HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 23, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we are thankful for this new day and the opportunity which it affords us of having a part in solving difficult national and international problems.

Grant that the lofty ideals and principles of truth and righteousness, justice and good will may be the foundation stones upon which we are seeking to build a better world.

May we be confident that the vision of universal peace is not an idle dream, but something which is divinely inspired and ordained.

Help us to understand more clearly how greatly we need the guidance of Thy spirit as we strive to bring men everywhere into right relations to Thee and their fellowmen.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 11, 1954:

H. R. 9004. An act to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes.

On June 14, 1954:

H. R. 5765. An act for the relief of Henry C. Bush and other Foreign Service officers;

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America; and

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.).

On June 16, 1954:

H. R. 356. An act to amend the Railroad Retirement Act of 1937, as amended;

H. R. 3725. An act for the relief of Curtis W. Strong; and

H. R. 6477. An act for the relief of the Columbia Hospital of Richland County, South Carolina.

On June 17, 1954:

H. R. 2828. An act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction.

On June 18, 1954:

H. R. 107. An act to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota;

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

H. R. 2016. An act to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America;

H. R. 2226. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

H. R. 2849. An act to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936;

H. R. 3573. An act for the relief of the estate of Anna I. R. Wells, deceased, and others;

H. R. 3907. An act for the relief of Jean Sutherland;

H. R. 5831. An act to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands;

H. R. 5833. An act to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes;

H. R. 5913. An act to simplify the handling of postage on newspapers and periodicals;

H. R. 6328. An act authorizing the exchange of certain public lands in the vicinity of Waimea, County of Hawaii, in the Territory of Hawaii for certain privately owned lands;

H. R. 6655. An act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes;

H. R. 6888. An act to amend sections 201 (a) and 207 (a) of the Hawaiian Homes Commission Act;

H. R. 6890. An act to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Sessions Laws of Hawaii of 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the Island of Kauai, T. H.;

H. R. 8044. An act to extend the authorization for funds for the hospitalization of certain veterans in the Philippines;

H. R. 8092. An act to facilitate the entry of Philippine traders;

H. R. 8487. An act to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954; and

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

On June 22, 1954:

H. R. 3249. An act for the relief of Katharina Link; and

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 685. An act for the relief of Walter Carl Sander;

H. R. 3413. An act 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;

H. R. 6154. An act to authorize payment of salaries and expenses of officials of the Fort Peck Tribes;

H. R. 6487. An act to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes;

H. R. 8488. An act to restore eligibility of certain citizens or subjects of Germany or Japan to receive benefits under veterans' laws;

H. R. 8729. An act to amend section 14 (b) of the Federal Reserve Act, as amended;

H. R. 8790. An act to authorize certain veterans' benefits for persons disabled in connection with reporting for final acceptance, induction, or entry into the active military or naval service; and

H. R. 9089. An act authorizing the Administrator of Veterans' Affairs to grant an easement to Syracuse University, Syracuse, N. Y.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 56. An act for the relief of Erich Anton Helfert;

S. 2074. An act for the relief of certain Basque sheepherders;

S. 3291. An act authorizing the President to present a gold medal to Irving Berlin;

S. 3302. An act granting to the Las Vegas Valley Water District, a public corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada;

S. 3303. An act granting to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, certain public lands in the State of Nevada; and

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.

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

H. R. 222. An act to suspend for 2 years the duty on crude bauxite;

H. R. 2231. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota;

H. R. 4496. An act to authorize and direct the conveyance of certain lands to the Board of Education of Prince Georges County, Upper Marlboro, Md., so as to permit the construction of public educational facilities urgently required as a result of increased defense and other essential Federal activities in the District of Columbia and its environs;

H. R. 6465. An act to amend paragraph 1530 of the Tariff Act of 1930 with respect to footwear;

H. R. 6788. An act to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes; and

H. R. 8149. An act to amend the hospital survey and construction provisions of the Public Health Service Act to provide assistance to the States for surveying the need for diagnostic or treatment centers, for hospitals for the chronically ill and impaired, for rehabilitation facilities, and for nursing homes, and to provide assistance in the construction of such facilities through grants to public and nonprofit agencies, and for other purposes.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The message also announced that the Senate had adopted the following resolution (S. Res. 265):

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOSEPH R. FARRINGTON, late a Delegate from the Territory of Hawaii.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Delegate.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Delegate, the Senate do now recess.

IMPORTATION OF FOREIGN OIL

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, for years I have watched, and watched with growing alarm, the ominous march of foreign-produced oil into this country.

This oil may have all the glamour of coming from faraway places, but its production contributes nothing to the stability of this Nation's economy. It may buy silks for some mid-Eastern potentate's royal entourage, but at the same time it causes a substantial loss of tax revenue to our own local, State, and Federal governments. It may, as in the case of Iranian oil, for example, offer a tempting morsel for oil-hungry Russia, but at the same time it injures this country's historical self-sufficiency as to oil in an era of machine warfare.

Yet this Nation is being fooled into an increasing reliance on such oil. In 1946 only 7.7 percent of the Nation's oil consumption was supplied by foreign oil. In 1954 more than 13 percent will be so supplied. This, mind you, is not the result of any incapability on the part of domestic oil producers. As a matter of fact, the domestic oil-producing industry is now capable of producing at least 1,500,000 barrels of oil per day over what it now produces. It does not do so, for the simple reason that its markets have been taken by foreign-produced oil.

Its markets have been usurped at a time when its productive capacity is unparalleled.

How has this been possible? The answer is really quite simple. Long ago the citizens of oil-producing States in this country became aware that to produce oil above a maximum efficient ratio was wasteful. They have recognized the need to relate production to market demand. In practice, this has prevented production in excess of market demand and stopped the wastes which are coincident to aboveground storage. These efforts have resulted in effective conservation. However, in recent years this relationship of production to market demand has resulted in an open sesame to foreign oil. Some of these countries, thanks, in part, to scanty population and meager demand, operate without the need for similar conservation measures. By contrast, in an attempt to preserve conservation measures which have over and over again proved to be wise, the domestic oil-producing industry in this country has seen its markets, like the proverbial Arab, steal silently away.

This threatens to cause a situation whereby oil-producing States are faced with a choice of keeping wise conservation programs, and losing markets for their oil, or tossing such programs out the window, in order to compete with foreign oil.

It is deplorable when such a situation impends. These conservation programs, after all, have contributed to the Nation's strength in petroleum fuel and lubricants through two tough world wars. Their abandonment, it is obvious, might very well result in a return to the general chaos which prevailed in the industry prior to the realization of the wisdom of conservation.

It is a national problem, rather than that of any one State, or group of States.

My State, Pennsylvania, is only one of the 30 oil-producing States. Oil is found from Florida to California; from New York to Texas. Crude oil is, in fact, the Nation's most valuable mineral, in terms of actual value of production. Petroleum produced in this country, as a matter of fact, is worth more than all the Nation's other minerals put together, reaching a total value of $6,332,070,000 in 1953 alone. All told, the Nation has produced more than $76 billion worth of crude oil in the 95 years since its discovery in this country. The producing industry alone employs nearly 300,000 people, and when they add those people who are employed to refine and distribute those products and others who are indirectly dependent on a strong domestic oil-producing industry, you will see that the industry's national impact on employment involves millions of people.

The United States had just over a half-million oil wells in 1953. These wells averaged a production of 12.2 barrels per day, as compared with a Middle East average running well into the thousands of barrels daily. It is obvious, on the face of it, that if this oil continues to be unleashed, it will engulf an industry which is a major economic force in this country. It will also injure an industry which is vital to the national security. Something must be done to avoid this. Keep in mind that domestic oil producers have not asked that oil imports be completely prohibited, but, rather, that they be kept within some determinable bounds such as those which existed during the years just after World War II.

Unless something of this nature is done soon, we may well see the first of a series of events which will ultimately result in severe injury to the domestic oil industry. This first sympton of disaster could be the collapse of the industry's conservation system.

The situation in my own State, however, is unique in that the aforementioned conservation situation is not a key factor. Nonetheless, a series of events have combined in recent years to demonstrate that excessive oil imports have resulted in a real danger to Pennsylvania oil production. Here, in Pennsylvania, is where oil imports exert their initial impact. This is partly due to my State's geographical susceptibility to imports, but not completely so.

The situation of global oil oversupply, for example, has had much to do with a sharp decline in the volume of exports of Pennsylvania lubricating oils, and even more serious, has resulted in approximately a $2 per barrel drop in prices of Penn Grade oils in the last 5 years. Thus, the Pennsylvania oil producer is placed in a vise, between the inflexible forces of restricted markets and sharply curtailed prices, and is beaten by the hammer of soaring costs. To point this up in its true significance, you must first realize that all of Pennsylvania's oil production is marginal, stripper-well production. This means, in brief, that it takes only a little shove in the wrong direction to cause such wells to become unprofitable to operate. In the case of these wells, a continuation of excessive oil imports may very well mean the fatal difference between life and death. The resulting loss, in terms of inhibited discovery of additional oil reserves, would be a needless blow to our supply of oil for national defense.

Oil is the third-ranking mineral in Pennsylvania in terms of value of production. Coal, the most valuable mineral in the State, has also seen its production drastically restricted by oil imports. When production of 2 of a State's top 3 mineral products is impaired by a single force of dubious trustworthiness, it is time for citizens of that State to become alarmed.

I am, admittedly, so alarmed. Some 25 of Pennsylvania's 67 counties produce oil. My State is proud to be the birthplace of American oil. As of the first of the year, more than $2,300,000,000 worth of oil had been produced in the Keystone State. In 1953 alone, a total of $45,880,000 worth of crude oil was produced. In addition, a total of over $31 million worth of natural gas was produced, often as an added result of oil production. Nearly 7,000 people are employed in the production of oil in Pennsylvania. The further loss of markets for Pennsylvania oil will result in a loss of jobs for many of those people.

Production in recent years has already demonstrated a disturbing trend. In 1950, for example, Pennsylvania's average daily production was 32,500 barrels. This had dropped off to 29,300 barrels by 1953. This production, I might add, came from 80,500 wells. It is obvious from the fact that the average Pennsylvania well produces three-tenths of a barrel of oil each day that the income from such wells is diversified. Compare this, if you will, with the fact that the average Saudi Arabian well produces more than 6,000 barrels per day, and you can see why foreign oil poses a real threat to the Pennsylvania oil producer.

It offers a bonanza, by contrast, to the rulers of shiekdoms in the Near East.

As I mentioned a few moments ago, Titusville, Pa., is where the oil business, as we know it today, was born. The year 1959 marks the centennial of the discovery of oil in Pennsylvania. I earnestly hope that it is not celebrated to the tune of bleak winds whistling above fertile but unfulfilled deposits of good Pennsylvia oil. For almost 100 years, Pennsylvania has built up her reserves of oil for America's consumption both in time of peace and time of war. Her proved reserves of crude oil, as of January 1, 1954, were more than 111 million barrels. It is my heartfelt hope that these reserves will be developed for the Nation's use and not callously sacrificed on the altar of the deceptive expedient which is offered by overseas oil.

Yet that may very well happen unless something is done soon. Since 1947, the oversupply of oil has caused the price of a barrel of Penn Grade crude oil to drop approximately $2 per barrel. Yet, at the same time, the industry's costs have continued to increase. The situation confronting Pennsylvania oil producers is serious. Make no mistake about it.

It also has some startling paradoxes. For example, the loss of export markets for Pennsylvania oil was in part accomplished through the buildup of European refineries, which, in turn, were made possible by the use of funds supplied by American taxpayers. Having paid for the buildup of refineries to process Middle Eastern, not American crude oil, we now find that foreign oil, never satisfied, would like also to take over the domestic markets for American crude oil. Thus, the recipient of tax revenue, rather than the payer of such taxes, emerges as the real winner in a situation which has few, if any parallels, in American history. It is a deplorable violation of every rule of equity and justice known to man. I, for one, do not propose to sit by in resigned acceptance of the so-called inevitable. I am not so certain that our country is eternally committed to a role of turning the other cheek for slaps from people whose friendship is questionable.

It is easy enough, in peace, to forget the role of oil in war. Easy, but not wise. It is good to remember that in today's American armed services, with all of their hundreds of thousands of varied machines, only one lone atomic-powered submarine can be fueled without oil. And even that single submarine makes generous use of petroleum lubricants.

Oil is vital to our defense. It is hard to think of a product more important to our national security.

Oil which cannot be protected during time of war is, however, of no value at all. When I hear that we must do this or that to protect Middle Eastern oil so we can use it in time of war, I am appalled. This oil, at Russia's very doorstep, would probably fall in any crisis as an easy prey to her vast land armies. Aside from the question as to whether she could actually use such oil for her own armies, it certainly holds little promise as a factor in this Nation's plans for defense.

The military experts of this Nation are vocally aware of this vulnerability. Gen. Alfred H. Johnson, the Defense Department's top expert on petroleum logistics, on December 22, 1953, told Senator GEORGE W. MALONE'S Special Subcommittee on Minerals, Materials, and Fuels that "we do not desire to place any reliance on any sources outside the Western Hemisphere." The general later added that he thought that any petroleum used in the Western Hemisphere would undoubtedly be Western Hemisphere petroleum.

Gen. Albert C. Wedemeyer, commander of the China Theater during World War II, discussing this problem before the same committee, commented as follows:

> I think it is unsound for a nation to depend upon sources of raw materials which are remote from that nation's dynamo or industrial potential.

That oil is a vital raw material was exemplified during World War II. Its importance to armies was graphically described by Gen. Carl Spaatz, in the February 9 issue of Newsweek magazine, when he said:

> Oil is the essential ingredient of modern warfare. Even supermodern atomic weapons amount to nothing unless the means of their delivery are fueled with oil.

It is obvious then that the Nation's military experts feel that adequate supplies of accessible oil are all-important to defense. I have heard no military leader say that we could defend supplies of oil in the Middle East, for example.

Yet we continue, as a nation, to become increasingly reliant on the Trojan horse of Mideast oil. It is a policy of folly, and one that we must, at all costs, reject before it results in irreparable harm to the domestic oil-producing industry.

The oil industry itself is well aware of such a danger. Through the National Petroleum Council, which includes oil importers, and is the industry's national advisory group to the Government on petroleum, it has specifically expressed this awareness. The council's policy on imports is as follows:

> 1. The Nation's economic welfare and security require a policy on petroleum imports which will encourage exploration and development efforts in the domestic industry and which will make available a maximum supply of domestic oil to meet the needs of this Nation.
>
> The availability of petroleum from domestic fields produced under sound conservation practices, together with other pertinent factors, provides the means for determining if imports are necessary and the extent to which imports are desirable to supplement our oil supplies on a basis which will be sound in terms of the national economy and in terms of conservation.
>
> The implementation of an import policy, therefore, should be flexible so that adjustments may readily be made from time to time.
>
> Imports in excess of our economic needs, after taking into account domestic production in conformance with good conservation practices and within the limits of maximum efficient rates of production, will retard domestic exploration and development of new oil fields and the technological progress in all branches of the industry which is essential to the Nation's economic welfare and security.

Nor is the industry alone in this awareness. On April 14, 1953, Senator FRANK CARLSON, of Kansas, addressing the Senate on the need for reasonable restrictions on oil imports, had this to say:

> There is nothing in our history that justifies aiding others by trading away our security.
>
> If we become reliant on others for our oil supply, we must become dependent on others for security.
>
> * * * * *
>
> Steel, operated by men and powered by petroleum, constitutes our real defense. These are the elements of a successful national defense. With petroleum, we can fuel planes, destroyers, tanks, submarines, and all the other military machines. Without petroleum, we could not even bring our men and machines into a posture of defense against our enemy.

