty are guaranteed a fair procedure.

Our difference on this point is, I think, that I hold to the point of view that the wiretapping procedure denies to people fair trials, fair hearings, and the fair right to privacy.

Mr. WELKER. Does it deny it any more than it does to a person who bores a hole through a door?

Mr. MORSE. The Senator from South Carolina and I are going to plug up that hole, too.

Mr. JOHNSTON of South Carolina. Mr. President, from this discussion I think it can be seen that there will be differences upon methods of handling the situation, but I certainly believe, so far as I am concerned, that wiretapping should be prohibited in any form.

When this is done we will begin to restore a measure of freedom to a people encircled by fear and hysteria. We will begin the task of making more secure all the protective provisions of our Bill of Rights. We will begin the work—so long neglected—of protecting the individual in the rights he has won through the struggle of the centuries. We can then freely proclaim to the world: "Others may lose their individual rights but we intend to preserve ours."

We will earn the approbation of freemen everywhere. The citadel of freedom for freemen will remain unassailable.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I address this question to my two distinguished colleagues from South Carolina and Oregon, respectively, both of whom are able lawyers. Under their philosophy we should plug up the keyhole, but we should not deny to the Senator from Oregon the right to testify as to what he overheard the Senator from Idaho say to the senior Senator from Texas [Mr. JOHNSON]?

Mr. MORSE. Not at all—not in the environment I think the Senator from Idaho has in mind when he raises the question. If what the Senator from Idaho means is that if I were to hide under the bed in the home of the Senator from Texas and listen to the privacy of his conversation, I may say that I would plug up that violation of privacy, also.

If I sat in the cloakroom of the Senate, to assume a hypothetical situation, and listened to the Senator from Idaho and the Senator from Texas carry on a conversation which involved criminality, of course it would violate their privacy if I testified as to what I heard.

Mr. WELKER. We are speaking, of course, without any reflection upon our colleague, the distinguished minority leader.

Mr. MORSE. Yes; of course. Let us suppose persons X and Z.

Mr. WELKER. Suppose X and Z are in the home of A for dinner, and they go to a corner of the room. A thinks he hears something of interest. Perhaps he is a vicious man and does not tell the truth before the court. Should we not plug up that possibility, too?

Mr. MORSE. No.

Mr. WELKER. Why?

Mr. MORSE. There is no right of privacy violated.

Mr. WELKER. Not when X and Z are off in a corner?

Mr. MORSE. X and Z see A there.

Mr. WELKER. But A is off by himself. X and Z are having a private conversation in a corner. A goes to a law enforcement officer and says he heard X and Z say that they were going to blow up the Washington Monument.

Mr. MORSE. No legal privacy has been violated.

Mr. WELKER. I differ with the Senator from Oregon.

Mr. MORSE. I know the Senator does, because we are talking about the old legal definition of degree. But there is no violation of the privacy of X and Z at all. The three persons are sitting in a room. X and Z are in one corner; A is in another. A overhears a conversation.

I simply say that if violation of privacy is involved, that loophole should be plugged up.

Mr. WELKER. I differ with the Senator from Oregon on the definition of privacy of the home. I am certain that if such an event happened in the Senator's home, he would throw both parties out.

Mr. President, will the Senator from South Carolina yield for another question?

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. WELKER. We know that the debate on this question arose out of the decision by Mr. Justice Holmes, in which he stated that this type of interception was a dirty business. Am I not correct?

Mr. MORSE. That was one of the pronouncements he made in that decision. He made many more, as did Mr. Justice Stone in that case. Even Mr. Justice Butler, in that case, laid down some sound principles on the matter of protecting the privacy of citizens, as did Mr. Justice Brandeis. In these days, I think we ought to review those principles.

Mr. WELKER. What is more dirty business than for a man to overhear a conversation—let us assume he is an FBI agent—and then to go into a Federal court and deliberately to lie against two persons? That certainly is dirty business.

Mr. MORSE. Of course it is dirty business, but I think it is irrelevant to the whole issue of whether or not Congress should permit the privacy of a free man's home to be invaded by wiretapping, unknown to the individual.

Mr. WELKER. With his great ability, my good friend, the distinguished Senator from Oregon, could cross examine such a person right out of court, as he well knows.

Mr. MORSE. In that case, such a procedure of protection is available.

Mr. WELKER. Certainly; and that procedure would be available in the case of wiretapping.

Mr. MORSE. No; there would not be that protection, once the knowledge of what took place in the telephone conversation became the property of the police. Individuals would then be subject to being victimized by police tyranny.

Mr. WELKER. Mr. President, will the Senator from South Carolina further yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. Perhaps the Senator from Oregon has not followed our hearings. There is every way in the world for one to lie and cheat and steal in connection with wiretapping devices.

Mr. MORSE. I discussed that at some length today.

Mr. WELKER. I am sorry that I did not hear the Senator's speech.

Mr. MORSE. I shall use an example again. According to what the technicians have told me, I could record on a tape a 1-hour speech in the Senate by the Senator from Idaho, and turn the speech over to the technicians, who could then bring forth a recording proving conclusively, from the standpoint of the tape, that the Senator from Idaho recited the Internationale on the floor of the Senate.

Mr. WELKER. I appreciate that.

Mr. MORSE. That is why I am against wiretapping.

Mr. WELKER. But will not the Senator from Oregon agree with me that by

cross-examination and the use of corroborating witnesses, such a recording could be blown right out of a courtroom?

Mr. MORSE. No; I think that is a very false assumption to make. There may be a very able lawyer who in case X will break down the falsity of the wiretap. In many other cases the wiretap may stand up and the jury may believe it. I think we should outlaw the process or procedure of wiretapping in order to prevent the dangers that exist under such procedures.

Mr. WELKER. The Senator from Oregon would outlaw all wiretapping?

Mr. MORSE. I would outlaw all wiretapping.

Mr. WELKER. The Senator would not compromise with a provision that judges should pass on requests to wiretap and grant permission?

Mr. MORSE. No. Let me say a word about the judgeship check. In the first place, there is no way to stop the process from being what Judge Brandeis described it as being in the Olmstead case. It cannot be a selective process. Once a wire is tapped, everything that goes over the wire is tapped. I think that should be kept in mind. Secondly, we need to recognize how law enforcement works. The judge is a member of the community. He has to work cooperatively with the prosecutor, and the prosecutor with the judge. Usually there exists a desirable teamwork relationship between the judge and the prosecutor, and such a procedure will become pro forma. In most cases, as the wire tapping procedure would become the practice, the prosecutor would appear before the judge and state, "Your honor, we have reason to believe Mr. X is a dangerous subversive in this community. We want you to authorize our tapping the wires of X." Where is the judge who ordinarily would deny such a request?

Mr. WELKER. I can name two of them in the Senator's own State. Does the Senator from Oregon think that Judge Alger Fee, the greatest jurist I know, or Judge Claude McColloch, would ever grant such permission without positive evidence?

Mr. MORSE. I am not going to speak for Judge Fee or Judge McColloch; I am going to speak to the practice. It does not make any difference whether a certain judge would grant permission to tap the wires of X, Y, or Z.

The fact is that if a prosecutor came before a judge and stated, "We think we have a bad subversive in this town and we want to have an order to wire tap his telephone," the judge would ask, "What have you by way of prima facie evidence?" That is what the bill would require. A prima facie case would have to be made out.

The prosecutor would then state, "Well, on the following days we saw him with these people, and they are bad characters. Some of the public acts of this fellow indicate he is associated with a pretty bad crowd. We saw the following people come out of his home on February 1. We have a suspicion that maybe he is having Communist meetings in his home. We think we had better put him under surveillance."

Without naming individual judges, I think in most instances, with the working arrangement which exists between judges and prosecutors, the prosecutor would get a court order. I do not think there would be any safeguard at all. When the prosecutor received his order, he would receive an order to tap the whole conversation, whatever went over the wires, the conversations of the people who called in as well as those of the persons they were trying to detect.

Mr. WELKER. Mr. President, I desire to have the floor for only a few moments more. I am sorry to take up so much time, but this is a very enlightening debate, I am sure. No doubt the Senator from Oregon has had some experience as a prosecutor, has he not?

Mr. MORSE. No, I have not. I have not had that great opportunity which the Senator from Idaho has had. I have not been a prosecutor. However, I have studied the records of a great many prosecutors.

Mr. WELKER. The Senator from Oregon has stated that there is an alliance between judges and prosecutors.

Mr. MORSE. I did not say an alliance. I said there is good teamwork. There ought to be. There is a good teamwork between them.