Consumers of oil products are probably generally indifferent as to the peacetime source of crude oil, as long as security requirements are met and an adequate supply is available at the most reasonable price.

This latter requirement, incidentally, has certainly been fulfilled over a period of years. A recent comparison shows that 1 hour's average wage will buy almost 2½ times as much gasoline as it would a quarter of a century ago. In addition, 2 gallons of today's gasoline will do the work that it took 3 gallons to do 25 years ago. There is, beyond doubt, at least an adequate supply of such gasoline.

The military is aware of the dangers inherent in excessive dependence on foreign oil. The industry is aware of the unwisdom of such a policy. Consumers are interested primarily in an adequate supply of oil at a reasonable price. The domestic oil industry has been able to accomplish this.

If this is true as to the military, the industry, and the consuming public, why, then, do we import more and more oil?

That, indeed, is the $64 question, and one which this Congress should never evade. The basic constitutional responsibility for dealing with world trade lies with Congress.

The delegation of this responsibility to the executive branch was a deplorable mistake. It is a mistake which has extremely disturbing implications for this Nation's future unless Congress renews its proper role. The need for congressional action on such problems as that of oil imports is especially acute. The Congress, with responsibility to the electorate, should see that the wishes of the electorate are not forgotten in the rush to win friends and influence people all over the globe. There, are, after all, certain homefront considerations, too.

I think it was my colleague, Representative JOHN JARMAN, of Oklahoma, who said in an address to the House recently, something to the effect that our extractive industries are being injured, while our assembly-line industries are being helped, under the administration of the present trade-agreements program. This is an astute observation, and it is certainly a true one in the case of the oil industry.

We often hear an unembarrassed clamor on the part of certain production-line industry officials for free trade,

and for getting dollars overseas. Dollars overseas for whose products you might ask? Why, what these fellows really have in mind is that those dollars be sent overseas in return for foreign crude oil, or iron ore, or anything else but the products which the freetraders themselves manufacture. If these dollars get overseas, a lucrative market for production-line goods may result. Thus, their cry for free trade rings more than a little hollow.

Assembly-line industries can control output through manipulation of machines and manpower. When they want more output, they buy more machines or hire more manpower. Thus, in time of either peace or war, they can control the flow of goods. If markets can be created overseas, then such industries can increase their peacetime output and, perhaps, profit thereby.

This is a normal and natural desire. But when these overseas markets are created at the direct expense of extractive industries, such as oil, we enter the danger zone. For our extractive industries are not only vital to our defense, but they are also impossible to gear to the concepts of the production line. This is due to the fact that extractive industries are subject to the foibles of nature. Reserves of such products cannot always be located on the whim of a moment's notice.

They are found through continuous search in both peace and war. It is axiomatic that if it becomes uneconomic for an extractive industry to operate in peacetime, the industry will not discover adequate reserves of products which are vital in time of war.

In such a case, this philosophy of so-called free trade might well turn out to be the most expensive kind of trade, in the interests of national defense, that this Nation has ever seen. Yes; free trade can be expensive trade. The Congress would be wise to see that the interests of national defense are not so violated.

Domestic oil producers have pursued all of the other practical alternatives of possible solution to the problem presented by too much foreign oil. They have tried first of all to find administrative relief. This is apparently impossible under the trade-agreements program. That this alternative failed miserably is perhaps best seen from the fact that oil imports rose from 377,000 barrels per day in 1946 to well over a million barrels per day in 1953. The administrative route was a disappointing dead end, mostly because the State Department has called the shots with the primary intent of furthering global, as opposed to domestic, objectives. These objectives have been rationalized through such reports as that of the Randall Commission.

The domestic oil industry has also sought to convince the major American oil importers of the necessity to directly reduce their imports. Only in the last month has there been any evidence whatsoever on their part of even a recognition of the need to cut back. This came when some of the importing oil companies sliced off a small part of their large volume of imports. These cuts, when fully implemented, will amount to a total of perhaps 50,000 barrels per day.

When you relate this to the total volume of imports, you find that this token cutback amounts to perhaps 5 percent of that total volume. It can hardly be contended that a cut of such an amount is a real contribution to this problem when the industry is capable of turning out a million and a half barrels of oil daily more than it now produces.

For a true indication of the future intentions of major oil importers, look at the testimony of Mr. J. W. Foley, vice president of the Texas Co., before the aforementioned Malone subcommittee. In December 1953, at a time when the situation of oversupply was already serious, Mr. Foley said, and I quote:

> It is apparent to us that domestic production cannot be increased sufficiently to meet * * * ever-increasing demand. This means we will be forced to further supplement our domestic supplies.

I might add again at this point that the industry's present capacity to produce is a great deal in excess of the demand for domestic oils and that ever-increasing imports are one of the chief reasons for this situation.

The possibilities of voluntary reduction are graphically demonstrated by figures which show that, by 1953, oil imports had increased by 179 percent during the postwar period since 1946, while domestic production had gone up only 36 percent. Total oil imports thus have increased five times as fast, percentagewise, as domestic oil production in the few years following World War II. Yet everyone remembers the sunken tankers of foreign oil during that war. Everyone knows that the atomic-powered submarine has made dependence on overseas oil for defense more foolhardy than ever.

Thus, administrative alternatives and voluntary reductions of oil imports have both failed. The domestic oil producer has recourse to only one other hope. That is the hope that Congress will see fit to correct this situation in the interests of national security.

There are good precedents for such action. There is now an excise tax, although now made ineffectual, which was passed by Congress in 1932. It was emasculated by the aforementioned trade-agreements program. Prior to that program, in keeping with the desires of the Congress, the excise tax on oil imports resulted in a reduction of such imports from about 300,000 barrels daily early in 1932, to about 110,000 barrels daily at the end of that year. The Congress thus has established effective precedents in dealing with the oil-imports problem.

There may be some who have misgivings about what effect a limitation of oil imports would have on relationships with our allies. In this connection, it must be realized that the responsibility of industries in world trade should be diversified. No one industry should be singled out to carry the bulk of the burden. Nor should trade be a one-way affair. I think this was pointed up very well by Mr. Russell B. Brown, general counsel of the Independent Petroleum Association of America, in a speech on January 27, 1954, before the World Trade Club of the Cincinnati, Ohio, chamber of commerce. Here are some excerpts from that address:

> In discussing petroleum imports into the United States, we are * * * talking primarily of four countries, Venezuela, Netherlands West Indies, Saudi Arabia, and Kuwait. Based on dollar value, these countries accounted for more than 90 percent of all United States petroleum imports during the year 1952.
>
> It is argued that by increasing imports of oil, we enlarge our export of other commodities.
>
> Using the above four countries as an example, we find that petroleum constitutes their principal export commodity.
>
> Since World War II, the dollar value of petroleum imports from these four countries into the United States has continuously increased from less than $200 million to more than $600 million.
>
> In contrast, our exports to these countries have not shown an increasing trend. From 1948 to 1952, oil imports into the United States from these 4 countries increased 62 percent, while our exports to these countries on products other than oil actually declined 5 percent, clearly demonstrating that the amount of goods we can sell these countries is not directly dependent on the amount of oil we can import from them.
>
> Venezuela alone is receiving over $700,000 per day more from oil shipments to the United States than that nation enjoyed in 1946.
>
> The Middle East is receiving about $350,000 per day more than in 1946. This is a total postwar contribution of more than $1 million each day.
>
> How much more must the domestic oil producer give?
>
> How much more can he give and survive to meet our country's needs and security?

To summarize, I would like to point out that further injury to an industry which supplies over half of the Nation's mineral value will be a severe blow to the national economy. Continued excessive importation of oil will result in a further loss of revenue to Federal, State, and local governments. A continuation of a policy of favoritism in behalf of assemblyline industries will hurt the Nation's overall raw-material potential. A continued high level of oil imports will seriously threaten a conservation program possessing a tradition of success which clearly illustrates its value. Too much foreign oil will ultimately cause a substantial loss of employment in some of our major industries. My own State, Pennsylvania, will be directly affected.

All of these threats are real and immediate. None of them, however, is as important as the danger to our structure of defense. Without accessible oil, we cannot hope to maintain even the pretense of defense. For oil is essential to each and every existing machine of war. It is the heartbeat of a mechanized army. When it stops, the army stops.

This, then, is a problem for Congress. It is a problem with which the Congress should deal now, before it is too late.

At this moment, we risk reliance on oil far from our lines of practical defense. Unless we do something, and do it soon, this reliance may become a reality rather than a risk.

It is up to this body to see that such a mistake is avoided.

AMERICAN WEEKLY NEWSPAPER PROTECTED

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, I rise in behalf of doing justice to a very fine American weekly newspaper in my district, at Glen Cove, N. Y., which is called the Spotlight. Its editor is a long-time resident of Glen Cove and one of our most respected citizens in Nassau County—Herbert Stone. Indeed, the Spotlight of Glen Cove, in May, celebrated its fifth anniversary.

Very recently, there was an inclusion in the CONGRESSIONAL RECORD—May 25, 1954—that confused this fine American weekly with a Communist organ with the same name that was issued for a number of years by the Communist outfit called American Youth for Democracy. This mention was made in connection with a bill that has been introduced by the very able gentlewoman from the 28th District, New York, and which has as its objective the elimination of the second-class mailing privilege to papers which are on the Attorney General's list of subversive organizations and publications.

Of course, the whole matter was one of simple confusion, but nevertheless it very greatly worried and concerned my good friend, Herbert Stone, editor of the Spotlight in Glen Cove and many of our people in that community. The gentlewoman from the 28th District of New York has assured me that whenever her committee meets, she will see to it that the records of the hearings on her bill include an appropriate and specific correction.

I appreciate the indulgence of the House, Mr. Speaker, for being permitted to make this statement. I did feel that this correction should be noted in the RECORD because the unwitting injustice done to Mr. Herbert Stone and his fine weekly, the Spotlight, also stemmed from mention of his paper in the RECORD.

MUTUAL-SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 449)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I herewith transmit recommendations relating to the mutual-security program which, I am deeply convinced, are essential to the efforts of the United States in the fields of international relations and national defense. These recommendations are the outgrowth of painstaking analyses of present mutual-security programs, recent world developments, and alternative methods of protecting the Nation's interests.

Our mutual-security program is based upon the sound premise that there can be no safety for any of us except in cooperative efforts to build and sustain the strength of all free peoples. Above all else Communist strategy seeks to divide, to isolate, to weaken. The mutual-security program is an important means by which to counter this strategy. It helps us to bolster strength in remote areas which are, nevertheless, vital to our own security. It is mutually advantageous to our own economy and to the economies of the countries to which we give assistance. It meets the Communist menace at the front line with practical and effective measures. It serves the ultimate purpose of our foreign policy by expanding the area of hope and freedom, and thus it helps to secure the foundations of a free and peaceful world.

For the new program I urge that the Congress authorize new appropriations to the President in the amount of approximately $3,500,000,000. This amounts to approximately a 40-percent reduction in 2 years. Further reductions in the authorized program at this time, in view of the continuing threat to our national safety, would be unjustified and unsafe. Because the new program is in large measure a continuation of existing programs, its success requires reauthorization for expenditure of funds that are still unexpended.

Measured in terms of functions, about $2,748.4 million of the $3.5 billion of new appropriation authority, or 79 percent, is for programs essentially of a military nature. Of this amount, $1,580 million is for mutual defense assistance—principally military end-items and training—$945 million is for direct forces support—primarily for supplies and equipment for forces in southeast Asia and the western Pacific—and $223.4 million is for mutual defense support—principally to sustain abnormally large but essential military programs in certain countries. The remainder consists of $241.3 million for programs in Korea, $256.4 million for development assistance—largely in the Near East and South Asia—$131.6 million for technical cooperation, and $70.5 million for other programs, including contributions to voluntary programs of the United Nations.

Dividing the $3.5 billion into areas, approximately $900 million is for Europe, $570 million for the Near East, Africa and South Asia, $1,770 million for the Far East and the Pacific, and $47 million for Latin America. Some $165 million is requested for nonregional programs.

Today the continued ruthless drive of Communist imperialists for world domination places an especially high premium on our maintenance of close relations with friendly nations. We must provide military assistance to some nations, especially to those of strategic military significance which are willing to join in the common defense effort. A major part both of the nearly $5 billion of expenditures in the current fiscal year and the appropriations authorization requested for the coming year is for programs of a military nature. These amounts are, indeed, substantial. But a common defense system evolved in concert with allies is far less expensive to our people and far more effective for the free world than a defense structure erected only on our soil, consisting only of our forces. Such amounts, moreover, are minuscule compared to the cost of global war which these programs help to prevent.

Recent events in southeast Asia have created grave uncertainty. The security of that region and the interests of the United States and its allies there are clearly endangered. It is, therefore, critically important that the Congress authorize the appropriation of funds needed to provide military and other assistance to this area and that authority be granted to adjust the use of these funds to rapidly changing conditions.

I also recommend continuance of limited authority to transfer, for use in another geographic area or for a different purpose, funds appropriated for one geographic area or purpose. Other forms of flexibility which proved their value during the past year should also be continued. The United States must be in a position to employ these programs with the utmost speed and precision to accomplish our goals under the swiftly shifting circumstances of the world.

Our country's participation in technical-cooperation programs must be vigorously advanced. Certain fundamentals are essential to their success. First, they should provide experts and know-how rather than large amounts of funds or goods, although they should not be allowed to fail due to lack of necessary teaching and demonstration equipment. Second, they should be tightly adjusted to the needs of the host countries. Third, they should be so administered as to reach as many people as possible, helping them raise their own standards of living and solve their own problems. Technical-cooperation programs now before the Congress are based on these fundamentals. These programs are our most effective countermeasure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace.

Three months ago I advised the Congress that economic assistance on a grant basis should be terminated as swiftly as our national interest would allow. This concept underlies the new programs. In Europe economic assistance is recommended only for a few local programs of especial importance. As rapidly as feasible in our relationships with other countries, these programs are being supplanted by more durable undertakings in the field of mutually profitable private investment and trade. As such trade and investment expands, the need for grant assistance will further diminish. But this expansion takes time and effort. This requires that in strategically located, underdeveloped areas of the world, some grant assistance must be continued for an additional period of time. Such assistance is also needed for certain countries which lack the economic capacity to establish and equip military forces needed for the common defense.

Notwithstanding the continuing need for such grants, we must strive constantly toward relationships with our friends

which are more satisfactory, both to them and to us, than grant assistance. This legislation should, therefore, reserve for loans not less than $100 million of the fiscal year 1955 funds. Such loans would be made where there is reasonable chance of repayment in dollars or in local currencies, and should be extended in a manner that would not substantially impair a country's capacity to borrow from private banking sources, the International Bank for Reconstruction and Development, or the Export-Import Bank. This is a vital step toward the general replacement of grant economic assistance. We shall achieve this goal as quickly as world conditions and our national welfare permit.

In the administration of the mutual security program, agricultural surpluses will be used to strengthen the economies of friendly countries and to contribute in other ways to the accomplishment of our foreign policy objectives. We shall also attempt to use other products of our farms and the output of our industries whenever their use is consistent with the essential objectives of the program, after taking into account such factors as availability, price, and quality. In the conduct of these and other mutual security programs a Foreign Operations Administration performs a necessary function and should be continued.

The United States has chosen carefully from among many alternatives in order to chart a sound course in the world.