Mr. WELKER. I do not think there should be. I differ with the statement of the Senator from Oregon.

Mr. MORSE. If the prosecutor makes a prima facie case, I think there should be good teamwork.

Mr. WELKER. When one goes to a judge for a search and seizure warrant, as I have done hundreds of times, one will find that if he does not have the evidence he will not be granted such a warrant. I have had that experience many times.

Mr. MORSE. Certainly. That is why there exists the great protection in the Bill of Rights as to search and seizure warrants. We did away with the general warrant for searches and seizures. No one can now get a general warrant for searches and seizures. It is necessary to have a specific warrant, and identify the property which it is desired to seize. It has to be made pretty clear to the judge where it is expected the property will be found. Every man is protected from a rummaging performance in his castle or home.

Mr. WELKER. It is necessary to name the place and to have reasonable grounds on which to ask the judge for such a writ.

Mr. MORSE. I should like to say, most respectfully, that the argument by analogy breaks down when the Senator applies the warrant question to the wiretap question.

Mr. WELKER. We are now discussing judges.

Mr. MORSE. The protection afforded by requiring action by a judge, to which the Senator from Idaho is referring, in my opinion affords no protection at all. I am opposed to the so-called safeguard of having a judge act, and I want to point out it does not protect the individual from what I think is the abuse of the general warrant characteristic of wiretapping.

Mr. WELKER. While we are on the question of the protection requiring action by a judge, I may cite an experience which I had, and which I think my distinguished colleague from Oregon may have had. I know that I have had such an experience, and the Senator from Utah [Mr. WATKINS], who is on the committee, has had the same experience. When a person goes to a particular judge, files his affidavit, and asks for a writ, the clerk, the court attachés, and the reporter are present, and it soon leaks what is being sought. The Senator from Utah related an experience which he had when he was a jurist and granted a writ of search and seizure to invade the right of privacy of the home. There were reasonable grounds for granting such a writ, but because the information leaked out from the judicial chamber, when the authorities reached the place in question they found the persons present were playing rummy and they just laughed at the officers. After the officers left, they resumed operating the still, or dispensing illegally possessed liquor, or whatever the violation may have been.

Mr. MORSE. I think many such cases can be cited, but I do not admit the general premise stated by the Senator from Idaho, that if there existed the so-called judge requirement, where there was a leak the situation could not be handled, but that in most cases there would not be such a leak. That does not go to the basis of the problem. The basis of the problem is whether or not the judge requirement or any other requirement gives an individual protection against invasion of his privacy to the extent that it prevents a law enforcement officer from getting all of the conversation. When permission is given to get all the conversation, the person is subject to a great many abuses.

Mr. WELKER. I am sure the Senator from Oregon has great respect for Mr. J. Edgar Hoover.

Mr. MORSE. Oh, yes, but I certainly disagree with his recent pronouncement with regard to wiretapping. I wish he had stood by the pronouncements which he made in 1940 and 1941.

Mr. WELKER. I wish Chairman CELLER, of the House Judiciary Committee, had kept to the pronouncements which he made in 1953.

Mr. MORSE. I do not know about them.

Mr. WELKER. I suggest to the Senator from Oregon that he read the RECORD.

Mr. MORSE. Until the Senator from Idaho shows me, I would not know whether it has anything to do with the issue under discussion.

Mr. WELKER. Chairman CELLER made as a complete reversal of his field as any I ever saw. The Senator from Oregon states that he does not want the right of privacy invaded; but, under present conditions when evil men are seeking to destroy our Nation, we are giving the right of privacy to saboteurs, espionage agents, kidnapers, and other such law breakers, and we are absolutely putting a roadblock in the way of the FBI or other law-enforcement agencies.

Mr. President, in concluding my brief remarks, let me say that, as my friend, the Senator from Oregon knows, I have had considerable experience along these lines; and I wish to assure my colleagues that I am trying to be fair in this matter.

On the subject of the Coplon case, let me say I do not believe that a person who has had to face the fire of a day in court should have to return to face it again.

Later I shall have more to say on this subject, which I did not know was to be discussed in the Senate Chamber today. In the meantime, I hope my colleagues will be thinking about it.

I certainly appreciate very much the delightful discussion I have had with my two able and distinguished lawyer friends.

Mr. MORSE. Let me say it is always a pleasure to participate in a discussion with the distinguished Senator from Idaho.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. KNOWLAND. Mr. President, I am still hopeful that this evening we may complete consideration of the noncontroversial features of the appropriation bill, which is the unfinished business, so that we can dispose of them. There is a unanimous-consent agreement on the bill, and it will be put into operation on Moday. It is expected to continue with consideration of the appropriation bill on Monday until final action on it is taken.

I now ask unanimous consent that upon completion of consideration of the appropriation bill, there be a call of the calendar, for consideration of bills and other measures to which there is no objection, from the point where the last calendar call concluded, which will mean starting with Calendar No. 1519, Senate bill 1308, for the relief of Leonard Hungerford, and including Calendar No. 1466, House bill 2566, to amend the Contract Settlement Act of 1944; Calendar No. 1498, House bill 2844, providing for the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii; and Calendar No. 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, were the bills which went over from the last calendar call to the next calendar call.

Mr. MORSE. Mr. President, reserving the right to object, I should like to make an inquiry of my friend, the Senator from California. I do not know how much patience the Senator from California has tonight.

Mr. KNOWLAND. I am very patient.

Mr. MORSE. I hope the spirit of brotherly love and charity will stream through the veins of the Senator from California. As the Senator knows, I have been ready from the beginning of the session today, waiting to make some remarks on the unfinished business.

Mr. KNOWLAND. I have a slight suspicion as to what the Senator from Oregon is going to suggest.

Mr. MORSE. I refer to House bill 3097, which would authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif. I think my argument on the bill will not take more than 20 or 30 minutes, and the Senate can then vote on the bill.

Mr. KNOWLAND. Am I to understand that the Senator from Oregon would be inconvenienced if the bill were not taken up today, but were put over to Monday?

Mr. MORSE. Not only would I be inconvenienced; but I have such an important engagement of long standing in Wisconsin, on Monday, for a speech on civil rights, that I do not see how I could possibly return in time. So I wonder whether the Senator from California will accommodate me by agreeing to an understanding that the California bill will not be taken up until Tuesday.

Mr. KNOWLAND. Mr. President, the Senator from Oregon hardly need ask me that question. Of course I am willing to agree to such an arrangement.

Mr. MORSE. I appreciate very much the Senator's courtesy in the matter.

Mr. KNOWLAND. I shall be glad to have the California bill, to which the Senator from Oregon apparently has some slight objection, put over until Tuesday, so the Senator from Oregon can return and make his speech in opposition.

Mr. MORSE. I thank the Senator from California very much indeed.

Mr. KNOWLAND. If that takes care of the matter, I now submit the request previously stated.

The PRESIDING OFFICER (Mr. UPTON in the chair). Is there objection? Without objection, it is so ordered.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 13, in line 13. The amendment will be stated again.

The CHIEF CLERK. Under the heading International Educational Exchange Activities, on page 13, in line 13, after the word "appropriation" and the semicolon, it is proposed to strike out "$9,000,000" and insert in lieu thereof "$15,000,000."

Mr. BRIDGES. Mr. President, I ask unanimous consent that a brief statement on the International Educational Exchange activities be printed at this point in the RECORD, prior to taking action on the amendment.

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

INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES

The committee has allowed the budget estimate of $15 million for this activity which is an increase of $6 million over the amount allowed by the House. Of the $15 million recommended, $7,560,166 is to be used to purchase foreign currencies or credits owed to or owned by the United States Treasury, in order to reduce our hard-dollar expenditures abroad. For 1954 the allowance was $14,965,000.

It is the sense of the committee that smaller colleges and universities, nationwide, be provided with a greater opportunity to participate in the International Educational Exchange program. This applies not only to the selection of exchangees being sent abroad but also to foreign exchangees coming to the United States. The tendency has been to concentrate on the larger institutions of learning. The committee in no way objects to the utilization of these larger institutions, but believes that the selection of American exchangees to go abroad and the assignment of foreign exchangees should be spread over the greatest geographical area possible. It is only in this way that foreign exchangees will catch the true breadth of the American character and way of living. The committee states frankly that its recommendations for the fiscal year 1956 will depend upon the success of carrying out the above recommendations.

Mr. BRIDGES. Mr. President, I wish to say that I concur in the statements made by various Senators in favor of the educational exchange activities funds. The Senators who have raised questions about this item may be assured that in the conference, the conferees on the part of the Senate will certainly make every effort to express forcibly the will of the Senate regarding this fund.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 13, in line 13.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "General provisions—Department of State," on page 16, after line 13, to insert:

SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive.

Mr. GORE. Mr. President, I make the point of order that the amendment proposes legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair is advised——

Mr. BRIDGES. Mr. President, in view of the raising of the point of order, I suggest that this amendment go over until Monday. Let me point out that previously I have filed, in connection with this amendment, a notice of intention to move to suspend the rule.

The PRESIDING OFFICER. Does the Senator from Tennessee withdraw the point of order?

Mr. GORE. No.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the committee amendment on page 16, after line 13, inserting section 111—on which the distinguished Senator from Tennessee has been forced to raise a point of order—and also the committee amendment on page 16, after line 18, inserting section 112, go over to Monday.

In this connection, I point out that a notice of intention to make a motion to suspend the rule has already been filed.

Mr. GORE. Mr. President, I am agreeable to the course of action proposed by the Senator from New Hampshire.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? Without objection, it is so ordered.

The next amendment of the committee will be stated.

The next amendment was, under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration," on page 17, line 14, after the word "Assistant", to strike out "$2,450,000" and insert "$2,495,000."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and Expenses, United States Attorneys and Marshals," on page 18, line 12, after the word "ammunition", to strike out "$14,000,000" and insert "$14,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Fees and Expenses of Witnesses," on page 19, line 1, after the word "Code", to strike out "$1,200,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Immigration and Naturalization Service—Salaries and Expenses," on page 21, line 18, after the figures "$39,000,000", to insert a colon and *"Provided,* That hereafter the compensation of the Deputy Commissioner, Immigration and Naturalization Service, shall be $15,000 per annum."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Prison System—Salaries and Expenses, Bureau of Prisons," on page 22, line 2, after the name "Alaska", to strike out "not to exceed $529,000 for departmental personal services"; and in line 18, after "(5 U. S. C. 341f)", to strike out "$26,385,000" and insert "$26,850,000."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—Department of Justice," on page 24, after line 8, to strike out:

SEC. 202. The minimum annual salary of any United States Attorney, any Assistant United States Attorney, or any special attorney or special assistant, as set forth in section 202 of the Department of Justice Appropriation Act, 1954, shall not apply to any such official after June 30, 1954.

And in lieu thereof to insert:

SEC. 202. The minimum annual salary of any United States attorney, appointed to serve in any of the United States Territories or possessions, or of any assistant United States attorney, special attorney, or special assistant who has not been engaged in the practice of law for 3 years, as set forth in section 202 of the Department of Justice Appropriation Act, 1954, shall not apply to any such official after June 30, 1954.

The amendment was agreed to.

The next amendment was, on page 25, after line 23, to insert:

SEC. 208. Not to exceed 5 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 5 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Department of Commerce—Office of the Secretary," on page 26, line 14, after the figures "$1,000", to strike out "$2,000,000" and insert $2,100,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Census," on page 27, line 1, after the figures "$6,200,000", to strike out the comma and "of which $10,000 shall be used to renew the compilation of statistics on stocks of coffee on hand."

The amendment was agreed to.

The next amendment was, on page 27, after line 3, to insert:

Census of agriculture: For expenses necessary for taking, compiling, and publishing the 1954 census of agriculture, as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for field work under this appropriation; $16 million, to become immediately available and to remain available until December 31, 1956 (13 U. S. C. 216, as amended by 66 Stat. 736).

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Administration," on page 28, line 3, after the word "snowshoes", to strike out $96,450,000" and insert "$97,850,000."

The amendment was agreed to.

The next amendment was, on page 30, line 11, after the word "uniforms", to strike out "$550,000" and insert "$650,000."

The amendment was agreed to.

The next amendment was, under the subhead "Business and Defense Services Administration," on page 32, at the beginning of line 22, to strike out $6,070,000" and insert "$6,820,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Foreign Commerce," on page 33, at the beginning of line 8, to insert "and purchase of materials necessary to prepare exhibits for use in international trade fairs"; and in line 9, after the amendment just above stated, to strike out "$1,500,000" and insert "$2,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Maritime Activities," on page 34, line 7, after the word "Commission", to strike out $55,000,000" and insert "$85,000,000"; in the same line, after the amendment just above stated, to insert "to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department,' and"; and on page 35, at the beginning of line 15, to strike out "and fifty."

The amendment was agreed to.

The next amendment was, on page 35, line 20, after the figures "$13,500,000", to insert "of which sum $5,000,000 shall be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department,' and."

The amendment was agreed to.

The next amendment was, on page 37, after line 11, to strike out:

War Shipping Administration liquidation: Not to exceed $2,000,000 of the unexpended balance of the appropriation to the Secretary of the Secretary in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled: "Working fund, Commerce, War Shipping Administration functions, December 31, 1946."

And in lieu thereof to insert the following:

War Shipping Administration liquidation: Not to exceed $12,500,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled: "Working fund, Commerce, War Shipping Administration functions, December 31, 1946": *Provided,* That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $12,500,000 continued available and less the amount of $85 million transferred to the appropriation "Operation-differential subsidies" and less the amount of $5 million transferred to the appropriation "Salaries and expenses, Maritime Activities", by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the Surplus Fund and covered into the Treasury immediately upon the approval of this act.

The amendment was agreed to.

The next amendment was, on page 39, line 15, after the word "Office", to insert a colon and *"Provided,* That this provision shall not apply to any case in which a final court judgment has been made."

The amendment was agreed to.

The next amendment was, under the subhead "Patent Office," on page 40, line 18, after the word "Patents", to strike out "$11,000,000" and insert "$12,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Public Roads," on page 41, at the beginning of line 20, to strike out "$350,500,000" and insert "$360,500,000."

The amendment was agreed to.

The next amendment was, on page 41, at the beginning of line 22, to strike out "$146,500,000" and insert "$136,500,000."

The amendment was agreed to.

The next amendment was, on page 43, line 1, after the word "expended", to insert a colon and *"Provided,* That no part of this appropriation shall be allocated for expenditure in a particular country unless such allocation shall have been submitted to and reviewed by the Senate and House Appropriations Committees 30 days in advance of the allocation."

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 45, line 10, after the word "for", to strike out "$3,000,000" and insert "$3,300,000."

The amendment was agreed to.

The next amendment was, on page 45, at the beginning of line 19, to strike out "$2,000,000" and insert "$2,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—Department of Commerce," on page 47, after line 11, to insert:

SEC. 304. There shall be hereafter in the Department of Commerce, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Commerce, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of July 15, 1947 (61 Stat. 326), as amended (5 U. S. C. 592a) relating to Assistant Secretaries of Commerce. Section 3 of Reorganization Plan No. 5 of 1950, as amended (64 Stat. 1263; 66 Stat. 121) is hereby repealed.

The amendment was agreed to.

The next amendment was, on page 47, after line 21, to insert:

SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place one position in grade GS–18, fourteen positions in grade GS–17, and five positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grades GS–16, GS–17, and GS–18.

Mr. BRIDGES. Mr. President, this is another amendment about which the distinguished Senator from Tennessee [Mr. GORE] has spoken to me, and has said that if I insisted on the amendment, he would raise a point of order. Therefore, I suggest that the amendment go over until Monday.

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

The next committee amendment will be stated.

The next amendment was, on page 48, after line 6, to insert:

SEC. 306. No part of the appropriations made available in this title shall be available for management studies except the $100,000 authorized for transfer to the Office of the Secretary.

The amendment was agreed to.

The next amendment was, under the heading "Title IV—United States Information Agency", on page 51, line 2, after the word "organizations", to strike out "$75,814,000" and insert "$83,814,000"; in line 3, after the amendment just above stated, to insert "of which $3,200,000 shall be derived by transfer from the unobligated balance in the account "International Information Activities, United States Information Agency", and"; in line 6, after the word "shall" to insert "if possible", and in line 8, after the word "States", to insert "and not less than $300,000 shall be made available to one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, as well as other areas of the free world, which programs shall be designed to cultivate friendships with the peoples of the countries of those areas, and to build improved international understanding."

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President I have a question I should like to raise. The language on page 49, line 24, as it came over from the House, has not been altered by the Senate committee. The item is for "purchase of caps for personnel employed abroad." That language was not altered by the Senate committee as it came from the House.

It seems to me that is a rather interesting provision. We can buy caps for guards and others who work for our Information Service abroad, but we cannot provide uniforms for them. I think perhaps it might look a little foolish to see some of them walking around with fancy caps and perhaps canvas trousers, some with one kind of shoes and others with another kind. A cap may be a badge of authority, but I think we ought to strike out the word "caps" and either buy them nothing, or continue the practice which has prevailed in the past and buy respectable, dignified uniforms, so as to provide uniformity of appearance, identification, and so forth. I prefer that the Government buy the uniforms, too, so perhaps we should say "caps and proper uniforms."