We have chosen to build defenses with our allies rather than go it alone, because we are convinced that this course is more effective and less costly.

We have chosen to help develop and expand world markets, because we believe that this course will strengthen the economies of all free nations, including our own.

We have chosen to exchange technical knowledge and ideas with our friends, because we believe that course will go far toward countering the effects of Communist propaganda, while at the same time promoting peace through improved political and economic stability.

Having embarked upon these courses of action, we shall follow them through. We did not choose the gigantic struggle now endangering the world, but surely this is clear: During periods when the contest is hardest, we must not falter, we must not abandon programs of positive action. Instead, at such a time, we must intensify sensible and positive action.

This program of mutual security is such action; it is one of our most effective, most practical, least costly methods of achieving our international objectives in this age of peril.

I therefore strongly urge enactment of mutual security legislation along the lines I have herein generally outlined.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 23, 1954.*

NEED FOR PRESIDENTIAL COMMISSION ON UNITED STATES FOREIGN INTELLIGENCE ACTIVITIES

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, I have introduced today a bill, H. R. 9660, to create a Commission on United States Foreign Intelligence Activities. This will be a 9-man Presidential commission, 5 members of which shall be appointed by the President, who shall also designate the chairman. Four members are to be appointed from the Congress, 2 from the Senate and 2 from the House.

This commission will have two major responsibilities: First, to make a full and complete investigation of this country's foreign intelligence activities; and, second, to examine the security of these intelligence agencies from penetration by subversive elements. The findings and recommendations of the commission are to be submitted both to the Congress and the President on or before March 1, 1955.

I should like to make a few brief comments to explain why I am proposing this Commission on United States Foreign Intelligence Activities. In the first place, I think all of us here in Congress recognize that the adequacy, timeliness and overall effectiveness of our national intelligence effort is of vital importance to our national security. The effect of our tremendous military expenditures could be greatly lessened, or even nullified, if our intelligence system is ineffective or faulty. The very safety of our Nation would be jeopardized if we were not forewarned of a sneak attack. It is essential for us to have sound estimates on the intentions and capabilities of our potential enemies. We cannot afford another Pearl Harbor.

A commission such as I am proposing would make a thorough, intensive, and impartial survey of our foreign intelligence activities. No such inquiry has been made since shortly after the passage of the National Security Act of 1947. For that reason it is timely and appropriate to take this step now.

As we all know, the Congress has voted considerable sums for these intelligence agencies, and yet we know virtually nothing as to the scope and success of their operations. Members of the Appropriations Committee and the Armed Services Committee, it is true, have some knowledge of their expenditures and the types of activities involved, but no comprehensive study has been made. For that reason also it seems the part of wisdom for the Congress to authorize this investigation.

I realize that President Eisenhower, if he sees fit, could establish such a Commission without any legislative assistance. On the other hand this is a field where the Congress might logically take the initiative. By expressing congressional interest, we can authorize a discreet but thorough investigation, supervised by a responsible and impartial Commission.

Others have suggested that a joint committee on the Central Intelligence Agency be established to provide a continuous, and presumably discreet, check on that agency. I do not believe such an over-the-shoulder, watchdog committee is necessary. Furthermore, I think that it is preferable for a presidential Commission to be established, with a majority of its members appointed by the President. These intelligence agencies are responsible to the executive branch, and they should be made primarily accountable to the President.

If we agree that a study of some kind is advisable, some of us may feel that an investigation by a congressional committee would be sufficient and appropriate. I definitely do not agree with such a view. The confidential and infinitely varied nature of our intelligence effort, it seems to me, precludes a public airing such as a congressional investigation would entail. It was realized in 1947 that publicity would perhaps defeat the purposes for which the Central Intelligence Agency was formed. For that reason the Congress exempted the CIA from the usual surveillance required of other governmental activities. A free-wheeling congressional investigation—especially if it were conducted in an irresponsible way, with an eye on publicity rather than the facts—might have disastrous consequences on a delicate and essential instrument of national policy.

In summary, Mr. Speaker, I believe that some form of review of our intelligence activities would be beneficial and proper. At the same time we must make certain that the type of investigation which is undertaken is constructive and not destructive. A presidential Commission such as I am proposing would provide a healthy check and review of these activities without jeopardizing the effectiveness of certain vital governmental agencies. I hope that the Congress will give this proposal its prompt and serious consideration.

JOINT COMMITTEE ON INTERNAL SECURITY

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the hearings in the other body respecting the Department of the Army have now closed but the problem of adopting rules of fair procedure and proper organization for congressional investigations of communism and subversion urgently demands solution at this session of the Congress. What we have seen in the other body makes this an indispensable element of the majority's program and as both Houses are so closely divided, equally—a responsibility of the minority.

The hearings showed the dangers of deep national division, distraction of the Congress from urgent business at a crucial moment in world history and damage to our country's prestige in the free world, and the whole country was shaken by the bid to Government employees to break security and their oaths of office.

In the life and death struggle between the free world and the Communist imperialist and totalitarian world in this quotation marks "war," whether hot or cold, there can be only one Commander in Chief leading us and that under the Constitution is the President. What we have seen of an invitation to break down the President's authority in the Government must convince us that the interests of the country and the prestige of the Congress as the legislative arm of Government demand measures to end the dangers of excesses in these congressional investigations.

The powers of the Congress with respect to legislative oversight enable the most complete inquiry to be made into the affairs of Government departments. There is no reason why this power cannot be utilized by committees as such without incurring dangers inherent in individual Members acting on their own with respect to the authority vested in the committee.

The rules of procedure proposed in House Concurrent Resolution 202 have been drawn by outstanding legal authorities and represent elementary rules of fairness. Excesses in congressional investigations have shown that they are needed and that rules adopted by such committees themselves are not an adequate substitute taking the problem as a whole. It has always been our tradition to safeguard individual rights at the same time that we safeguard the public interest and it is entirely practicable in this situation.

I am today renewing in a letter to the membership the request that they sign discharge petition No. 8 to take up before we adjourn the measure to establish a Joint Committee on Internal Security and to provide for statutory rules of procedure. It offers every Member a practical way to act on this urgent national issue. The text of the letter is appended hereto:

JUNE 23, 1954.

DEAR COLLEAGUE: The Senate hearings in the controversy between Senator MCCARTHY and the Army just terminated show now conclusively how excesses in congressional investigations of communism and subversion can (a) divide the country on fundamentals in which division is neither traditional nor good for the national interest, (b) distract the Congress, (c) seriously damage our country's prestige in the free world, and (d) jeopardize the essential division of powers in our Government between the President and the Congress. Under these circumstances remedial measures become an indispensible element of the majority's program and as both Houses are so closely divided equally a responsibility of the minority.

Discharge petition No. 8 which I have placed on the Speaker's desk seeks to bring up House Concurrent Resolution 202, to establish a Joint Committee on Internal Security and to provide for statutory rules of fair procedure. It offers members the opportunity to take remedial action on this vital national issue before the Congress adjourns. If the subject is successfully brought up on the discharge petition the House can work its will as to the remedy it desires to adopt.

Under House Concurrent Resolution 202 the joint committee would take the place of the House committee and the two Senate subcommittees dealing with investigations of communism and subversion and would be organized and operate in a way analogous to the Joint Committee on Atomic Energy. The joint committee could refer specific investigations to standing legislative committees or call for the appointment of select committees or statutory commissions to handle particular investigations. The rules of procedure provided in House Concurrent Resolution 202 will safeguard the rights as individuals of those named in committee investigations and of witnesses, will maintain the prestige of the Congress and the power to investigate and are in substance those sponsored by the association of the bar of the city of New York and other leading bar associations.

I hope very much that you will consider favorably the prompt signing of discharge petition No. 8.

Sincerely,

J. K. JAVITS,
Member of Congress.

RIGHTS OF COMMITTEES OF CONGRESS TO CLASSIFIED INFORMATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, what the gentleman from New York [Mr. JAVITS] just said may be all very well, but where does it get us?

My short experience of 20 years with congressional investigations—and I was chairman of a one-man committee in 1936—is that whether citizens are treated fairly, whether an investigation is conducted as it should be, whether the rights of citizens are properly protected, whether a good result finally comes from the investigation, depends almost entirely, not upon rules, but upon the characteristics of the members of the committee which conducts the investigation.

On the issue as to whether Federal employees should give information as to inefficiency or violations of the Federal statutes to Members of the Senate or the House, we have in the past had some top officials who did not pay any attention when they were told about Communists. It may be just possible—not probable—that you might have someone at the head of an executive department who was in sympathy with an unlawful activity.

Of course, it is the business of the executive departments to enforce the law, and information of violations of law should first be given to them, but when the law is not enforced, when an official or an agency will not act, when they cover up for a crook, is every Federal employee to keep secret all the information he may have after he has given it to the executive department? After the Federal employee has given information showing violations of the law or treason itself to the proper executive officers and no action has been taken, has he not a right to go to his Senator or to his Member of Congress and tell him of the improper procedure of the commission of a crime?

Now, think it over a little. Are we all to cover up for every crook in every executive agency or department? Think about it before you form an opinion.

SPECIAL ORDERS

Mr. SHEEHAN asked and was given permission to address the House for 15 minutes on tomorrow, Thursday, following any special orders heretofore entered.

Mr. JAVITS asked and was given permission to vacate the special order granted to him for today.

RULES OF PROCEDURE FOR CONGRESSIONAL COMMITTEES

Mr. CLARDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLARDY. Mr. Speaker, I did not intend to say anything at all until my friend from New York [Mr. JAVITS] spoke, but I commend to his attention the printed rules of the House Committee on Un-American Activities. If anyone can find fault with the self-imposed rules which we have adopted and still insist that we need to have a statute in order to do the same things, then I will recede from my position.

It is my judgment that we have gone so far to be fair with the traitors in our midst that we have leaned over backward. I wish every Member of this House before making his decision on any foolish effort to impose rules upon us would read the printed rules we adopted last year and then I think you will agree they are sufficient.

COMMITTEE ON UN-AMERICAN ACTIVITIES

PUBLIC LAW 601, 79TH CONGRESS

The legislation under which the House Committee on Un-American Activities operates is Public Law 601, 79th Congress [1946], chapter 753, 2d session, which provides:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, * * *

Part 2—Rules of the House of Representatives

Rule X

Sec. 121. Standing committees

* * * * *

17. Committee on Un-American Activities, to consist of nine members.

Rule XI

Powers and duties of committees

* * * * *

(q) (1) Committee on Un-American Activities.

(A) Un-American activities.

(2) The Committee on Un-American Activities, as a whole or by subcommittee, is authorized to make from time to time investigations of (i) the extent, character, and objects of un-American propaganda activities in the United States, (ii) the diffusion within the United States of subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin and attacks the principle of the form of government as guaranteed by our Constitution, and (iii) all other questions in relation thereto that would aid Congress in any necessary remedial legislation.

The Committee on Un-American Activities shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable.

For the purpose of any such investigation, the Committee on Un-American Activities, or any subcommittee thereof, is authorized to sit and act at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

RULES ADOPTED BY THE 83D CONGRESS

(H. Res. 5, January 3, 1953)

Rule X

Standing Committees

1. There shall be elected by the House, at the commencement of each Congress, the following standing committees:

* * * * *

(q) Committee on Un-American Activities, to consist of nine members.

* * * * *

Rule XI

Powers and Duties of Committees

* * * * *

17. Committee on Un-American Activities.

(a) Un-American activities.

(b) The Committee on Un-American Activities, as a whole or by subcommittee, is authorized to make from time to time investigations of (1) the extent, character, and objects of un-American propaganda activities in the United States, (2) the diffusion within the United States of subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin and attacks the principle of the form of government as guaranteed by our Constitution, and (3) all other questions in relation thereto that would aid Congress in any necessary remedial legislation.

The Committee on Un-American Activities shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable.

For the purpose of any such investigation, the Committee on Un-American Activities, or any subcommittee thereof, is authorized to sit and act at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member. (Rules and Manual, House of Representatives, 83d Cong., sec. 720.)

25. (a). The rules of the House are hereby made the rules of its standing committees so far as applicable * * *. (Rules and Manual, House of Representatives, 83d Cong., sec. 735.)

"A committee may adopt rules under which it will exercise its functions (I, 707; III, 1841, 1842; VIII, 2214) and may appoint subcommittees (VI, 532) which should include majority and minority representation (IV, 4551) and confer on them powers delegated to the committee itself (VI, 532) * * *."

RULES OF PROCEDURE

I. INITIATION OF INVESTIGATIONS

No major investigation shall be initiated without approval of a majority of the committee. Preliminary inquiries, however, may be initiated by the committee's staff with the approval of the chairman of the committee.

II. SUBJECTS OF INVESTIGATION

The subject of any investigation in connection with which witnesses are summoned or shall otherwise appear shall be announced in an opening statement to the committee before the commencement of any hearings; and the information sought to be elicited at the hearings shall be relevant and germane to the subject as so stated.

III. SUBPENAING OF WITNESSES

A. Subpenas shall be signed and issued by the chairman of the committee, or any member of the committee designated by said chairman.

B. Witnesses shall be subpenaed at a reasonably sufficient time in advance of any hearing, said time to be determined by the committee, in order to give the witness an opportunity to prepare for the hearing and to employ counsel, should he so desire.

IV. EXECUTIVE AND PUBLIC HEARINGS

A. Executive

(1) If a majority of the committee or subcommittee, duly appointed as provided by the rules of the House of Representatives, believes that the interrogation of a witness in a public hearing might endanger national security or unjustly injure his reputation, or the reputation of other individuals, the committee shall interrogate such witness in an executive session for the purpose of determining the necessity or advisability of conducting such interrogation thereafter in a public hearing.

(2) Attendance at executive sessions shall be limited to members of the committee, its staff, and other persons whose presence is requested, or consented to by the committee.

(3) All testimony taken in executive sessions shall be kept secret and shall not be released or used in public sessions without the approval of a majority of the committee.

B. Public hearings

(1) All other hearings shall be public.

V. TESTIMONY UNDER OATH

All witnesses at public or executive hearings who testify as to matters of fact shall give all testimony under oath or affirmation. Only the chairman or a member of the committee shall be empowered to administer said oath or affirmation.

VI. TRANSCRIPT OF TESTIMONY

A complete and accurate record shall be kept of all testimony and proceedings at hearings, both in public and in executive session.

Any witness or his counsel, at the expense of the witness, may obtain a transcript of any public testimony of the witness from the clerk of the committee.

Any witness or his counsel may also obtain a transcript of any executive testimony of the witness:

(1) When a special release of said testimony prior to public release is authorized by the chairman of the committee or the chairman of any subcommittee; or

(2) After said testimony has been made public by the committee.

VII. ADVICE OF COUNSEL

A. At every hearing, public or executive, every witness shall be accorded the privilege of having counsel of his own choosing.

B. The participation of counsel during the course of any hearing and while the witness is testifying shall be limited to advising said witness as to his legal rights. Counsel shall not be permitted to engage in oral argument with the committee, but shall confine his activity to the area of legal advice to his client.

VIII. CONDUCT OF COUNSEL

Counsel for a witness shall conduct himself in a professional, ethical, and proper manner. His failure to do so shall, upon a finding to that effect by a majority of the committee or subcommittee before which the witness is appearing, subject such counsel to disciplinary action which may include warning, censure, removing from the hearing room of counsel, or a recommendation of contempt proceedings.[1]

In the case of such removal of counsel, the witness shall have a reasonable time to obtain other counsel, said time to be determined by the committee. Should the witness deliberately or capriciously fail or refuse to obtain the services of other counsel within such reasonable time, the hearing shall continue and the testimony of such witness shall be heard without benefit of counsel.