Mr. BRIDGES. Mr. President, I will say to the distinguished Senator from Iowa, that probably it was a little Yankee thrift which impelled us to exclude uniforms and use the word "caps." Very frequently special police in small towns do not have uniforms, but they wear badges. When we go abroad we may see a man in ordinary street clothes wearing a sort of official cap. If the Senator wishes to offer such an amendment, we could eliminate the words "purchase of caps for personnel employed abroad." This would throw the question into conference, where we could discuss the question of costs.

Mr. HICKENLOOPER. I am perfectly willing to have the item taken to conference, so far as my personal attitude is concerned. Last fall I saw a fellow in Africa who wore a fancy hat and a breech clout, but no shoes. The hat was a grand affair, but he had no other kind of uniform. It is satisfactory to me to have the item taken to conference, where the question may be discussed and a decision reached as to what is the desirable thing to do. I do not know whether this subject was given serious consideration in the committee.

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

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Now that we have reached a question of earth-shaking importance, relating to the purchase of caps, is not the Senator from Iowa greatly pleased that on page 50, line 3, there is authorized the "purchase of ice and drinking water abroad"?

Mr. HICKENLOOPER. I think that is highly essential. I know the Senator from Illinois has been in many foreign countries. Frequently one's internal apparatus is disturbed by the drinking water one is forced to use abroad.

It is very essential that proper drinking water be provided. I think the Senator can testify to the importance of that. I believe that ice and drinking water are absolutely essential to health.

Mr. BRIDGES. Mr. President, if the Senator from Iowa will offer an amendment to add the purchase of uniforms to the purchase of caps, or merely to provide for the purchase of uniforms, which would include caps, the Senator from New Hampshire, as chairman of the committee, will accept it.

Mr. HICKENLOOPER. Mr. President, I move, on page 49, line 24, to strike out the word "caps", and insert in lieu thereof the word "uniforms." I think that would take the item to conference.

Mr. BRIDGES. Very well. In order that there may be no misunderstanding in the mind of the Senator from Utah or in the minds of the officials of the United States Information Service, let it be made clear that if such an amendment is agreed to, it means that we are proposing to buy uniforms in limited numbers, for guards and similar employees. We are not authorizing the purchase of uniforms for everyone. We expect the officials to use their discretion.

Mr. HICKENLOOPER. I would be the first to stand as a watchdog to prevent the purchase of uniforms for everyone. The fewer uniforms that are bought the better I shall like it. Either we should buy uniforms, or we should not buy uniforms.

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

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Since the Senator from Iowa now wishes to use more general language on page 49, does he not think it would be better and more in keeping with the diplomatic service to substitute the word "potables" for "ice and drinking water," on page 50, line 3?

Mr. HICKENLOOPER. I am afraid that would open up the question of the interpretation of the word "potables." The term "ice and drinking water" is specific.

Mr. DOUGLAS. Therefore I take it the Senator from Iowa wishes to exclude the possibility of more stimulating beverages than ice and drinking water.

Mr. HICKENLOOPER. No, I wish to avoid getting into that field at all.

The PRESIDING OFFICER. The Senator from Iowa asks unanimous consent for the consideration of his proposed amendment at this time. Is there objection? The Chair hears none; and, without objection, the amendment is agreed to.

Mr. HICKENLOOPER. Mr. President, what action was taken with respect to the committee amendment on page 51, line 2?

The PRESIDING OFFICER. That amendment has been agreed to.

Mr. HICKENLOOPER. I should like to interrogate the Senator from New Hampshire with respect to the total

amount. The amendment went through so fast that I did not catch it.

I have had some conversations today with the Senator from New Hampshire and some of the other members of the Committee on Appropriations. It was my original intention to offer an amendment proposing to increase the amount of $83,814,000 recommended by the Senate committee to $89 million, which was the amount of the budget request.

Frankly, I find that such an amendment would probably encounter considerable opposition, because of the organizational questions involved, the Senate committee having considered the question quite thoroughly.

I came to the conclusion, after these discussions, that I would not offer the amendment increasing the amount to $89 million. However, I wish to say that in refraining from offering the amendment I am assuming that the conferees on the part of the Senate will hold out to the last ditch for the Senate committee figure of $83,814,000.

The reason I say that is that I feel that even the budget request is far less than should be appropriated for this important agency. In the past there have been periods when it has been subjected to criticism. I have criticized it almost as much as has any other Senator. However, we now have a new Director, who has been in office about a year. He has been attempting to organize this great activity on a better basis. I think it is an essential activity. There is at least 1 country in the world which is estimated to be spending not less than $1 billion a year on information activities. I have seen those activities operate to our detriment, because we simply did not have the money with which to operate. I say to the Senator from New Hampshire that I hope the conferees will hold fast to this item. I believe they will. It is for that reason that I am not offering the amendment at this time.

Mr. BRIDGES. I appreciate the distinguished Senator's view. I know that as a member of the Foreign Relations Committee he has taken a great deal of interest in this activity. Hearings were held on this subject, extending over a period of several days. There was very detailed discussion in the committee during the markup of the bill. There were motions before the committee to reduce individual items, and to reduce the total amount.

They had some support, but they were defeated. Then a motion was made to leave the recommended appropriations at the figure which the House had passed. That motion was defeated also. Finally the amount increasing the appropriation adopted by the House was agreed upon. That represents an increase of $8 million. It is my view, as chairman of the Committee on Appropriations, and, in turn, it will be my view as chairman of the conference committee, with the backing of the full Committee on Appropriations, that it will be our duty to do everything we can to retain the Senate amendment in the final bill. Of course we must agree on a bill finally, but we shall try to retain that amendment in the bill. I cannot guarantee anything to the Senator, but I shall certainly indicate our viewpoint.

Mr. HICKENLOOPER. There is one item in that appropriation which has been cut. I regret that any of the items have been cut, but I believe that the motion-picture medium is one of the most vital and important means we have of communicating ideas and thoughts about the United States and about the free world, provided the motion pictures are properly designed and properly produced. I am sorry that the item for motion pictures has been cut by approximately $3 million, as I note in the summary of allowances in the report.

Mr. BRIDGES. Let me say to the Senator that there was a motion made to cut the House figure by about two-million-nine-hundred-thousand-dollars-plus, and there was also a motion made to cut the figure in half. Those motions were defeated. Then there was a motion made to retain the original amount. That motion was also defeated. Finally $1 million was added to the House figure.

Mr. HICKENLOOPER. That is on the plus side, and I am not criticizing the committee for that. However, I feel very deeply that motion pictures can very well serve the best interests of the United States, and I hate to see the motion-picture medium impaired too much. That is all I have to say on that point. I understand that the $83 million item has already been adopted by the Senate.

Mr. BRIDGES. That is correct.

Mr. HICKENLOOPER. Then I shall ask that the next committee amendment be stated.

The PRESIDING OFFICER. All committee amendments have been agreed to except the three amendments which were passed over by unanimous consent.

Mr. HICKENLOOPER. I asked that the next committee amendment be stated.

The PRESIDING OFFICER. All committee amendments have been agreed to, with the exception of the three which were passed over.

Mr. HICKENLOOPER. I did not know that all the other committee amendments had been agreed to. I have an amendment to offer on page 51.

The PRESIDING OFFICER. To which committee amendment does the Senator desire to offer an amendment?

Mr. HICKENLOOPER. The committee amendment appearing on page 51, line 8.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment on page 51, line 8, was agreed to is reconsidered, and the Senator from Iowa may offer his amendment.

Mr. HICKENLOOPER. I send the amendment to the desk and ask that it be stated.

The CHIEF CLERK. On page 51, line 8, it is proposed to insert after the word "and" the words "of which"; and on page 51, line 9, to strike the word "made" and insert after the word "available", the words "for contracts with", and delete the word "to."

Mr. HICKENLOOPER. I believe that the language I suggest should be inserted in the committee amendment. The committee amendment provides an appropriation of $300,000, which it is necessary to parcel out to private broadcasting companies. I am not against voting for that amount at all. It may not be enough, so far as I know. I believe we are spending approximately that amount now with private companies and other facilities. I have seen some of them in operation, and I believe a very good job is being done. Therefore I suggest my amendment. If my amendment is adopted the committee amendment would read thus: "and of which not less than $300,000 shall be available for contracts with one or more private international broadcasting licensees," and so forth.