IX. STATEMENT BY WITNESS

A. Any witness desiring to make a prepared or written statement[2] for the record of the proceedings in executive or public sessions shall file a copy of such statement with the counsel of the committee within a reasonable period of time in advance of the hearing at which the statement is to be presented.

B. All such statements so received which are relevant and germane to the subject of the investigation may, upon approval, at the conclusion of the testimony of the witness, by a majority vote of the committee or subcommittee members present, be inserted in the official transcript of the proceedings.

X. RIGHTS OF PERSONS AFFECTED BY A HEARING

A. Where practicable, any person named in a public hearing before the committee or any subcommittee as subversive, Fascist, Communist, or affiliated with one or more subversive-front organization, who has not been previously so named, shall, within a reasonable time thereafter, be notified by registered letter, to the address last known to the committee, of such fact, including:

(1) A statement that he has been so named,

(2) The date and place of said hearing.

(3) The name of the person who so testified.

(4) The name of the subversive, Fascist, Communist, or front organization with which he has been identified; and

(5) A copy of the printed rules of procedure of the committee.

B. Any person, so notified, who believes that his character or reputation has been adversely affected or to whom has been imputed subversive activity, may within 15 days after receipt of said notice:

(1) Communicate with the counsel of the committee,[3] and/or

(2) Request to appear at his own expense in person before the committee or any subcommittee thereof in public session and give testimony, in denial or affirmation, relevant and germane to the subject of the investigation.

C. Any such person testifying under the provisions of B (2) above shall be accorded

---

[1] The committee seeks factual testimony within the personal knowledge of the witness and such testimony and answers must be given by the witness himself and not suggested to witness by counsel.

[2] Statements which take the form of personal attacks by the witness upon the motives of the committee, the personal characters of any Members of the Congress or of the committee staff, and statements clearly in the nature of accusation are not deemed to be either relevant or germane.

[3] All witnesses are invited at any time to confer with committee counsel or investigators for the committee prior to hearings.

the same privileges as any other witness appearing before the committee, and may be questioned concerning any matter relevant and germane to the subject of the investigation.

XI. ADMISSIBILITY OF TESTIMONY

A witness shall be limited to giving information relevant and germane to the subject under investigation. The committee shall rule upon the admissibility of all testimony or information presented by the witness.[4]

XII. RELATIONSHIP OF HUSBAND AND WIFE

The confidential relationship between husband and wife shall be respected, and for reasons of public policy, one spouse shall not be questioned concerning the activities of the other, except when a majority of the committee or subcommittee shall determine otherwise.

XIII. TELEVISED HEARINGS

A. If a hearing be televised

(1) Television facilities in the hearing room shall be restricted to two cameras, the minimum lighting facilities practicable, and the television production shall be available on a pool basis to all established television companies desiring participation.

(2) Telecasts of committee hearings shall be on the basis of a public service only, and this fact shall be publicly announced on television in the beginning and at the close of each telecast. No commercial announcements shall be permitted from the hearing room or in connection therewith, and no actual or intimated sponsorship of the hearings shall be permitted in any instance.

B. Upon the request of a witness that no telecast be made of him during the course of his testimony, the chairman shall direct that television cameras refrain from photographing the witness during the taking of his testimony.

XIV. COMMITTEE REPORTS

A. No committee reports or publications shall be made or released to the public without the approval of the majority of the committee.

B. No summary of any committee report or publication and no statement of the contents of such report or publication shall be released by any member of the committee or its staff, prior to the official issuance of the report.

XV. WITNESS FEES AND TRAVEL ALLOWANCE

Each witness who has been subpenaed, upon the completion of his testimony before the committee, may report to the office of the clerk of the committee, room 227, Old House Office Building, Washington, D. C., and there sign appropriate vouchers for travel allowances and attendance fees upon the committee. If hearings are held in cities other than Washington, D. C., the witness may contact the clerk of the committee, or his representative, prior to leaving the hearing room.

XVI. CONTEMPT OF CONGRESS

No recommendation that a witness be cited for contempt of Congress shall be forwarded to the House of Representatives unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, and by a majority of those present voted that such recommendation be made.

XVII. DISTRIBUTION OF RULES

All witnesses appearing before the House Committee on Un-American Activities shall be furnished a printed copy of the rules of procedure of the committee.

---

[4] The House Committee on Un-American Activities is a congressional committee, not a court. Moreover, the committee has neither the authority nor the vast powers of a court of law.

A congressional committee conducts a search for information, not a trial.

The requirements of time, the nature of the fact-finding hearing, the complications of travel, the realities of expense, and the voluminous duties of Members of Congress all add together to make it impractical for courtroom procedure to be followed.

The committee has given frequent and diligent consideraiton to this subject, and has determined that in order to carry out its responsibilities imposed by law, the rules of evidence, including cross-examination, are not applicable.

POSTAL EMPLOYEES' PAY INCREASE

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Speaker, on Tuesday, June 15, the long-awaited report on the postal pay bill was submitted to this House. This action culminated 4 months of almost daily hearings by our committee. I think it is safe to say that few bills received the same extensive and exhaustive committee examination as the postal pay bill. Certainly I can say there have been none in my experience.

H. R. 9245, committee report No. 1870, should commend itself to every Member who is interested in fair treatment for postal workers—and I am happy to say this body has a justifiable reputation for treating all Federal employees with commendable fairness.

The committee approved bill provides for a modest interim wage increase for postal workers. Some of us would have liked to raise the amount, but realizing the lateness of the present session, it would be unwise to jeopardize final passage of the measure by the introduction of controversial amendments at this time.

I wish particularly to invite the attention of my colleagues to the provision of H. R. 9245 which sets up a joint congressional committee to study postal classification and wage rates. This study is scheduled to be concluded by May 1, 1955. In this way, Congress will have an opportunity to set up sound, orderly procedures for reevaluating postal jobs and fixing fair rates of pay. The suggested classification plan offered by the Post Office Department was, in my opinion, a hit and miss approach, hastily drawn up and not at all thought through.

It is my hope and expectation that the Rules Committee will quickly grant clearance for H. R. 9245, as there are many of our colleagues who wish to be given the opportunity to vote passage of a postal pay bill at the earliest moment.

DEPENDENCY ALLOTMENTS (PROJECT BIG)

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, for the past 18 months an investigation of dependency allotments, which investigation is now known as "project big," has been underway in the miltary services. While I urged this investigation in January of 1953 and have had intimate knowledge of its progress since that time, I have not heretofore mentioned it. I do so now because certain public information officers in the Pentagon have failed to respect the commitments which have been made to me and have begun leaking the story in piecemeal fashion. Since millions of dollars of the taxpayers' money is involved, they are entitled to all of the pertinent details.

Late in 1952 the Comptroller General, the Department of Defense, and the Army conducted a limited investigation of dependency allotment claims in Puerto Rico. The specific claim under investigation was known as a secondary—parents—or class Q allotment. Part of the pay comes from the enlisted person's pay and part is contributed by the Government. The sums contributed by the Government vary from $51.30, for a private with 1 dependent, to $96.90, for a master sergeant with 3 or more dependents. Dependency on the enlisted person for over one-half of their support is the key to class Q allotments for parents, and both the person in the service and the dependent parent or parents making the claim must make an affidavit that this is the case.

The results of the limited investigation in Puerto Rico became known in January 1953, about the same time I became chairman of the House Armed Services Committee. As a matter of fact, my first official act as chairman was a conference with Army personnel officials who were disturbed over the Puerto Rican findings and asking my advice on the course of action which should be taken. During that conference I became convinced that every secondary allotment claim in Puerto Rico should be completely investigated and I urged the Army to undertake it. It was a big job, due to the limited number of trained investigators available, but the Army readily agreed to my request and the full investigation of Puerto Rican claims was promptly undertaken.

At the time of this conference I was reminded of the tremendous sums which were lost during World War II through the payment of unjustified or fraudulent dependency claims. This prompted me to request that a substantial sampling of the secondary allotments to Army dependents in the United States be investigated as a guide for possible future action. The Army readily agreed and thereafter completed this limited investigation of the United States by the late summer of 1953.

As a fundamental matter, most of us feel that most Americans are honest. But I must admit that the initial findings from the investigation of the United States were both startling and disturbing. They indicated that about 30 per-

cent of the secondary allotments were either improper or fraudulent. We then had another conference and agreed to investigate all of the 40,124 secondary allotments of the Army in the United States. That was the birth of "project big."

In October of 1953 the Air Force, having learned of the results of the Army investigation, voluntarily undertook an investigation of a representative number of the same type of claims in the United States.

On November 18, 1953, I requested the Navy and the Marine Corps to start similar action. In each case this has been accomplished.

The Army has completed its investigation in Puerto Rico. Of the total of 19,175 secondary allotments, 6,976—45 percent—have been rejected.

The Army has investigated 28,250 cases in the United States, rejecting 7,765—27 to 28 percent.

The Navy has investigated 640 cases, and has rejected 102 claims—15.9 percent.

The Marine Corps has investigated 528 cases and rejected 52—10 percent.

The Air Force has investigated 504 claims, rejected 47—9 percent.

"Project big" has been a big winner for the taxpayer. Army savings in Puerto Rico and in the United States are $15,234,903, with about 14,000 cases in the United States yet to be investigated. While the savings of the other services do not approximate those of the Army they will swell the total.

Of course, these investigations have cost money, perhaps over a million dollars, but I feel safe in stating that they will produce a savings to the taxpayers of at least $20 million in the Army phase alone. Their psychological value cannot be calculated but it is pertinent to note that about 500 servicemen have already hastened to voluntarily cancel their dependency allotments. Some did so honestly, but let no one doubt that the majority were running for cover before this investigation caught up with them.

I regret that a relatively large number of cases involving certain fraud have been uncovered. I trust that the action which is now taking place with regard to those who have committed fraud will serve as a lesson to others. A number of cases have been referred to United States district attorneys for possible prosecution. A number of service personnel have already or will face military courts-martial, the Army alone having convicted 30 with sentences ranging up to dishonorable discharge. As regrettable as this may be, it is time for that small minority who commit willful fraud on their fellow citizens to understand that they will pay the penalty.

Much credit is due to field investigators of all of the services who have undertaken this difficult task. It is most obvious to me that the perseverance and the good judgment which they have continuously exercised have been major factors in the success in this undertaking. They have performed a real service to the armed services and to the taxpayers and I feel that it is a considerable tribute to them to say that through the long course of this investigation I have not received a single complaint from a single person, in or out of Congress, based upon the manner in which these investigators have conducted themselves.

In the future each of the military services will continue to investigate these claims in a manner which I will not now disclose. The evidence developed to date demands that this be done. Those who are qualified for dependency allotment have no cause for worry, but those who are in doubt had better make sure. And that relatively small minority who are guilty of fraud against their fellow taxpayers had better take cover because the full force of justice is coming their way.

While it is my primary responsibility, as chairman of the House Committee on Armed Services, to legislate in behalf of a sound national defense at the cost of vast sums of money, I trust that the results of this investigation will furnish ample proof that I am determined to obtain a dollar's worth of defense for every dollar of the taxpayers' money that we spend.

INVESTIGATING COMMITTEES

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, I am just going to address myself to the oath of office which we all take and which all Federal employees take. It says, "I take this oath freely," which means you do not have any objection to serving your Government. It says, "I take it without any mental reservation," which means that you intend to be loyal to your Government and to the people with whom you are associated in Government. It says, "without purpose of evasion," which means that you do not intend to go out and disclose information which is classified or which belongs to your Government and give it to any Tom, Dick, or Harry who is willing either to pay you for it or to bribe you for it or give you publicity for it or to advance your cause for it. It says, "freely, without any mental reservation or purpose of evasion."

All I am interested in, Mr. Speaker, are the facts; just the facts.

SPECIAL ORDER GRANTED

Mr. PRICE asked and was given permission to address the House today for 30 minutes, following any special orders heretofore entered.

THE RENTAL SITUATION IN CHICAGO

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I have introduced a resolution creating a select committee immediately to investigate the rental situation in Chicago and other large cities and to report its findings before the adjournment of the 83d Congress. The situation is serious. When a great and conservative Republican newspaper, the Chicago Daily News, runs a news story under an 8-column streamer on page 1, this Congress must take action before it adjourns or be held responsible when the voters go to the polls in November. I urge every Member in this House to read the full text of this article from the Chicago Daily News. It tells the story of an acute housing shortage, practically no vacancies, and come this fall another 10- to 20-percent increase in rents to follow other increases practically doubling the rents that were being charged when rent controls went off a year ago. Come this fall tenants must cough up 10 to 20 percent more or get out into the streets.

Since I announced my intention of asking the House forthwith and before adjournment to investigate the situation my office has been flooded with letters. I quote from a few typical letters. One letter reads:

> Thank God someone has at last come to our rescue. We are sick from worry on account of the high rents. We were paying $57.50 when the rent ceiling went off. Now paying $97 from a salary of $210 and just received notice of another increase. We simply cannot pay it and we can find no place to move. All the apartments are taken. The movers charged a friend of ours $150 to move her two blocks. Please move fast. What is the President doing? Surely he will want to help us.

From a constituent of mine:

> I was paying $35 per month for two rooms, unfurnished, accepted a voluntary increase to $45.50. After the controls went off paid $60, then was raised to $66, and now have another increase threatened. I have reached the end of my rope.

From Oak Park, Ill., comes this letter:

> My husband is ill with heart trouble and our only income is what I earn, less than $60 per week. I was paying $69.25 and after the controls went off this was raised to $92.50. Now they are threatening another 15-percent increase which will bring our rent to $106 per month. With an income of less than $60 per week, a sick husband, with medicine, food, clothing, and carfare (40 cents a day), how can we meet this 15-percent additional increase?

From another correspondent:

> Less than a year ago I was paying $58. That has been raised to $90. Now the landlord is threatening to raise the rent to $116. He says he has to make up for rent-control days. I don't know what to do. I want to do what is right, but I do not know where to turn. Please, in God's name, help us.

A housewife writes me:

> Since the controls were lifted last August we have received 2 increases, totaling 27 percent, and are now told that we must sign a lease at another 20-percent increase or get out. To help out my husband and to try to educate my son, I have gone to work in an office at a small salary. There is no way in the world that we can meet another 20-percent increase. What are we to do? I know that if the Congress comes to Chicago and

sees what is happening here, it will do something for us before it is too late. Please, please hurry.

INDIAN CHARLIE METHOD

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, last Sunday, John T. Flynn, over radio station WOR in New York, and affiliated stations, said that at the coming conference with Churchill and President Eisenhower there will be considered a strengthening of the Anglo-American grand alliance. Then, gratuitously, Mr. Flynn added that when our President and Churchill meet over a bottle of Scotch whisky, he hoped there would be someone there to represent the United States.

Fair criticism is salutary, but such mean or snide comments are deplorable.

It is hoped that Mr. Flynn will withdraw the statement and thus erase the unfair implications that our President will yield unduly to Churchill and sacrifice our best interests to Britain's advantage over a bottle of Scotch whisky.

Such charge goes beyond the realm of decency and fair play. It is what has been termed the "Indian Charlie method."

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I call up the conference report on the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1911)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 19, 22, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 12, 13, 15, 17, 23, 25, 27, 28, 32, 33, and 36, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,689,579"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,900,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,942,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$30,490,200"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,570,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,367,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,967,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,937,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,538,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,500,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$11,575,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$41,250,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$23,550,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,030,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,080,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert "575"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 20.