The amendment would still provide at least $300,000, but it would not bind the hands of the Director, or put a stranglehold on the amount by any private broadcasting company. It would leave it as a matter of competitive judgment. I have no doubt that at least that much money will be needed.

Mr. BRIDGES. As chairman of the Committee on Appropriations I am perfectly willing to take the amendment to conference. If private broadcasting companies are doing a good job, they should have an opportunity to do their job under the private-enterprise system of our country. I believe the Senator's amendment helps to clarify the situation. I shall be glad to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER] to the committee amendment on page 51, line 8.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. HICKENLOOPER. Mr. President, I have another amendment, which I should like to offer, on page 51, line 18. It is not an amendment to a committee amendment. I ask whether this is the proper time to offer the amendment.

The PRESIDING OFFICER. It may be offered by unanimous consent.

Mr. HICKENLOOPER. I ask such unanimous consent.

The PRESIDING OFFICER. Without objection, the Senator may offer his amendment.

Mr. HICKENLOOPER. I ask that the amount of $30,000 on page 51, line 18, be increased to $60,000, which is far less than the amount that is actually needed.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. On page 51, line 18, it is proposed to strike out "$30,000" and to insert in lieu thereof "$60,000."

The question is on agreeing to the amendment of the Senator from Iowa.

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

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Does the Senator from Iowa understand the word "representation" to mean entertainment?

Mr. HICKENLOOPER. In the main it means entertainment, I will say to the Senator from Illinois. I am certainly

sympathetic with him, and I join with him in not wishing to appropriate money for foolish purposes. I should like to ask that he bear in mind that the Information Service operates in 77 countries throughout the world at 216 posts. I have knowledge of cases where the head of the Information Service and his 3 assistants spent a total of $12.50 over a 3-months' period for so-called representation. They just did not draw that amount because it would be too much trouble to sign the voucher. However, these men must, in the course of creating good relations for the United States, take local people out to lunch, for example. I assure the Senator from Illinois, from my own experience in inspecting these posts, that they do not spend the money for liquor, but for entertainment, such as for luncheons, and so forth.

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

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Does not the Senator from Iowa believe that there would be greater clarity in the language of this appropriation bill if hereafter, instead of the word "representation," which has a mystifying meaning, there were substituted the word "entertainment"?

Mr. HICKENLOOPER. No. I will say to the Senator that I do not. I think "representation" is a very descriptive word.

Mr. DOUGLAS. Is it not a word which is designed to conceal the meaning of the expenditure?

Mr. HICKENLOOPER. No, it is not. I thing it is a proper term used by all countries in attempting to establish a cordial atmosphere of understanding by means of social relationships. I thing it is extremely effective.

Mr. DOUGLAS. The Senator is aware, of course, of the definition which Talleyrand gave the word "language." He said that language was intended to conceal thought. If that is true of diplomacy, I do not see why it may not be true of an appropriation bill. Language should be precise and should fit the subject. I think the average citizen is confused by the term "representation." It took me approximately a year to catch on to what was meant by it, and since then it has excited my interest.

Mr. HICKENLOOPER. I suppose there is a certain amount of entertainment involved. I have gone to many luncheons where there was no entertainment so far as I was concerned, but such affairs afford a medium by which to get acquainted. We get to know the other fellow a little bit better. It is like relations between nations. If we know them better we think a little more of them and better understand them. I think it is perfectly justified.

Mr. DOUGLAS. I suppose the Senator has reached that period of life in which entertainment is seldom entertaining.

Mr. HICKENLOOPER. I do not know what period of life the Senator from Illinois has reached, but I still have a little fun once in a while. I might say that I know scores of persons, not only in the diplomatic service but in government service, who spend out of their own pockets 2 or 3 or 4 or maybe 5 times the amount they receive from their Government in representing their country abroad.

I do not think the amount will give any opportunity for Rabelaisian activities.

Mr. President, I hope my amendment will be agreed to.

Mr. BRIDGES. Mr. President, I will accept the amendment and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President, on page 53, line 9, the language as coming from both the Senate and House Appropriations Committees, now reads as follows:

No appropriation in this act shall be available for operation of the International Broadcasting Service in New York City after December 31, 1954.

I should like to suggest an amendment to insert, after the word "for" in line 9, the words "the principal", so that the paragraph beginning on line 9 would read:

No appropriation in this act shall be available for the principal operation of the International Broadcasting Service in New York City after December 31, 1954.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. It is proposed, after the word "for" on line 9, page 53, to insert the words "the principal."

Mr. HICKENLOOPER. Mr. President, the reason for the amendment is this. The service is moving its major operations to Washington. The building is now under construction. Demolition work has been done, and the reconstruction is beginning. There will be some 21 studios with their entire personnel located here, but they feel it is utterly essential, if they continue to send people from Washington to New York to report on the activities of the United Nations, and so forth, that they maintain two studios there on a permanent basis, at least for the forseeable future, and until their power and controls can be finally switched to Washington, they will have to have approximately 12 technicians remaining there on a temporary basis. They want to begin their operations in their own building by some time around the middle of November. I think that is the plan and program at this time. They will not be able to get the power finally switched here completely until some time in April or May of next year. My amendment will require them to have their principal operations in Washington, but will not preclude them from maintaining the two studios in New York at the seat of many activities.

Mr. BRIDGES. Mr. President, if the Senator from Iowa will yield, I should like to clarify the situation.

Mr. HICKENLOOPER. I yield.

Mr. BRIDGES. Originally, the entire operation was in New York. It was the will of Congress that it be transferred to Washington. It is at present in the process of being transferred. I have felt, and I know many other Senators have felt, that those in charge of it have been slow in making the transfer. It was explained by some of the top officials that it was essential, in order to render service, to have one or two of their minor establishments in New York in order to keep in touch with the United Nations activities, and so forth.

I have no objection to the maintenance of a very minor setup in New York, but I wish to have it made clear, through the interchange between Senators, what we are talking about. We do not mean the operation of merely 3 or 4 offices in Washington. We mean that there should be established here in Washington the operations necessary to render all essential services.

Mr. HICKENLOOPER. Mr. President, I am in complete agreement with the Senator from New Hampshire. I have been in favor of moving the offices to Washington for a long time, and I assure the Senator from New Hampshire that I have not only no thought that it will be otherwise, but I have every assurance that only the two studios will be maintained in New York, together with the necessary employees to maintain those studios. Some 21 studios will be maintained in Washington. The only need for a temporary organization in New York is to operate the power panel until the switching operation can be completed, which will, in all frankness, not be until some time after the first of the year.

Mr. BRIDGES. We have submitted a request to the agency to keep us advised, so that we may know when the transfer is carried out.

Mr. HICKENLOOPER. I think that is essential, and it should be done.

Mr. BRIDGES. Mr. President, I accept the amendment of the Senator from Iowa.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President, I was requested by the Senator from New Jersey [Mr. SMITH] to place in the RECORD a statement of his attitude in relation to this subject, and I ask unanimous consent that his statement may be printed in the RECORD at this point.

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

JUNE 11, 1954.

Hon. BOURKE B. HICKENLOOPER,
United States Senate,
Washington, D. C.

DEAR HICK: I regret that I must necessarily be absent today during the floor debate on the appropriation for fiscal 1955 for the Department of State and the United States Information Agency. As you know, along with Senator GREEN and you, I have been an ex officio member of the Appropriations Committee by appointment from the Committee on Foreign Relations during the consideration of these two appropriations. Although you are in general familiar with my views on these appropriations, I make the following specific observations.

As coauthor with Senator MUNDT of the legislation authorizing the international

educational exchange program, I am particularly interested in the appropriation to the Department of State for that program. The committee is to be congratulated for restoring in full the moneys requested for this vital item, and I urge the Senate to accept this recommendation. If it does so, I am hopeful that the full amount will be accepted by the House in conference.

I am disturbed, however, by the failure of the Senate Appropriations Committee to report out the full amount requested by the President for our overseas information program. During the deliberations of that committee I urged that the budget request of $89 million be allowed. I arrived at the conviction that this amount was necessary for two principal reasons.

Like many of us, I had been greatly disappointed in the past with the operation of the overseas information program. I am convinced that the fundamental struggle with communism is a fight for ideas and ideals. This, regrettably, erupts from time to time in various places in the guise of armed physical violence, but basically the contest is one for the minds of men. In this fight it is imperative that the truth about communism and the truth about the policies of the United States and the motives behind these policies be fully known to those who are the subject of this contest.

The past programs of our Information Agency were woefully insufficient to the task, and were extravagant and mishandled to boot. However, in the present Information Agency we have a new organization, with new men and fresh ideas. It is not fair to visit the sins of their predecessors on Mr. Streibert and his associates. I have, in recent months, had considerable opportunity to see in action these men and their ideas. I have been favorably impressed. It is my own judgment that they are worthy of a vote of confidence and should be given the opportunity to carry out the program devised to get the United States back in the race with a possibility of success. This possibility will be greatly reduced if we, the Congress, fail to supply them with the required funds.

My own judgment in this matter was completely confirmed by the fervor with which President Eisenhower in my presence supported the new program and the full amount of the fund request. The President is personally familiar with this program, for the United States Information Agency has been assigned its mission by the National Security Council. And, as I have stated, I believe this mission to be of the highest priority.

It is my understanding that, if the amount allowed by the Senate Appropriations Committee be finally appropriated, funds will be sufficient for the task assigned the Agency. The risk of failure will be greater, but careful management—which I expect of these new men—will see them through. The great danger is that in conference the Senate will be forced to accede to a smaller appropriation, for the House has allowed $8 million less than the Senate Committee. On this issue the Senate cannot surrender.

With the assurance of the managers of this bill that they will stand firm for the Senate amount in conference, and with confidence that the Senate will in this matter sustain the position of its conferees, I support the amount recommended by the Senate Appropriations Committee for the United States Information Agency for fiscal year 1955.

Always cordially yours,

ALEX SMITH.

REDUCING AIRLINE SUBSIDIES

Mr. DOUGLAS. Mr. President, I ask unanimous consent to insert in the RECORD an excellent column by Ray Tucker, entitled "Fight Over Airline Subsidies," which is syndicated to more than 200 newspapers by the McClure Syndicate and which was printed today. I have excised from this article certain statements which I regard as prejudicial to colleagues, so that there are no personal references to any Member of the Senate.

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

FIGHT OVER AIRLINE SUBSIDIES

(By Ray Tucker)

WASHINGTON.—The American Congress must soon determine whether the expanding commercial aviation industry shall become a self-supporting operation or continue to be financed by flying and nonflying passengers. And powerful lobbies are fighting President Eisenhower's demand for economy in this field, which has drawn $1 billion from Uncle Sam's till since World War II and still receives $140 million annually.

One week ago, a Senate appropriations subcommittee agreed with the House in clipping $33 million in outright subsidies from two great international carriers—Pan American World Airways and Trans World Airlines. The House Appropriations Committee had reduced the grant by $50 million, but $17 million was restored through a floor amendment backed by the lobby. There will also be a Senate move to cut out this $17 million, with a total saving of $50 million.

Juan Trippe's Pan Am has now mobilized a formidable array of Republican and Democratic politicians, including former Cabinet members and Congressmen, to block the economy move. He seeks to persuade the full Appropriations Committee or the Senate itself to retain the $17 million and restore the $33 million. It is thus a $50 million enterprise.

They have brought heaviest pressure against Senator HARLEY M. KILGORE, of West Virginia. With Senator JOHN F. KENNEDY, of Massachusetts, KILGORE has been the chief advocate of economy and reform in commercial aviation. With more efficient management and fewer luxuries, he contends that the international carriers can exist without $140 million a year in subsidies and mail pay.

Pan Am has politically influential figures in KILGORE's State. It pays an annual $18,000 retainer to the law firm headed by Louis A. Johnson, former Secretary of Defense. Former Representative Jennings Randolph is an officer in a feeder line, which fears it may be hurt by the proposed cut. Both are regular West Virginia Democrats.

Sam Pryor, Jr., former Republican national committeeman for Connecticut and a Pan Am vice president, handles the GOP bigwigs. * * *

Despite the relatively small sum involved in the current controversy, the outcome will have far-reaching implications on the American pocketbook. It marks the first serious move in 25 years to force these profitable airlines, like other forms of transportation, to stand on their own feet.

There was no chance for such a reform during the Roosevelt-Truman easygoing era because the aviation lobby "owned," as the saying runs, so many prominent members of those administrations and the Civil Aeronautics Board. Time and again, Truman overruled CAB decisions adverse to Pan Am and its Atlantic subsidiary, American Overseas Airlines.

Several new factors appear to strengthen the drive for economy and reorganization. In subcommittee hearings, Senator KILGORE brought out that CAB has made no attempt to comply with congressional or Supreme Court mandates on behalf of the Government's interest.

CAB makes no audits of Pan Am's 61 subsidiaries, which include swanky hotels and country clubs. It has not sought refunds for tax overpayments to the lines. It shows no concern over the lavish expense and entertainment allowances to top executives and lobbyists. In fact, KILGORE regards this carelessness as tantamount to dereliction of duty.

Finally, Attorney General Herbert Brownell, Jr.'s, antitrust suit against Pan Am and Panagra, in which he charges that they monopolize air transportation from the United States to South America, seems to have awakened Congress to the need for a crackdown on CAB and its favorite airlines.

RECESS TO MONDAY

Mr. BRIDGES. Mr. President, if there is no further business to come before the Senate I move that under the prior order, the Senate stand in recess until next Monday at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, June 14, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 11, 1954:

DEPARTMENT OF STATE

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State, vice Edward T. Wailes, resigned.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

George L. Oakley, Columbia, Ala., in place of F. A. Bryan, transferred.

Sara K. Lea, Flat Rock, Ala., in place of I. B. Burkhalter, retired.

Ray F. Hinds, Helena, Ala., in place of V. V. Tucker, removed.

Joseph Edwin Farnell, Navco, Ala., in place of E. B. Brigg, deceased.

ARIZONA

Nell K. Guinn, Rowood, Ariz. Office became Presidential July 1, 1950.

ARKANSAS

Cooper Hudspeth, Fort Smith, Ark., in place of J. A. Schnitzer, retired.

Ernest E. Epperson, Gentry, Ark., in place of Arthur Woodward, retired.

Gillis W. Stephenson, Monticello, Ark., in place of Guy Stephenson, retired.

Ivan L. Kleinbeck, New Edinburg, Ark., in place of E. P. Kimbrough, resigned.

CALIFORNIA

James M. Morris, Novato, Calif., in place of Alberta Frankamp, retired.

E. Jerome Mathis, Pala, Calif., in place of F. S. Armstrong, resigned.

Gust. J. Allyn, Richmond, Calif., in place of L. J. Thomas, resigned.

CONNECTICUT

Martin J. Gilman, Gilman, Conn. Office established April 1, 1953.

Douglas C. Griffiths, Salisbury, Conn., in place of G. E. Barton, deceased.

IDAHO

Joseph C. Newman, New Plymouth, Idaho, in place of W. H. Goldsmith, retired.

ILLINOIS

Stuart S. Barrett, Ashley, Ill., in place of H. C. Stephens, retired.

Leon E. Shreve, Bell Rive, Ill., in place of L. G. Moore, retired.

William R. Logan, Carmi, Ill., in place of C. P. Stone, resigned.

Paul Barnes, Elsah, Ill., in place of A. D. Condit, retired.

Eliot E. Overdorf, Glencoe, Ill., in place of J. F. Carney, transferred.

Dorothy C. Fulscher, Hampton, Ill. Office reestablished April 1, 1953.

Archibald D. Nelson, Jerseyville, Ill., in place of B. L. McDow, deceased.

Judson Paul Newcomer, Knoxville, Ill., in place of H. R. Whitsitt, removed.

Archie M. Wells, Rockport, Ill., in place of E. C. Leeper, retired.

Louis H. Koch, Tremont, Ill., in place of William Connell, retired.

Myrtie Schmitt, Troy, Ill., in place of J. W. Davis, retired.

Edwin G. Meyer, Valmeyer, Ill., in place of P. F. Althoff, retired.

Lyman K. Shawler, West Union, Ill., in place of R. E. Cline, transferred.

Floyd E. Watts, Winnetka, Ill., in place of A. M. Kloepfer, retired.

IOWA

Francis Wayne Harbour, Bedford, Iowa, in place of G. W. Irwin, transferred.

Arlis L. Kinseth, Bode, Iowa, in place of J. P. Jensen, retired.

Forrest T. Edwards, Eldridge, Iowa, in place of A. C. Oetzmann, retired.

Lyle A. Spencer, Kellerton, Iowa, in place of H. H. Beede, removed.

Frederick D. Lursen, Kesley, Iowa, in place of J. L. Mennen, resigned.

Reed L. Blankinship, Ottumwa, Iowa, in place of R. M. Stoltz, retired.

John D. Hartzler, Pulaski, Iowa, in place of V. L. Heskett, retired.