The House agrees to the amended title of the bill.

H. CARL ANDERSEN,
WALT HORAN,
OAKLEY HUNTER,
MELVIN R. LAIRD,
JOHN TABER,
JAMIE L. WHITTEN,
CLARENCE CANNON,
FRED MARSHALL,
Managers on the Part of the House.

MILTON R. YOUNG,
HOMER FERGUSON,
JOSEPH R. MCCARTHY,
KARL E. MUNDT,
GEORGE D. AIKEN,
RICHARD B. RUSSELL,
CARL HAYDEN,
PAT MCCARRAN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1—Research: Reported in disagreement. The conferees are in agreement with the items earmarked in the Senate report, with the understanding that none of the offsetting reductions will be made in the Budget increases for (1) research on diseases and pests of fruit, vegetable, and other crops; (2) research on horticultural crops; (3) research on diseases of livestock and poultry; and (4) utilization research to develop new and improved uses for agricultural products in surplus. None of the offsetting reductions should be applied in such manner as to seriously impair the work under any project provided for in this appropriation. It is also the desire of the conferees that insect pollination work be strengthened.

Amendment No. 2—Plant and animal disease and pest control: Appropriates $17,-

689,579 instead of $17,461,380 as proposed by the House and $17,819,600 as proposed by the Senate. The amount agreed to provides the following increases over the House bill: Citrus blackfly and Mexican fruitfly, $29,500; Hall scale eradication, $35,200; plant quarantine, $86,400; eradicating scabies, $18,547; and eradicating cattle ticks, $58,552.

Amendment No. 3—Meat inspection: Appropriates $14,325,000 as proposed by the Senate instead of $14,190,000 as proposed by the House. The conferees are in agreement that the increase should be used to meet the need of the smaller meatpackers.

Amendment No. 4—Foot-and-mouth disease research: Appropriates $1,900,000, instead of $1,800,000 as proposed by the House and $2,134,000 as proposed by the Senate.

EXTENSION SERVICE

Amendment No. 5—Penalty mail: Appropriates $1,942,500 instead of $1,885,000 as proposed by the House and $2,000,000 as proposed by the Senate.

FOREST SERVICE

Amendment No. 6—National forest protection and management: Appropriates $30,490,200 instead of $30,132,700 as proposed by the House and $30,860,000 as proposed by the Senate. This amount restores $150,000 for maintenance of improvements and $207,500 for land-utilization projects.

Amendments Nos. 7, 8, 9, and 10—Control of forest pests: Appropriates $4,937,500 instead of $4,800,000 as proposed by the House and $5,075,000 as proposed by the Senate. The amount approved provides $2,570,000 for white pine blister rust control, including $590,000 for leadership, coordination, and technical direction; $1,455,000 for control on national forests; $360,000 for control on Interior lands; and $165,000 for control on State and private lands. The amount agreed to also includes $2,367,500 for forest pest control.

Amendment No. 11—Forest research: Appropriates $6,538,500 instead of $6,528,500 as proposed by the House and $6,918,500 as proposed by the Senate. The additional $10,000 is provided to enable the Department to make a special study and report to the appropriations committees of the two Houses on the need for additional funds for the four proposals contained in the Senate amendment and the Northern Lakes Research Center.

Amendment No. 12—Acquisition of land—Weeks Act: Appropriates $125,000 as proposed by the Senate instead of $75,000 as proposed by the House.

Amendment No. 13—State and private forestry cooperation: Appropriates $10,683,690 as proposed by the Senate instead of $10,608,690 as proposed by the House.

Amendment No. 14—Cooperative range improvements: Authorizes $400,000 instead of $281,000 as proposed by the House and $500,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 15—Conservation operations: Appropriates $59,085,671 as proposed by the Senate instead of $58,965,671 as proposed by the House.

Amendment No. 16—Watershed protection: Appropriates $5,500,000 instead of $5,000,000 as proposed by the House and $6,000,000 as proposed by the Senate.

Amendment No. 17—Flood prevention: Appropriates $7,482,000 as proposed by the Senate instead of $6,982,000 as proposed by the House. The conferees agree that the Department should make distribution of the increase in line with existing distribution among the 11 authorized watersheds.

Funds contained in the flood prevention appropriation for the Los Angeles and Santa Ynez watersheds shall be used for the portions of work covered in the flood survey reports and defined as "Additional Measures to Accelerate Flood Prevention" to the full extent necessary to keep the overall flood prevention program in balance.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Amendment No. 18: Restores language proposed by the House and stricken by the Senate.

Amendment No. 19: Inserts language proposed by the House in lieu of language proposed by the Senate.

Amendment No. 20: Reported in disagreement.

It is the understanding of the conferees that the sum of $195 million will be distributed among the several States on the same basis as the allocation of funds for the 1954 program. It is also understood that any portion of these funds may be used on diverted acres where local needs warrant such use and such practice is approved at the local level.

In view of the action of the conferees with reference to diverted acres the Department need not clear further with either appropriations committee on this matter.

AGRICULTURAL MARKETING SERVICE

Amendment No. 21—Marketing services: Appropriates $11,575,500 instead of $11,463,500 as proposed by the House and $11,675,500 as proposed by the Senate. The additional amount allowed includes $6,000 for the livestock market news service at Houston, Tex.; $6,000 for the fruit and vegetable market news service for Arizona; and $100,000 for poultry and egg inspection services. The latter amount has been agreed to on the basis that the indirect overhead costs for poultry and egg inspection will be handled on the same basis as is followed for inspection services for fruit and vegetables.

Amendment No. 22—Marketing services: Eliminates language inserted by the Senate.

This amendment, which would have established three permanent cotton classing offices in Mississippi by statute, would give to that State more than twice as many classing offices as any other State in the Cotton Belt and would be contrary to policy of the Congress of having relatively few permanent year-around offices. The conferees do agree, however, that cotton classers should be assigned to the markets provided for in the Senate amendment for the major part of the marketing season, with local aid in providing essential office facilities and physical equipment.

Such expansion of classing activities geographically during the marketing season is in line with the policy established by Congress several years ago, which directed that funds for cotton classing under the Smith-Doxey Act should be borrowed from the Commodity Credit Corporation and restored to such corporation by subsequent appropriation. The purpose of such change in policy was to prevent the expense of a great number of permanent year-around cotton classing offices. It was intended that the classing service expand its activities during the busy season and contract them during other periods. The expansion expected and desired was not merely the expansion of the work force at existing offices but was the extension of classing service to other cotton markets and regions during the major marketing season. To restrict such cotton classing during the marketing season to the few places now having permanent offices is to give a distinct marketing advantage to such locations.

While the conferees are directing expansion only in the three locations named in the Senate amendment, it is believed that the Department should establish similar suboffices in the Cotton Belt where, in the opinion of the Secretary, cotton marketed or handled justifies such suboffices and local people are willing to provide the cost of necessary office space and physical equipment.

Amendment No. 23—School lunch program: Appropriates $83,236,197 as proposed by the Senate instead of $83,464,000 as proposed by the House.

COMMODITY STABILIZATION SERVICE

Amendment No. 24—Agricultural Adjustment Programs: Appropriates $41,250,000 instead of $40,000,000 as proposed by the House and $41,750,000 as proposed by the Senate.

Amendment No. 25—Sugar Act Program: Increases administrative expense limitation from $1,392,000 as proposed by the House to $1,440,000 as proposed by the Senate.

FEDERAL CROP INSURANCE CORPORATION

Amendment No. 26: Appropriates $6,000,000 instead of $5,700,000 as proposed by the House and $6,200,000 as proposed by the Senate.

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 27—Loan Authorizations: Authorizes $135,000,000 for electrification loans as proposed by the Senate instead of $100,000,000 as proposed by the House.

FARMERS HOME ADMINISTRATION

Amendment No. 28—Loan Authorizations: Authorizes $122,500,000 for production and subsistence loans as proposed by the Senate instead of $120,000,000 as proposed by the House.

Amendment No. 29—Salaries and expenses: Appropriates $23,550,000 instead of $23,750,000 as proposed by the House and $22,550,000 as proposed by the Senate.

OFFICE OF SOLICITOR

Amendment No. 30: Appropriates $2,030,000 instead of $2,000,000 as proposed by the House and $2,060,000 as proposed by the Senate.

OFFICE OF THE SECRETARY

Amendment No. 31: Appropriates $2,080,000 instead of $2,050,000 as proposed by the House and $2,110,000 as proposed by the Senate.

OFFICE OF INFORMATION

Amendment No. 32: Appropriates $1,196,000 as proposed by the Senate instead of $1,180,400 as proposed by the House.

Amendment No. 33: Increases limitation on printing from $324,000 as proposed by the House to $537,000 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 34: Authorizes the replacement of 575 passenger motor vehicles instead of 500 as proposed by the House and 621 as proposed by the Senate.

Amendment No. 35: Eliminates language inserted by the Senate.

Amendment No. 36: Changes title and citation of bill as proposed by the Senate.

H. CARL ANDERSEN,
WALT HORAN,
OAKLEY HUNTER,
MELVIN R. LAIRD,
JOHN TABER,
JAMIE L. WHITTEN,
CLARENCE CANNON,
FRED MARSHALL,
Managers on the Part of the House.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the conference report before us will adequately meet the needs of the Department of Agriculture for the fiscal year 1955. There were no significant differences between the conferees of the

two Houses and final agreements were worked out very amicably in all cases.

I want to take just a few minutes here to express my sincere thanks to Mr. HORAN, Mr. HUNTER, and Mr. LAIRD for their invaluable help during the long months of consideration of this measure so vital to the farmers of the Nation. I am proud of my Republican colleagues on my subcommittee. They view this bill from the viewpoint of the best interests of our Nation as a whole and, even though we have had our differences of opinion at times, those differences have accrued to the benefit of agriculture and this final bill here today is evidence of that fact.

It is a pleasure to be chairman of a subcommittee when men such as Mr. WHITTEN, Mr. CANNON, and Mr. MARSHALL represent the opposite party. They have cooperated 100 percent with my side of the committee in trying to do the best job we possibly could for the good of our Nation's agriculture. You would never know, Mr. Speaker, as to who were Republicans and who were Democrats on our subcommittee if you were to study the four volumes of hearings held this spring. I cannot express too strongly my appreciation for the cooperation of those gentlemen. They have been splendid and have worked long hours side by side with Mr. HORAN, Mr. HUNTER, Mr. LAIRD, and myself in the huge task we are bringing to a completion here today.

No Subcommittee on Appropriations can do a good job without a good executive clerk. Mr. Ross Pope has been of inestimable assistance, and he is the splendid type of career employee we are happy to have on our Appropriations Committee staff. Without that staff our subcommittees would be practically helpless. I cannot praise too highly Mr. Pope's work on this particular bill.

The total appropriation contained in the conference report is $723,683,150, which is $3,580,496 over the bill as it passed the House and $1,668,821 below the Senate bill. The House conferees went along with increases insisted upon by the Senate totaling $4,008,299, and agreed to Senate reductions of $427,803. The major increases agreed to include $463,199 for the Agricultural Research Service, $637,000 for the Forest Service, $1,120,000 for the Soil Conservation Service, $1,250,000 for acreage allotments and marketing quotas, and $300,000 for crop insurance.

With reference to loan authorizations, the conferees agreed to a Senate increase of $35 million for REA electrification loans, making a total of $135 million available for 1955. The conferees also agreed to a total of $122,500,000 for FHA production and subsistence loans, an increase of $2,500,000 over the House bill.

In connection with the agricultural conservation program and the matter of diverted acres, the conferees adopted the House language which sets aside $55 million of the $250 million announcement for 1955 until some action has been taken by the Congress or the Department of Agriculture relative to the use of diverted acres. The gentleman from Mississippi [Mr. WHITTEN] joins me in the belief that the Department of Agriculture can well wait for the Congress to act on the subject of diverted acres, prior to the announcement of a program for the use of the $55 million. However, we also feel that this $55 million shall definitely be available on the Department's announcement of a diverted acre program in the absence of any action by this Congress prior to adjournment. The conferees also agree to the Senate language which would require that the remaining $195 million be distributed to the States on the same basis as was used for the 1954 program.

For the eradication of tuberculosis and brucellosis, the House provided $1 million for indemnities and the Senate provided $873,500. The conferees are in agreement with the Senate figure. This will make available the same amount as the preceding year.

Mr. Speaker, I do not have the time today to show how vastly better this appropriation bill is than when it originally came down to us from the Department of the Budget. Many wrongs have been righted. I trust that the Department will follow closely the intent of the Congress as clearly expressed. I again call to the attention of the Department our expressions in this connection as contained in the original committee report which accompanied this appropriation measure. The Congress establishes policy and the executive branch is expected to carry out that policy.

Mr. H. CARL ANDERSEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, may I say that this conference report is signed by all members of the conference. I shall take only a minute or two to say that it has been a pleasure to serve on this subcommittee under the chairmanship of the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and to have served with the various members of this subcommittee, both on the Republican and the Democratic side.

I do not know of any group that has more interest in the subject matter with which we deal or which works harder to understand and try to balance the needs of agriculture with the other needs that we have, such as a balanced budget.

I should like to say finally that it has been a pleasure for me to serve with Mr. CANNON, who has been on this committee for many years and whose interest in agriculture is well known, and the new member of our subcommittee on the Democratic side, Mr. FRED MARSHALL, of Minnesota, who brought to the committee a wealth of experience and who has attended every committee meeting where he has made great contributions. He has had charge of the Democratic side quite a number of times and, believe me, the welfare of agriculture and the Nation is in good hands with FRED MARSHALL always on the job.

My other purpose would be to point out that this report reflects the unanimous opinion of the members of the subcommittee and of the conference committee. They have all signed it. In view of the many statements that have been made by the Secretary and department officials that it is their desire to carry out the will of the Congress, I respectfully submit to them that this report when adopted reflects the will of the Congress. We hope and trust and have every reason to feel that the department officials who have so consistently said they would carry out the will of Congress will follow the intent of Congress, for this conference report of the amounts, with the reports of the two subcommittees spelling out the reasons, clearly presents the intent of Congress.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As the gentleman knows, while I have no farms in my district, I have been a strong supporter of all farm legislation and particularly rural electrification, because of the great benefit to the farmers on the farms and the progress that results from electrification as well as the happiness it brings to farm families.

I have here a letter from J. E. Smith, president of the National Rural Electric Cooperative Association, in relation to the $35 million Senate amendment increasing the rural electrification loan fund. May I ask the gentleman what the conferees did in connection with that amendment?

Mr. WHITTEN. The conferees accepted the Senate amendment. May I say further, however, that the practice followed always has been that what the Congress does is to fix a ceiling. The money is not appropriated nor is it withdrawn until the loan has been approved and until the funds are actually expended. Then and then only is the money borrowed from the Treasury, and then and then only does any interest begin to accrue.

The basic law sets up the criterion which the loans must meet in order to be approved. So while we have gone along with the Senate amendment, in effect that amounts only to a ceiling. We have given that much of a raise in the ceiling. As to whether those funds will be used will be dependent upon the administration of the program and things of that sort. So we have put the ceiling as high as was requested by the gentleman.

Mr. McCORMACK. I thank the gentleman.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I think the minority whip, the gentleman from Massachusetts [Mr. McCORMACK], in referring to it as an appropriation item, made a statement that is somewhat misleading. I am glad the gentleman from Mississippi straightened that matter out, as it is only a loan authorization we are talking about here.

Mr. WHITTEN. I thank my able colleague. Now I yield to my colleague, the gentleman from Wisconsin [Mr. JOHNSON], who has shown himself to be a real friend of American agriculture.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I appreciate the gentleman from Mississippi yielding me time to make my remarks. I wish at this time to speak in favor of House concurrence

in the Senate's recent action to increase REA loan authorization by an additional $35 million over the $100 million figure approved earlier in the session by the House. The Senate's action, in my opinion, was wise, and it very realistically recognizes the nature of problems facing REA cooperatives in the Nation. There are several reasons why I believe that the House should concur in the Senate's action on this matter.

First of all, for reasons too numerous to mention in these brief remarks, I wish to state that I firmly believe in the rural-electrification program. There is no single social or economic program in the history of American agriculture that has contributed so much in the way of tangible accomplishments to make rural America a better place in which to live.

We should never forget that less than 20 years ago 90 percent of the Nation's farm families lived in the shadowy semi-darkness of 19th century kerosene lamps—or at best, some of the families had Coleman gasoline lamps. Before the development of the rural-electrification program 90 percent of the farm homes in the Nation had no refrigerators, deep-freeze units, electric ranges, electric-powered washing machines, electric irons, and all of the other appliances that have materially helped to eliminate some of the drudgery for farm housewives. As a result of rural electrification, many farm homes now have conveniences comparable to those found in city homes.

Incidentally, as an aside, I see no reason why farm housewives should not have the same conveniences as those enjoyed by their city cousins. Farm people are entitled to good living and the benefits of scientific progress just as much as city people.

Rural electrification has helped the Nation's farmers in a small way with their manpower shortage by putting electric horsepower to work. The value of rural electrification was demonstrated very well during World War II when the farm manpower situation was extremely critical. We were very fortunate that we had as many farms partially or totally electrified as we did to assure an abundant production of food for ourselves and our allies. Incidentally, I know that rural electrification has played an important role in the quality and sanitation program of dairy farmers.

At this point, I wish to emphasize the fact that rural electrification has helped, and will continue to help, business and industry. Since the REA program started in 1935 and up to March of this year, the REA co-ops have spent a total of $2,838,548,840 in building generating, transmission, and distribution systems.

This is not the whole story. Surveys made in 10 States show that for every dollar spent by the REA co-ops in building generating, transmission, and distribution systems, the farmer patrons spent from 3 to 4 dollars for electrical equipment, appliances and wiring. The surveys showed further that farmers invested, on the average, about $2,000 per farm in the wiring of buildings and in the purchase of electrical equipment and appliances. It is estimated, for example, that in 1952 the farmers of the Nation bought $825 million worth of electrical farmstead equipment.

Add the total spent by the farmer patrons to the amount spent by the REA co-ops and we find that REA co-ops and their farmer patrons spent from $12 billion to $15 billion for rural electrification since the program started in 1935.

I doubt if even the severest critics of REA can argue that this great volume of spending has not helped business on main street, kept the wheels of industry turning and provided employment for thousands of workers in industry.

Before I turn specifically to the reasons why there is need for the additional $35 million in REA loan authorization, I should like to say that the REA program has cost the Government very little money. In fact, I believe that if we were to evaluate the financing of REA co-ops according to strict accounting procedure, we would find that the Government has actually made money on the rural electrification program.

The reason that I stress this point is that the Government lends the money to REA co-ops. This money is not a gift—as some people seem to believe. The loan must be repaid with interest.

Since 1935 and up to May 28, 1954, the REA cooperatives have borrowed a total of $2,865,712,765. In this period the REA co-ops have paid back $334,758,839 on the principal. For the same years the REA co-ops paid a total of $170,751,403 in interest on the loans.

It is also interesting to note that as of March 31, 1954, REA co-ops have made advance payments on their principal to the amount of $67,427,077. This is a splendid record. I doubt if any business has a better record of repayment on Government loans.

I cite these facts to refute those REA critics who would like to turn back the hands on the clock of time and plunge rural America into the kerosene lamp-lighted days of the 19th century. To those people who want to move backward I wish to observe that before 1935 farmers did not buy electric light bulbs, electric motors, electrical appliances, TV sets, and other electrical equipment. I am sure that the businessmen on main street do not want to go back to this earlier period.

I note that in my own State of Wisconsin a total of $108,539,977 has been loaned to REA co-ops since 1935. This means then that the REA co-ops and their farmer patrons in Wisconsin spent over $500 million on rural electrification.

REA cooperatives in Wisconsin have paid back $9,447,350 on the loan principal and a total of $6,544,410 in interest on loans. Advance payments on principal for Wisconsin REA cooperatives amount to $891,533 as of January 1, 1954.

REA is a sound program. It has done much for rural America and the national economy. That is why I am not afraid to increase the loan authorization for REA. The REA co-ops need loans not only to provide service to farms without electricity but also to improve existing facilities to meet increased consumer demand. In the light of this latter problem I believe that we may have to change our loan formula in the near future.

With respect to the problem of meeting increased consumer demand I believe that I can illustrate this best by citing some statistics pertaining to the Dairyland Power Cooperative. The Dairyland Power Cooperative is the largest farmer-owned power cooperative in the world. It serves 84,718 farmers in Wisconsin, part of Iowa, Illinois, and Minnesota. I am fairly familiar with the operations of Dairyland Power Cooperative because some of its generating facilities are located in my district. It also supplies power to all of the 10 REA county co-ops in my district. I am proud to say that when I owned a farm it was serviced by the Jackson Electric Cooperative.

While we still have a number of unelectrified farms in my district, this is not our basic problem. The problem now and in the future will be to furnish greater energy output to the 85,000 farmer patrons of Dairyland Power Cooperative. According to the last annual report of Dairyland Power Cooperative, I note that the average annual consumption of their farmer patrons has almost trebled in the 10-year period from 1944 through 1953.

For example, in 1944 the average annual consumption of Dairyland's 36,319 patron members was 1,560 kilowatt-hours. In 1953 the 84,718 patron farmers of Dairyland averaged 4,404 kilowatt-hours. It is conservatively estimated that this increase will continue for years to come.

Dairyland Power Cooperative, like REA co-ops in other sections of the country, will need loans to expand and revamp facilities to meet increased consumer demand. I note that National Rural Electric Cooperative Association in its budgetary requests recommends a total of $19,190,510 in loan authorizations for the coming year in Wisconsin. The bill passed earlier by the House would grant $12,693,000—which is about $7 million short of the amount recommended by NRECA. The Senate bill would provide $14,688,000 for Wisconsin. This is about $5 million short of NRECA requests.

Dairyland Power Cooperative is not the only REA co-op that needs loans for this purpose. There are other REA co-ops in the same boat. According to a statement by the REA Administrator, there were 201 electric loan applications on hand as of April 6, 1954. The total of these loan applications amounted to $161 million.

Under the Senate bill, even with carry-over and rescission of old funds and new authorizations, the amount will fall short of the $249 million requested by National Rural Electric Cooperative Association.

Therefore, in closing, I urge my colleagues to vote for concurrence in the Senate's action to increase REA loan authorization by $35 million over the $100 million figure approved by the House. In addition to helping the REA co-ops with their rural electrification program, I also believe that it is good business to invest money in expanding our economy.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HUNTER] and the gentleman from

Missouri [Mr. CANNON] be permitted to extend their remarks at this point in the RECORD.

Mr. WHITTEN. Reserving the right to object, Mr. Speaker, there are several other Members who would like to extend their remarks at this point in the RECORD. May I suggest to the gentleman that he modify his request and ask that all Members be permitted to extend their remarks at this point in the RECORD on this conference report?

Mr. H. CARL ANDERSEN. I so modify my request, Mr. Speaker.

The SPEAKER. Is there objection to the modified request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, can the chairman assure us that ample funds have been provided under this conference report for soil conservation and operation of watersheds and flood prevention, as well as the agricultural-adjustment program, Federal crop insurance, the Rural Electrification Administration, the Farmers' Home Administration, Agricultural Research Service, including plant and animal disease and pest control, meat inspection, foot-and-mouth-disease research, Extension Service, national forest protection and management service, conservation operations, watershed protection, flood prevention, agricultural-conservation program service, marketing services, school-lunch program, and other agricultural programs?

Mr. H. CARL ANDERSEN. I can assure the gentleman that to the very best ability of this subcommittee such funds were provided.

Mr. WICKERSHAM. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1, page 3, line 2, insert ", and of which not to exceed $100,000 shall be available for the construction of a cotton-ginning laboratory in the Southeast, including acquisition of necessary land."

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20, page 3, line 3, insert ": *Provided*, That the funds available for payments and grants from said sum of $195 million shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program)."

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

FREE ENTRY OF PHILIPPINE ARTICLES IN THE UNITED STATES

Mr. REED of New York. Mr. Speaker, I ask for the immediate consideration of the bill (H. R. 9315) to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. COOPER. Mr. Speaker, I reserve the right to object and yield to the gentleman from New York.

Mr. REED of New York. Mr. Speaker, the House will recall that this bill was called up yesterday and there was an objection to the bill. The gentleman from North Carolina [Mr. BONNER] objected to its consideration. Since then he has had opportunity to receive further assurances and no longer objects to consideration of the bill. The gentleman from North Carolina [Mr. COOLEY] did not object, but he also made a statement yesterday. He also informs me that he has no objection to consideration of the bill. There is no objection so far as I know and I ask unanimous consent at this point to include an explanation of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, the purpose of H. R. 9315 which has been reported favorably by the Committee on Ways and Means is to authorize the President to postpone for the period from July 4, 1954, to January 1, 1956, the time when United States import duties would begin to apply to Philippine articles provided that he finds that like treatment is accorded to exports of United States articles to the Philippines.

Before going into detail concerning the effect of the bill, a few words of background information are in order.

Under the Philippine Trade Act of 1946 and the Executive Agreement between the United States and the Philippine Republic signed on July 4, 1946, Philippine articles are admitted in the United States and United States articles are admitted in the Philippines free of customs duties until July 4, 1954. Under the act most products of the Philippine Republic are scheduled to become dutiable commencing July 4, 1954, at 5 percent of the rate applicable to like articles if imported from the foreign country which is entitled to the lowest rate. Commencing on January 1, 1955, and each January 1 thereafter, such Philippine articles will be dutiable at an additional 5 percent of the rate in question until January 1, 1973, on which date they become dutiable at 100 percent of the rate. Corresponding progressive duties are to be imposed on United States articles imported into the Philippines on each of the dates in question. Imports of sugar, cordage and rice from the Philippines are, under the Philippine Trade Act, subject not only to the foregoing tariff provisions but also to absolute quotas. Imports of cigars, cigar filler and scrap tobacco, coconut oil and pearl or shell buttons are to be subject both to declining duty-free quotas and to absolute quotas. After July 3, 1974, unless otherwise provided by statute or treaty, the absolute quotas referred to above will be removed and the full United States duty will apply to all dutiable imports from the Philippine Republic. It should be noted that, while there are no quotas on any United States exports to the Philippines in the agreement, there is a quota on any importation of leaf tobacco into the Philippines from any source which is provided for by separate Philippine legislation. It should also be noted that the act and the executive agreement deal not only with trade but also contains provisions with respect to currency matters, right of American nationals in the Philippines, immigration and related matters.

Now, as to H. R. 9315. The sole effect of the bill is to permit the President to suspend on a reciprocal basis the first two steps in the statutory formula with respect to progressive increases in tariff rates. If the full 18 months' period of postponement is achieved, Philippine articles would first become dutiable on January 1, 1956, at 15 percent of the lowest United States duty on the articles in question. No provision is contained in the bill for the suspension of any of the steps in the progressively decreasing duty-free quota formula contained in the Philippine Trade Act. Thus none of the quotas provided for in the act are in any way affected by the bill. The bill will not affect the operation of section 214 of the Philippine Trade Act of 1946 which provides for full duty on imports, in excess of duty-free quotas, of cigars, tobacco, coconut oil, and buttons of pearl or shell.

H. R. 9315 is supported by the Department of State, the Department of Commerce, the Department of Agriculture, and the Treasury Department, and appears to be favored by all of the interests having dealings with the Philippines. Indeed, there does not appear to be any serious opposition to the bill in its present form from any source. The Department of State has informed the committee that legislation along the lines of the bill has been requested by the Republic of the Philippines, and that the Philippine Legislature has already approved a bill enacting the extension in the form authorized by H. R. 9315. In fact, since H. R. 9315 was reported out of committee I have been informed that the Philippine bill has been signed by President Magsaysay.

I must be perfectly frank to say that a convincing case has not been made for the enactment of this bill on solely economic grounds, either from the standpoint of the United States or of the Philippines. Indeed, the executive departments which testified before your committee freely admitted this fact. However, it seems clear to me, as it did to our committee, that the bill should be enacted for reasons other than economic reasons. These reasons must be considered against the background of the relationship between this country and the Philippine Republic.

As Members of this House all know, the relationship between the Republic of the Philippines and the United States

is unique. Formerly a possession of the United States, the Philippines has achieved, with the wholehearted support of this country, its full and complete independence. The success of the Philippine Republic during the relatively short period of her independence in meeting the many problems with which she has been faced has gained for her the respect and admiration of the American people. The independence of the Philippines has thus served to strengthen the traditional bonds of friendship and mutual esteem which bind her people and those of the United States and which are becoming of increasing importance to both nations in the light of present conditions in southeast Asia.

Our committee was informed that the Philippine Government strongly desires to effect certain basic modifications in the 1946 agreement insofar as it relates both to trade and to other matters and that the Government of the United States has agreed to undertake negotiations to this effect. The entire scope of the agreement, as well as commercial matters not covered by the agreement, will be reviewed during these negotiations with a view to possible revision of any aspects of the agreement which may require adjustment. We are assured that these negotiations will be undertaken on the basis of the principle of reciprocity so as to safeguard the mutual interests of both parties. There are many questions of interest to the United States with respect to exchange regulations, the foreign exchange tax, import controls, American investments in the Philippines, the regulation imposed by the Philippines on the importation of leaf tobacco, and the like, which will be considered during the course of the negotiations.

It is believed, in view of these considerations and of the fact that a new administration took office in the Philippines on December 30, 1953, that, pending the outcome of these negotiations, the status quo with respect to the duty-free period of trade between the Philippines and the United States should be preserved for the limited period provided for in the bill. That purpose will be accomplished by the enactment of H. R. 9315. This must be done before July 4 of this year so as to avoid the problems involved in making the refunds of customs duties which would be required if enactment came after that date.

Mr. COOPER. Mr. Speaker, the pending bill was reported unanimously by the Committee on Ways and Means. Its purpose is to permit the postponement on a reciprocal basis for not to exceed 18 months of the time when import duties would begin to apply on imports by the Philippines from us and our imports into this country from the Philippines.

It will be recalled that under the Philippine Trade Act of 1946 and the agreement which was entered into between the United States and the Philippine Republic, most of the products from the Philippine Islands are scheduled to become dutiable on July 4 of this year at 5 percent of the rate which is applied to imports of the same articles from the foreign country which is now entitled to our lowest rate of duty—Cuba. Under the present act and agreement, there would be an additional 5 percent each year for 20 years, or until January 1, 1973, after which these imported items would become dutiable at 100 percent of the rate. A similar situation applies to United States imports into the Philippines.

The pending bill, while deferring the first step of imposing 5 percent of the duty on July 4, 1954, and the second step of an additional 5 percent for 1955, would not affect the situation as to years thereafter. In other words, in 1956, 15 percent of the applicable rate of duty would still apply, just as if we had gone through the first two 5 percent steps.