Robert F. Graham, University Park, Iowa, in place of M. L. Thoreen, removed.

KANSAS

William L. Harp, Garden City, Kans., in place of A. M. Hunt, resigned.

Harold Robert McFarlane, Hesston, Kans., in place of S. N. Nunemaker, retired.

Richard A. Decker, Oskaloosa, Kans., in place of T. L. Gibson, resigned.

Howard R. Brickel, Pratt, Kans., in place of Fred Swisher, resigned.

Frank A. Chesky, Sterling, Kans., in place of R. J. Considine, transferred.

KENTUCKY

John Reinhard, Masonic Home, Ky., in place of C. S. Johnson, resigned.

Maudie L. Hamilton, Rush, Ky., in place of M. T. Gee, removed.

LOUISIANA

Thomas W. Robison, Lecompte, La., in place of H. H. Semple, retired.

MAINE

Earl G. Folster, Great Works, Maine, in place of L. M. Dwyer, deceased.

Paul H. Stone, North Windham, Maine, in place of D. C. Ellinwood, deceased.

William D. Halloran, Presque Isle, Maine, in place of O. J. Bishop, retired.

George G. Smith, Stockton Springs, Maine, in place of C. M. Colcord, retired.

MARYLAND

Lester S. Rudacille, Daniels, Md., in place of Aquilla Streaker, retired.

Charles H. Messick, Ridgely, Md., in place of J. F. Stack, deceased.

William G. Palmer, Savage, Md., in place of Lester Shipley, retired.

MASSACHUSETTS

Sidney C. Perham, Chelmsford, Mass., in place of H. R. Garvey, deceased.

Gerald N. Wheeler, Richmond, Mass., in place of N. R. Wheeler, retired.

MICHIGAN

Marie Hope, Lake Leelanau, Mich., in place of J. L. O'Brien, resigned.

Lyle B. Austin, Lansing, Mich., in place of D. D. Harris, resigned.

Virginia G. Sorum, Morley, Mich., in place of E. L. Mitchell, retired.

Joseph H. Benkert, Reed City, Mich., in place of A. A. Strong, retired.

Edward C. Schmidt, Springport, Mich., in place of V. E. Mock, resigned.

MINNESOTA

Russell J. Slade, Babbitt, Minn., in place of G. H. Emanuelson, resigned.

Duane T. Dueffert, Butterfield, Minn., in place of O. J. Regan, transferred.

Joseph J. Kovach, Ely, Minn., in place of S. P. Schaefer, removed.

Mabel F. Wester, Floodwood, Minn., in place of A. B. New, retired.

Raymond L. TeHennepe, Leonard, Minn., in place of R. E. McCrehin, resigned.

Donald E. Ecklund, Marine on St. Croix, Minn., in place of F. H. McDonald, transferred.

Leo L. Pratt, Merrifield, Minn., in place of Josephine Pratt, retired.

Carl W. Lehman, Montgomery, Minn., in place of P. J. Malone, retired.

Marvil C. Nelson, Winnebago, Minn., in place of L. I. Bullis, retired.

MISSOURI

Donald L. Davis, Adrian, Mo., in place of J. C. Lankford, transferred.

Glen E. Sell, Deepwater, Mo., in place of W. S. Scott, transferred.

Garfield L. Darnell, King City, Mo., in place of L. N. Bowman, removed.

Gussie C. Henneke, Leslie, Mo., Office became Presidential July 1, 1945.

Robert W. Fast, Liberal, Mo., in place of J. P. Moore, retired.

Roy O. F. Weber, Lohman, Mo., in place of L. E. Meller, transferred.

Hugh M. Lower, Mountain Grove, Mo., in place of M. S. Major, resigned.

Peter A. Baechle, Ste. Genevieve, Mo., in place of H. J. Fallert, deceased.

MONTANA

William A. Parrish, Paradise, Mont., in place of K. E. Auclair, retired.

NEBRASKA

Margaret Z. Fox, Kilgore, Nebr., in place of Hugo Stevens, deceased.

Raymond L. Crosier, Oakdale, Nebr., in place of Catherine Childs, retired.

Curtis S. Haddix, Western, Nebr., in place of M. D. Nickel, transferred.

NEVADA

Ellis J. Folsom, Carson City, Nev., in place of E. H. Bath, retired.

NEW JERSEY

Ernest P. Billow, Hope, N. J., in place of Lena McCain, retired.

William L. Fylstra, Little Falls, N. J., in place of J. D. Donato, resigned.

Gerald E. White, Mount Holly, N. J., in place of W. H. Claypoole, removed.

William J. Dorgan, Palisades Park, N. J., in place of M. P. Fusco, deceased.

NEW YORK

Carl S. Chiavetta, Brant, N. Y., in place of G. R. Lehley, retired.

Valentine Bubb, Burnt Hills, N. Y., in place of A. M. Jackson, retired.

Raymond R. Ebersole, Clarence Center, N. Y., in place of A. D. Schaad, resigned.

Milton J. Deuink, Clymer, N. Y., in place of G. A. Christensen, resigned.

Gordon M. Pixley, Delevan, N. Y., in place of F. A. Wagner, retired.

Elmer S. Ninesling, Great Neck, N. Y., in place of E. F. Higgins, retired.

Signe H. Halleran, Jericho, N. Y., in place of C. F. Trukafka, resigned.

Elnora H. Oakley, Middlesex, N. Y., in place of C. E. Williams, deceased.

Joseph L. Carlucci, Port Chester, N. Y., in place of T. F. Connolly, removed.

Guy Robert Fisher, Sherman, N. Y., in place of William Meabon, transferred.

Adrian Rumsey, Van Etten, N. Y., in place of V. J. Banfield, retired.

Anthony J. Audi, West Albany, N. Y., in place of F. H. Wyld, deceased.

Harold E. Wild, Westtown, N. Y., in place of M. R. Lindsey, retired.

NORTH CAROLINA

Robert E. Hollifield, Forest City, N. C., in place of V. T. Davis, retired.

Clay T. Lefler, Matthews, N. C., in place of O. L. Phillips, retired.

NORTH DAKOTA

Arthur Schempp, Riverdale, N. Dak., in place of N. P. Johnson, removed.

OHIO

Harry M. Hollerbach, Batavia, Ohio, in place of C. S. Coyle, deceased.

Eleanor H. Sanders, Beulah Beach, Ohio, in place of N. L. Rape, resigned.

Marvin L. Ickes, Dunkirk, Ohio, in place of W. A. Geiser, resigned.

Albert D. Etter, Kingston, Ohio, in place of F. B. Mowery, retired.

Garnette L. Vallandingham, Midland, Ohio, in place of F. D. Ball, resigned.

Floyd L. Carey, New Vienna, Ohio, in place of R. M. Powell, transferred.

Charles W. Swanger, Shelby, Ohio, in place of L. A. McGaw, retired.

Herbert W. Baker, Jr., Wharton, Ohio, in place of G. D. Heuberger, deceased.

OKLAHOMA

Gene Y. Harley, Comanche, Okla., in place of LeRoy Parrish, retired.

George M. Beeby, Marshall, Okla., in place of E. C. Pyle, transferred.

Bert A. VanBuskirk, Ripley, Okla., in place of R. M. Rainwater, transferred.

Robert L. Nunn, Stuart, Okla., in place of D. B. Hogue, resigned.

OREGON

Eldon L. Lee, Yoncalla, Oreg., in place of E. F. Kelso, retired.

PENNSYLVANIA

James C. Kleckner, Audenried, Pa., in place of Antoinette Marnell, resigned.

Joseph P. Shurilla, Custer City, Pa., in place of P. M. Barry, deceased.

John F. Woodruff, Devon, Pa., in place of C. M. Clancy, deceased.

Hazel L. Kane, Garland, Pa., in place of G. B. Tresler, retired.

Robert J. Drake, Hawley, Pa., in place of J. J. Sheridan, deceased.

Daniel Hobart Cope, Jonestown, Pa., in place of J. H. Boltz, retired.

Leon L. Nicholas, Kunkletown, Pa., in place of W. H. Pearsol, retired.

James A. Bleakly, Merion Station, Pa., in place of W. H. Stewart, deceased.

Archie C. Kline, Mont Alto, Pa., in place of S. C. Green, retired.

William H. Matthews, Morton, Pa., in place of D. B. Wright, removed.

Elmer L. Zerphey, Mount Joy, Pa., in place of C. J. Bennett, Jr., resigned.

Marshall L. Sterne, Oakford, Pa., in place of W. A. Hilsbos, Jr., resigned.

Maurice A. Nordberg, Philipsburg, Pa., in place of W. B. Johnston, retired.