During this period of postponement, it is anticipated that this country and the Philippines will work out modifications of the trade agreement between the two countries to their mutual satisfaction and benefit.

All interested departments and agencies reported favorably on the bill. The State Department, in particular, urges this legislation in light of the present situation in the Far East.

Mr. REED of New York. Mr. Speaker, I ask unanimus consent that the gentleman from North Carolina [Mr. BONNER] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BONNER. Mr. Speaker, I have withdrawn my objection to the immediate consideration of H. R. 9315, due to the fact that I have received direct assurance from responsible representatives of the Philippine Government that the inequities now in existence with respect to tobacco will be eliminated. Mr. Speaker, the Philippine Government has not lived up to the existing pact.

In 1946 the United States and the Philippine Republic signed a mutual trade agreement. Among other things, the agreement provided that certain products originating in the Philippines would be imported into the United States duty free, and that certain products originating in the United States would be imported into the Philippines duty free, until July 4, 1954.

Leaf tobacco is one of the United States products now on the duty-free list. The present agreement provides that from July 4, 1954, to December 31, 1954, the rate of import duty imposed by the Philippines on United States leaf tobacco shall be 5 percent of the rate imposed in 1909. The rate increases progressively each year thereafter until it equals the full 1909 rate, which was $4.80 per kilo for unstemmed leaf and $5.52 per kilo for stemmed leaf.

The Philippine Islands for many years have used considerable amounts of American leaf tobacco. Under the trade agreement of 1946, it was contemplated that no restrictions would be placed upon shipments of United States leaf tobacco to the Philippines because of the favorable terms upon which Philippine products were allowed to be imported into the United States.

In 1952, contrary to the spirit and content of the Trade Agreement Act of 1946, the Philippine Congress passed a law known as Act 698, which drastically limits the importation of leaf tobacco to the Philippine Islands. This act provides that the total imports for 1952 shall not exceed 75 percent of the total imports for 1950; that the 1953 imports shall not exceed 50 percent of the 1950 total imports; that the 1954 imports shall not exceed 40 percent of the 1950 imports; and for each succeeding year, the total imports shall not exceed 25 percent of the total imports for 1950—these provisions do not apply to wrapper leaf tobacco.

It is the position of the leaf tobacco industry that this law is in violation of the 1946 trade agreement. It severely restricts and could entirely stop the shipment of United States leaf tobacco to the Philippines while at the same time the Philippines would enjoy all of the advantages of free trade originating under the trade agreement. It is of no avail to American tobacco producers to have leaf tobacco on the duty-free list, if the importation of tobacco is prohibited by Philippine law.

In 1953 the Philippines produced approximately 2.5 million pounds of Virginia Bright tobacco. The normal annual requirements of the Philippines for this type of tobacco is estimated to be approximately 23 million pounds. Under Act 698, import licenses were issued by the Philippine Government for approximately 14.3 million pounds in 1953. Import licenses for 1954 will approximate 11 million pounds.

In order to protect the interests of American tobacco growers, the leaf-tobacco industry urges the administration, first, to request the repeal of Act 698 in return for the admission of Philippine products duty free into this country; second, to include leaf tobacco in the list of commodities to be included in the new duty-free list, by agreement of the two Governments.

Should the Philippine Government attempt to eliminate the Philippines as a potential market for United States leaf tobacco, the tobacco interests in this country will consider it necessary to oppose any proposal by the Philippine Government to change the existing trade agreement.

There will be another day with respect to this trade act.

There is additional legislation in which the Philippine Government, as well as Philippine citizens, are interested.

I will watch to see whether Act 698 of the Philippine Congress is repealed.

I will watch our trade with the Philippines in other respects; for instance, our merchant marine.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the duty-free treatment provided for in section 201 of the Philippine Trade Act of 1946 (60 Stat. 143) shall apply in lieu of the treatment specified in paragraphs (1) and (2) of subsection (a) of section 202 of that act, to Philippine articles entered, or withdrawn from warehouse, in the United States for consumption during such period after July 3, 1954, but not after December 31, 1955, as the President may

declare by proclamation to be a period during which United States articles, as defined in that act, will be admitted into the Republic of the Philippines free of ordinary customs duty, as such duty is defined in that act. Notwithstanding any such proclamation, paragraph (2) of such subsection shall be considered as having been in effect for the purpose of applying the provisions of paragraph (3) of such subsection.

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.

CONFERENCE REPORT ON MILITARY APPROPRIATIONS

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on the military appropriations bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

WAR-RISK HAZARD AND DETENTION BENEFITS

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9505) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by deleting the words "July 1, 1954" and inserting in lieu thereof "July 1, 1955."

SEC. 2. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), as amended is amended by deleting the words "July 1, 1954" and inserting in lieu thereof "July 1, 1955."

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.

FOSTER CREEK DIVISION OF CHIEF JOSEPH DAM, WASH.

Mr. ELLSWORTH. Mr. Speaker, I call up the resolution (H. Res. 587) providing for the consideration of H. R. 4854, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLSWORTH. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER].

I yield myself such time as I may require, Mr. Speaker.

Mr. Speaker, I rise to urge the adoption of House Resolution 587 which will make in order the consideration of the bill H. R. 4854, to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington.

House Resolution 587 provides for an open rule with 1 hour of general debate on the bill itself.

H. R. 4854, Mr. Speaker, would authorize the Foster Creek division of the Chief Joseph project and it is estimated that the cost of this part of the Chief Joseph project would be approximately $4,571,600. The particular section that would be served by the project is the north central Washington area midway between the Wenatchee and Okanogan fruit belts.

If this bill is passed in its present form, Mr. Speaker, enough water will be delivered in this area to irrigate 5,950 acres. Delivery of the water would be made through erection of works consisting of diversion works at the dam and two main canals, one on each side of the Columbia River.

It is expected that the water users will pay $2,522,600 back on this over a period of 50 years in addition to meeting the operating, maintenance, and replacement costs of the project.

Reimbursable costs in excess of the amount to be returned by water users in 50 years would be assigned to repayment from surplus power revenues of the Chief Joseph Dam. According to the report it is anticipated that the balance of $2,049,000 would require less than 3 months to pay off from power revenues after power costs are amortized.

Mr. Speaker, the Bureau of the Budget has raised no objection to this bill and in view of the apparent financial soundness of the project as well as the far-reaching agricultural advantages inherent in this project, I hope that the House will adopt the rule and that the bill itself will pass the House.

The SPEAKER. The gentleman from Mississippi [Mr. COLMER] is recognized.

Mr. COLMER. Mr. Speaker, I have no requests for time on this side.

Mr. ELLSWORTH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLER of Nebraska. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4854, with Mr. COTTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Nebraska [Mr. MILLER] will be recognized for 30 minutes; and the gentleman from California [Mr. ENGLE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, H. R. 4854 was reported by the full Committee on Interior and Insular Affairs. The bill was carefully considered by a subcommittee. It comes out with a unanimous report from the subcommittee and from the full committee.

The purpose of the bill is to authorize the Secretary of the Interior to construct works necessary to furnish irrigation water to 4,500 acres of land now presently irrigated, and to furnish supplemental water for an additional 1,130 acres. The total area to be served is 5,950 acres. The area to be served is comprised of three units. We have taken out the Indian lands which were at one time in dispute. It is anticipated additional units will be authorized in the future, involving the irrigation of some 32,000 acres and the furnishing of supplemental water to some 30,000 additional acres.

The bill was carefully considered by the committee. The people interested from the area were heard, and the bill was reported.

Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, this is a very simple bill. Chief Joseph Dam was authorized in 1946 as strictly a dam to produce hydroelectric power. A great many of us felt that it should be a multiple-purpose project, and in 1952 the House gave permission for the Secretary of the Interior to make studies in connection with Chief Joseph Dam to determine whether or not there were irrigation possibilities there. They reported that there was such a possibility. Three bills will eventually be introduced to cover these possibilities, the first of which you are considering now for approximately 6,000 acres. The bills, later to be considered, will cover other areas near Chief Joseph that can be benefited.

It is not a large project. We have favorable reports from all of the departments interested in this bill, from the Bureau of the Budget, from the States that are affected in that area; in fact, all of the reports on this bill are favorable.

This will be repaid. The benefit-to-cost ratio is extremely good in the case of this project; it is almost 5 to 1. As far as I can see there is no possible objection to it. The power revenues involved will repay the cost to the Federal Government in less than a year, and the users of the project, the settlers, will pay almost $2 million toward the establishment of this reclamation project.

I do trust that the committee will accept this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPINALL. Mr. Chairman, I merely take this opportunity to say, as our distinguished chairman said, that the committee reported the bill out without any opposition. I gladly support the legislation and hope the Members on this side do also.

Mr. Chairman, I have no further requests for time.

Mr. MILLER of Nebraska. There are no further requests for time on this side.

The CHAIRMAN. There being no further requests for time under general debate the Clerk will read the bill for amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I ask unanimous consent that the bill may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The bill reads as follows:

Be it enacted, etc., That, as an initial step in supplementing the act of July 17, 1952 (Public Law 577, 82d Cong.), and in order to provide water for the irrigation of approximately 8,700 acres of land along the Columbia and Okanogan Rivers in the vicinity of Chief Joseph Dam, Washington, the Secretary of the Interior is authorized to construct, operate, and maintain the Foster Creek division of the Chief Joseph Dam project which includes the East Canal, shoreline pumping, and Bridgeport Bar units substantially in accordance with the physical plans therefor set out in the regional director's report of November 1, 1952.

SEC. 2. In the construction, operation, and maintenance of the works herein authorized, the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) except that (a) the period provided in subsection (d), section 9, of the Reclamation Project Act of 1939 (53 Stat. 1187), for repayment of construction costs properly chargeable to any block of lands and assigned to be repaid by the irrigators may be 50 years, exclusive of a development period, from the time water is first delivered to that block or to as near that number of years as is consistent with the adoption and operation of a variable payment formula as hereinafter provided; (b) any repayment contract entered into may provide that the amounts to be paid thereunder shall be determined in accordance with a formula, mutually agreeable to the parties, which reflects economic conditions pertinent to the irrigators' payment capacity; (c) the benefits of the first proviso in the act of July 1, 1932 (47 Stat. 564), may be extended to lands served by the project which are, and as long as they remain, in Indian ownership, all costs properly assignable for repayment by such lands but deferred by application of said act being payable in accordance with the other provisions of this act after the Indian title has been extinguished; and (d) all irrigation construction costs which are found by the Secretary to be beyond the ability of the irrigators to repay shall be assigned for return to the reclamation fund from Chief Joseph Dam project power revenues. Power and energy required for irrigation pumping for the units herein authorized shall be made available by the Secretary from the Chief Joseph Dam powerplant and other Federal plants interconnected therewith at rates not to exceed the cost of such power and energy from the Chief Joseph Dam taking into account all costs of the dam, reservoir, and powerplant which are determined by the Secretary under the provisions of the Federal reclamation laws to be properly allocable to such irrigation pumping power and energy.

SEC. 3. Reports on additional reclamation units in the vicinity of the Chief Joseph Dam project proposed to be constructed as units of the project shall be submitted by the Secretary from time to time in accordance with the provisions of the act of July 17, 1952, supra.

SEC. 4. There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, $6,000,000 and such sums as are required to operate and maintain said project.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the committee amendments as follows:

Page 1, lines 5 and 6, strike the words "eight thousand seven hundred" and insert in lieu thereof the words "six thousand."

Page 2, lines 2 and 3, strike the words "the physical plans therefor set out in the regional director's report of November 1, 1952." and insert in lieu thereof: "Paragraph 25, Recommendation (b) contained in the Regional Director's report of March 20, 1953, save and except that portion relating to Indian lands which is not hereby authorized."

Page 2, line 18, following the word "paid", insert the word "annually."

Page 2, line 21, strike all of subsection (c), ending on page 3, line 3.

Page 3, line 3, strike the subsection designation "(d)" and insert in lieu thereof "(c)."

Page 3, line 6, strike the period and add the following: "to the extent that such revenues are available over and above all costs properly chargeable to power, including interest on the unamortized portion of the power investment."

Page 3, line 24, beginning with the figure "$6,000,000", strike the remainder of the bill and insert in lieu thereof: "$4,571,600 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in the cost of said type of construction without endangering the economic feasibility of the Foster Creek division of the Chief Joseph Dam project, Washington."

The committee amendments were agreed to.

Mr. D'EWART. Mr. Chairman, I move to strike out the last word.

The Chairman, I would like to call the attention of the House to the fact that our colleague the gentleman from Wyoming [Mr. HARRISON] is chairman of the subcommittee from which this bill was reported. He has been chairman of the Subcommittee on Irrigation and Reclamation during this session of Congress.

A very large number of bills have been sent to that subcommittee for his consideration and he has given of his time, of his energy and of his experience in helping to guide those bills through the Congress.

He is an exceedingly valuable chairman. He has been working hard on various pieces of legislation that were before his subcommittee. During this session of Congress we have had a number of policy matters in regard to reclamation that have come up. He has helped us invariably in resolving those so that they are of benefit to western reclamation people.

The gentleman from Wyoming [Mr. HARRISON] has been especially interested in the Upper Colorado Basin development, part of which reaches into the State of Wyoming. There is a bill pending that has not yet come to the floor of the House which will mean a great deal to all of that territory in the Upper Colorado Basin. I know of his great interest in that project.

The gentleman from Wyoming [Mr. HARRISON] has also served on various subcommittees of the Committee on Interior and Insular Affairs, including the Subcommittee on Mines and Mining which includes oil and public lands, all of which have a great deal to do with the growth of his State. He has proven himself to be a valuable member of these committees and I take pleasure in rising here in the House today to speak of his great ability and the fine service he has rendered to the Congress, to the Nation, and to his State.

Mr. ENGLE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I want to say for the record that I made a personal investigation of this project in the district represented by the able gentleman from Washington [Mr. HORAN], that I heartily and vigorously support the authorization of this project. May I say to the Members of the Committee also that if this is not a good irrigation-power project, there isn't a good one in the United States.

I am glad to see that legislation is finally on its way to take some of the power revenues of the Chief Joseph Dam and dedicate those revenues in aid of irrigation that is so much needed in that part of the United States.

As I believe my colleague from Colorado [Mr. ASPINALL] stated, we are unanimously in favor of this bill, but I do want to add my personal indorsement to favorable action by the House.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COTTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington, pursuant to House Resolution 587, he reported the bill back to the House with

sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were 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.

ADDITIONAL FUNDS FOR EXPENSES OF INVESTIGATIONS AND STUDIES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 542 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting investigations, within the limits of the authority granted by clause 8 of rule XI of the Rules of the House and House Resolution 150 as amended by House Resolution 339, 83d Congress, with respect to matters pertaining to Government operations insofar as they relate to or control racketeering practices, incurred by the Public Accounts Subcommittee of the Committee on Government Operations, not to exceed $100,000 additional, shall be paid out of the contingent fund of the House on vouchers authorized by such subcommittee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendments:

Line 7, following the word "incurred", insert "under the direction of the chairman of the full committee."

Line 7, strike out "Public Accounts" and insert "antiracketeering."

Line 8, strike out "$100,000" and insert "$75,000."

Line 9, strike out "additional."

Line 10, strike out "by such subcommittee" and insert "and."

Line 11, strike out "thereof" and insert "of the Committee on Government Operations."

The committee amendments were agreed to.

The resolution was agreed to.