Charles P. McGuigan, Red Lion, Pa., in place of R. H. Ziegler, resigned.

Thomas N. Asa, West Brownsville, Pa., in place of G. E. Wheeler, deceased.

SOUTH CAROLINA

Haskell M. Thomas, Florence, S. C., in place of D. E. Ellerbe, deceased.

Joe G. Flowers, Lake View, S. C., in place of R. B. Crainger, retired.

George F. Dailey, Society Hill, S. C., in place of G. W. Morris, retired.

SOUTH DAKOTA

Russell C. Birkeland, Dupree, S. Dak., in place of J. H. Francis, retired.

Sarah J. Stadem, Henry, S. Dak., in place of M. A. Ralph, retired.

Fredrick L. Bellum, Timber Lake, S. Dak., in place of W. E. Prann, transferred.

TENNESSEE

Jimmie M. Leach, Atwood, Tenn., in place of L. J. Bullington, deceased.

William A. Logan, McDonald, Tenn., in place of I. V. Brock, retired.

Runa S. White, Maryville, Tenn., in place of Fred Henry, removed.

TEXAS

Mattie R. White, Avoca, Tex., in place of C. G. Tidwell, retired.

Ernest M. Spence, Bonham, Tex., in place of G. J. Atkins, resigned.

Clifton B. Duhon, Buna, Tex., in place of V. C. Wright, transferred.

Hal E. Hanson, Dickinson, Tex., in place of M. S. Walters, resigned.

Arba E. Petty, Farmersville, Tex., in place of M. B. Smith, retired.

George D. Harding, Grand Prairie, Tex., in place of E. L. Kerr, deceased.

Robert Edgar Hutchins, Greenville, Tex., in place of G. M. Hodges, retired.

Bradley O. Burk, Jr., Kress, Tex., in place of C. A. Fleming, Jr., transferred.

Dorothea B. Hice, Midlothian, Tex., in place of P. S. Hendricks, deceased.

Mary F. Slott, New Waverly, Tex., in place of Mae Whitley, resigned.

Delmas P. Seidel, Orange Grove, Tex., in place of Joe December, retired.

Kenneth L. Lee, Perrin, Tex., in place of G. F. Wimberly, Sr., resigned.

Claude Irvin Wood, Richards, Tex., in place of Sallie Hamilton, retired.

Fred W. Lunsford, Rusk, Tex., in place of T. M. Sherman, retired.

William H. Castleberry, Telephone, Tex., in place of W. B. Richardson, retired.

UTAH

Jessie S. Neilsen, Lark, Utah, in place of M. G. Wykert, retired.

Eugene R. Carter, Moab, Utah, in place of E. S. Peterson, resigned.

Eldon R. Janes, Providence, Utah, in place of C. G. Frank, resigned.

VERMONT

Stillman L. Needham, Bridgewater, Vt., in place of J. J. Ransehousen, transferred.

Warren Lester Barnett, Cabot, Vt., in place of E. J. Rogers, deceased.

Luther A. Prescott, Essex Junction, Vt., in place of E. J. Duzinski, resigned.

Paul S. Hinman, Wells River, Vt., in place of R. A. Randall, retired.

VIRGINIA

John B. Robertson, Hurt, Va., in place of A. J. Short, declined.

WASHINGTON

Vivienne I. Cochran, Almira, Wash., in place of C. T. Haskin, retired.

Harry L. Thompson, Everson, Wash., in place of M. A. McComb, resigned.

Yolande F. Sherman, Farmington, Wash., in place of M. J. McNair, transferred.

Thomas H. Hudson, Manson, Wash., in place of E. H. Boas, retired.

William Wayne Maitland, Pateros, Wash., in place of E. K. Godfrey, resigned.

WEST VIRGINIA

Margaret W. Cook, Berwind, W. Va., in place of E. E. Brumfield, Sr., resigned.

Dorsey H. Wilson, Fort Spring, W. Va., in place of M. F. Diem, deceased.

Bessie L. Cormany, Malden, W. Va., in place of L. D. Lewis, resigned.

Delbert C. Kines, Moatsville, W. Va., in place of Gusta Gall, deceased.

Janet A. Sisson, Sissonville, W. Va., in place of D. E. Thaxton, removed.

WISCONSIN

Mae G. Ashley, Doylestown, Wis., in place of E. J. Tracy, retired.

Elmo C. Cooper, Madison, Wis., in place of J. A. Wirka, retired.

Lyle E. Dye, Mazomanie, Wis., in place of A. O. Showers, retired.

Joe A. Petersen, Tony, Wis., in place of N. G. Lamoureux, deceased.

WYOMING

Burchal I. Kelley, Reliance, Wyo., in place of S. J. Pedri, resigned.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 11, 1954

The House met at 11 o'clock a. m.

Rabbi Samuel Rosenblatt, Beth Tfiloh Congregation, Baltimore, Md., offered the following prayer:

Master of the universe, source of all wisdom and knowledge, Thy divine guidance and help do we bespeak for the legislators of our Nation who are assembled in this House to take counsel together regarding the manifold problems besetting not only our own beloved United States of America but the entire human race. The task confronting them is exceedingly grave because the sinister forces, that have arisen to engulf the world and immolate on the altar of their lust for power the freedom of their fellow men, are becoming daily more threatening. The menace presented by these enemies of democracy and religion, who are undeterred in their arrogant seizure of the possessions of lands and peoples by either the fear of God or scruples of conscience, has already produced a harvest of hysteria and confusion among the advocates of individual liberty and the champions of the democratic way of life. The former threatens the most cherished principles upon which our Republic was founded and which are the cause of its preeminence. The latter weakens our defenses against an implacable and ruthless foe, who is ready to take advantage of every show of frailty or lack of determination.

We, therefore, pray Thee, Heavenly Father, whose rule is founded on justice and righteousness, and who hast always revealed Thyself as mankind's Rock and Redeemer, to stand by us in this hour of crisis which tries the hearts of men. Keep us united so that we may be strong enough to ward off the attacks of our would-be destroyers. Frustrate the plans of those who would sow the seeds of dissension in our midst in order to divide us and render us an easy prey for their greed. Enlighten the eyes of our counselors and leaders that they may see the way that leads to salvation and peace. Put into the mouths of our spokesmen the words that will redound to the healing of the breach of humanity. Enable our lawmakers to pass ordinances that will conduce to harmony in our ranks and to peace and good will on earth, while safeguarding the inalienable rights guaranteed to every inhabitant of our country by our admirable Constitution. May the time soon be on hand when destructive wars will no longer be deemed necessary as a solution of conflicting interests and the settlement of international disputes, when the only battles waged will be those against poverty and misery and disease, when the protean energies of nature released by the discoveries of science will be harnessed in the service of human well-being alone, when men, acknowledging Thee, God, as their father, will recognize each other as brothers and dwell together in amity and friendship and concord. This is our hope, our prayer, and may our own actions contribute to the speeding of its fulfillment. Amen.

The Journal of the proceedings of yesterday was read and approved.

CONVEYANCE OF CERTAIN LANDS BY THE UNITED STATES TO THE CITY OF MUSKOGEE, OKLA.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8983) to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to convey by quitclaim deed to the city of Muskogee, Okla., all the right, title, and interest of the United States in and to a tract of land containing approximately five and four-tenths acres, together with all buildings and improvements thereon, being a portion of the Veterans' Administration hospital reservation situate in Muskogee County, State of Oklahoma, likewise being a portion of certain lands conveyed to the United States by the city of Muskogee, Okla., by warranty deed dated March 17, 1945, recorded in the office of the clerk of Muskogee County on June 23, 1945, in book 839, pages 432 to 434, the exact courses and distances of the perimeter of which shall be determined and approved by the Administrator of Veterans' Affairs. The city of Muskogee shall pay the cost of surveys as may be required by the Administrator of Veterans' Affairs in determining the required legal description.

SEC. 2. There shall be reserved to the United States all minerals, including oil and gas, in the lands authorized for conveyance by section 1.

Mr. EDMONDSON. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON: Page 3, line 11, after "conveyance by section 1", strike out the period and insert a comma, adding the following language: "and the deed of conveyance shall contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

"SEC. 3. The deed of conveyance shall provide that the tract of land authorized to be conveyed by section 1 of this bill shall be used by the city of Muskogee, Okla., for such purposes as will not, in the judgment of the Administrator of Veterans' Affairs or his designate, interfere with the care and treatment of patients in the Veterans' Administration Hospital, Muskogee, Okla., and that if such provision is violated, title to the tract shall revert to the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.