The title was amended so as to read: "To provide funds for the expenses of the investigations and studies authorized by clause 8 of rule XI, incurred by the Antiracketeering Subcommittee of the Committee on Government Operations."

A motion to reconsider was laid on the table.

MARKHAM FERRY PROJECT

Mr. ELLSWORTH. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 588 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 119) to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLSWORTH. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER], and yield myself such time as I may require.

Mr. Speaker, I rise to urge the adoption of House Resolution 588, to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma.

House Resolution 588, Mr. Speaker, provides for an open rule with 1 hour of general debate.

S. 119, if passed, would authorize the construction of the Markham Ferry Dam and Reservoir project on the Grand River, Okla., by the Grand River Dam Authority, an agency of the State of Oklahoma.

The project would be constructed under license granted by the Federal Power Commission in accordance with the Federal Power Act and would be operated for power production in coordination with the power operations of the Federal projects in the area.

Mr. Speaker, $6,500,000 would be authorized to be appropriated as the contribution of the United States to the Grand River Dam Authority for flood-control storage in the reservoir. This sum would be reduced by an amount representing the cost of acquiring and conveying lands acquired in the project area by the United States with flood-control appropriations, and an amount representing the fair market value of any other lands in the project area owned by the United States. The bill would also authorize the Secretary of the Army to convey to the Grand River Dam Authority such lands, easements, and flowage rights owned by the United States as may be necessary for construction and operation of the project.

Mr. Speaker, the estimated cost of the entire project if built with Federal funds would be about $38,450,000. Under this bill since the Federal Government will only pay for the flood-control features which will cost about $6,500,000, it is very obvious that there will be a huge saving for the Federal Government. It is anticipated that the Grand River Dam Authority would finance their part of the project by selling bonds which would be retired from earnings derived from the sale of power generated by their facilities.

Mr. Speaker, this bill resembles quite closely several other bills which have been before the House during this Congress. A very good and auspicious trend I feel is developing through this cooperation by the Federal and State governments and private enterprise in the task of developing and conserving our great power and water potentialities. The Federal Power Commission recommends the enactment of this bill and according to the report, the Interior Department has voiced no objection to the bill.

Mr. Speaker, I hope that the rule will be adopted by the House and that the bill itself will pass.

Mr. COLMER. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, as the gentleman from Oregon [Mr. ELLSWORTH] has explained, this is an open rule providing for 1 hour of general debate on this measure to build a dam on Grand River in Oklahoma.

Mr. Speaker, I want to just take this time to commend the Committee on Public Works and those responsible for bringing in this bill with this type of legislation; in other words, for the type of construction this authorizes.

It is a little different from most of the legislation of this nature that comes before us in that, as the gentleman from Oregon [Mr. ELLSWORTH] has explained, this is a project that will be constructed by the State of Oklahoma rather than by the Federal Government. I should like to see more of such projects. I believe we had one before us several days ago in the State of Alabama, that was somewhat along the same line, that followed the same philosophy. I would term this, Mr. Speaker, a States rights measure. Instead of the Federal Government going into this field, although it has been authorized to do so, the State of Oklahoma will do the constructing and will handle the power to be developed. As I say, it is somewhat of a departure from what we have been doing in the past.

As I see it, this means in just so many words that the Federal Government will not be called upon to put up some $32 million which it would have to put up if the orthodox plan of operation heretofore followed were followed now. The Federal Government will continue the flood-control portion of this operation but the State of Oklahoma will advance the funds for the power operation. I believe this is a wholesome type of legislation and I wanted to make that comment and to commend the Committee on Public Works.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GAVIN] such time as he may consume.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, I am very glad that my very good and able friend, the distinguished gentleman from Massachusetts [Mr. MCCORMACK] is here today, because repeatedly he has been on his feet indicating to the Members on our side, the great support that the other side of the House has always given the Eisenhower program. The matter which I want to discuss today will indicate that

there are times when the other side of the House is not so much in support of what President Eisenhower may recommend.

I note that the old TVA supporters, former Representatives ESTES KEFAUVER and ALBERT GORE, and present Representatives JOE EVINS and CHET HOLIFIELD, have become aroused and taken exception to President Eisenhower's order directing the Atomic Energy Commission to contract for power from private firms for present TVA customers.

Former Representative KEFAUVER calls it an administrative monstrosity. He also states:

> I am one who believes that power, wherever it may be, is a natural monopoly, and that, therefore, it should be developed and controlled for the benefit of all the people of that particular region.

I would like to ask the gentleman whether steampower plants, in which he is greatly interested and greatly concerned, and all of the TVA supporters have consistently and persistently tried to cram down the throats of the American taxpayers, are a natural monopoly.

I would like to know whether the American taxpayers should put the cash on the barrelhead to develop a certain section of the United States in competition with another section of the United States. President Eisenhower is right. It is time that he took a determined stand to bring about a fair and equitable condition in this highly competitive industrial situation in which we are living. In other words, the gentleman feels that it is all right to take the American taxpayers' money to produce cheap power in the Tennessee Valley at the expense of the rest of the country.

We pumped about $1,750,000,000 into the TVA. I would say to the Members that it is about time that the TVA stood on its own feet. President Eisenhower should not recede from the position he has taken, because it is a sound and practical one. All we in the other States have been doing is furnishing the money to sharpen the razor that is cutting our industrial and economic throats. We have given the TVA an opportunity to blossom out and flourish with cheap power, tax-exempt and subsidized by the American taxpayers, to attract industry into the Tennessee Valley.

I am interested in Pennsylvania which I am proud and honored to represent. I am interested in its 10 million people. I am interested in their welfare and their social standards. I am interested in how we can retain our industry and permit these people to continue to earn their bread and butter, which is questionable if we have to compete with the TVA. When one area of the country is subsidized to such an extent that it can produce power at 7 mills per kilowatt hour against other States that have to produce their own power, not subsidized or not tax-exempt, at approximately 17 mills per kilowatt hour, I think it is about time that we reconsider the whole matter.

There is a very interesting editorial which I think the Members should read which appeared in the Evening Star, and a very interesting article by Fred W. Perkins, on the coal situation and the TVA, which I am inserting in the RECORD, and which indicates that they are now buying coal from the independent miners, who are cheaper in price, and not from the mines that operate with organized labor setups.

Mr. Speaker, you know, my heart aches for the supporters of the TVA.

All I can say is that it is about time we get back to good, sound commonsense. If the Tennessee Valley wants to produce more power, let them produce it with their own money, not come hat in hand demanding that the Federal Government continue to furnish the money to produce cheap power, tax-exempt, to create greater prosperity for the Tennessee Valley in competition with the rest of the United States. I am glad for the prosperity in the Tennessee Valley, the Federal Government has given great help and now that it is well founded I would say for the future development they should proceed without additional subsidization from Federal Government.

I am greatly pleased with the action taken by the President. It is encouraging to see that he regards this as a matter of principle and not as a matter of political expediency. I sincerely hope that he does not become affected by the unfair blasts being delivered at him. The policy which he has adopted is one, which, I am sure, will meet with the approval of the American people. I deeply sympathize with the supporters of the TVA who, as I have said before on the floor of the House, are always crying the blues with a ham under each arm.

[From the Washington Evening Star of June 22, 1954]

TVA, AEC, AND PRIVATE POWER

Despite some rather extravagant criticism to the contrary, it is difficult to see anything sinister or underhanded in the President's directive to the Atomic Energy Commission to negotiate a 25-year contract with 2 private companies for the construction of a steam-generating powerplant at West Memphis, Ark.

True enough, the directive calls for an unusually roundabout sort of arrangement, and there is plenty of room for legitimate debate as to its wisdom and practicality in terms of long-range national policy and simple economics. But some of the outraged cries that have been raised against it—cries suggesting that the whole thing is a dishonest and conspiratorial maneuver designed to destroy the Tennessee Valley Authority in order to enrich the private-power "barons" (silk-hatted men with dollar signs on their protuberant vests)—seem more than a little bit ridiculous, to put it charitably.

This is so because the directive, far from being either disingenuous or particularly surprising, is quite in line with the policy that the Eisenhower administration has openly espoused on a number of occasions in the past. Summed up in broad terms, the policy—as defined last August by Interior Secretary McKay—is to maintain public-power projects on their present scale, but not to expand them unless economically feasible and necessary or unless private enterprise cannot itself carry out the expansion on the basis of fair charges to the consumer. And in accord with that view the President specifically declared in his January budget message to Congress that "arrangements are being made to reduce, by the fall of 1957, existing commitments of the Tennessee Valley Authority to the Atomic Energy Commission by 500,000 to 600,000 kilowatts" in order (1) to meet the requirements of TVA's nongovernmental customers and (2) to "eliminate the need for appropriating funds from the Treasury to finance additional generating units."

Accordingly, considered against this background, the President's directive hardly warrants a reaction of shocked surprise. Under it the AEC's 5 members (all of whom recognize the order's validity, though 3 doubt its soundness) are to arrange with the private companies to build a generating plant that would cost about $107 million. The plant, whose output would be for civilian consumers, would feed 600,000 kilowatts into the TVA system to make up for the comparable amount of TVA power now being delivered to the atomic installations at Paducah, Ky. As estimated by Budget Director Hughes, the project would avoid an outlay of about $100 million in Federal funds that would otherwise have to be spent on new TVA facilities during the next 3 years. In effect, in that sense, it would appear to be a kind of bookkeeping transaction through which the AEC's unique contract-making authority would be used to eliminate substantial Government expenditures, not by cutting back on TVA's present operations but by holding those operations at their current level and letting free enterprise take care of the expansion needed between now and 1957.

The President's critics—notably Democratic members of the Joint Congressional Committee on Atomic Energy—have attacked all this on several grounds. Senator GORE, for instance, has charged that it would misuse one of the Nation's most vital agencies to set in motion a power policy that could bring about TVA's ultimate liquidation for the benefit of the private utilities. And Representative HOLIFIELD, on the basis of some preliminary AEC estimates, has asserted that power from the proposed project would cost—over the next 25 years—at least $90 million more than equivalent power from facilities that TVA could build.

These are legitimate points of argument, but the debate over them ought not to be cluttered up—as in the case of the so-called tidelands bill—with a lot of irresponsible talk about how the administration is conspiring to satisfy the greed of private lobbyists. For the record shows that the President's directive—whether wise or not—is altogether consistent with what he has said heretofore, in a thoroughly open and aboveboard manner, about his desire to see free enterprise operate in this field wherever it can do so in line with the public interest. There is certainly nothing underhanded about that.

[From the Washington Daily News of June 15, 1954]

TVA IS TAKING MAJOR RAP FOR THE DEPRESSION IN COAL

(By Fred W. Perkins)

KNOXVILLE, TENN., June 15.—When the Tennessee Valley Authority gets a new Chairman he will have a hot potato on his hands. It concerns the coal-mining industry.

Both management and labor are telling Congress, and other Federal and State officials, that the altruistic TVA is following policies in coal buying that tend toward destruction of the industry and impoverishment of the miners.

They picture TVA as a two-faced thing—a kindly, beneficial agency for the improvement of nearly all aspects of life in the Tennessee Valley; but a devilish one in buying coal. TVA is potentially the biggest coal user in this part of the country.

The problem is expressed in one sentence by John Oliver, general manager of TVA: "As a businesslike producer of electric power we feel that we are obligated to buy our fuel as economically as possible."

The coal industry, important here long before TVA was established 22 years ago, also is reminded by Mr. Oliver that "the producers must recognize that in TVA they have a new and different kind of market, and if they want to compete for it they must alter their mining methods or establish new sources so that coal can be produced in substantial volume on a low-cost basis."

HURTING ELSEWHERE

Primarily and directly affected are coal producers and miners in eastern Tennessee and adjoining regions of Kentucky and southwestern Virginia, but management leaders say already it is having a depressive effect elsewhere.

MAY SPREAD

One of TVA's original purposes was to furnish a measuring stick for the charges of the privately owned utilities. Now these utilities are asking, "If TVA can get coal at such low prices, why shouldn't we?"

Buying from the lowest competitive bids is a traditional Government policy. But nearly all big Tennessee coal producers and many of the smaller ones are bound to the wage contracts of the United Mine Workers, which make it impossible to sell much union-produced coal for what TVA is paying.

The result: A great number of small nonunion mines—called dogholes by the large operators—have been opened. The doghole owners are feasting on the TVA market, which in a few years, when all the new TVA steam plants will be going, will double to about 18 million tons a year. That much coal would make happy all the regular operators if they could grab that market.

COSTS FAR LESS

The small mines pay workmen below union scale, sometimes only half as much, counting in "fringe" benefits of UMW members. They do not need costly underground equipment and machinery. Most deliver by trucks, which merely back up to the mouth of the mine, get their loads of 10 tons or so and haul off to the nearest TVA stockpile. That bypasses rail-freight rates, which many large operators say is another reason they can't get into the TVA list of suppliers.

Another result: A few larger companies are ending UMW contracts, going nonunion, and cutting pay scales. One large outfit in nearby Kentucky is said to be saving 37 percent of its former wage bill.

OPERATORS WARY

Most operators with union contracts view this with fear. Some say if everybody cut wages and prices it would lead to more undercutting, and chaos.

Coal operators contend TVA should pay enough for coal to enable them to meet the UMW's wage scale because the Government had much to do with raising that scale as demanded by John L. Lewis.

They point out that in two wartime seizures of the coal industry, nationwide, the mineowners couldn't get their properties back until they agreed to shoulder wage and other benefits agreed to by two former Interior Secretaries, Harold Ickes and J. A. Krug. The 1946 Krug-Lewis agreement started the UMW's welfare and pension fund with a union tax of 5 cents a ton on coal production—now it is 40 cents. The basic pay of $5.60 a day in 1941 has gone up to $18.35, and the fringes on top bring the total man-day cost in a unionized mine up to $23.

There is some hope ahead for the operators. A Commerce Department survey of economic conditions in eastern Kentucky, including the coal problem, reached the cautious official conclusion that: "In light of the gravity of the eastern Kentucky situation, a reexamination of the matter (coal-buying policy) on the part of TVA could conceivably prove helpful."

Mr. SMITH of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I had no intention of making any remarks today because everything was drifting along so nicely and I did not intend even to make any remarks which would be inconsistent with the nice atmosphere that exists in the House today. But, when my very dear friend, the gentleman from Pennsylvania [Mr. GAVIN] referred to the gentleman from Massachusetts, and I was sitting in the Chamber, I assumed he was referring to me. Maybe I am presumptuous in thinking that, and if the gentleman was not referring to me, he is in the Chamber now and I would like to have him remove that thought from my mind, if that is the case.

Mr. GAVIN. The gentleman is correct, I was referring to you.

Mr. McCORMACK. Well, I had drawn a rather conclusive presumption that the gentleman from Pennsylvania had the gentleman from Massachusetts in mind, but I just wanted to be sure.

Mr. GAVIN. So that we do not misunderstand each other, I was referring to you. I think it is quite clear now.

Mr. McCORMACK. Mr. Speaker, the remark made by my genial friend in relation to the gentleman from Massachusetts, who is now addressing the House, was that I have repeatedly made statements to the effect that there was great Democratic support of the Eisenhower program. I just want to mildly and temperately and kindly correct my friend, the gentleman from Pennsylvania. I never made the statement in the way that the gentleman from Pennsylvania quoted me. What I have said is that President Eisenhower has been supporting Democratic programs of the last 20 years, and that I am glad to see he recognizes the great leadership of the late Franklin Delano Roosevelt and former President Harry S. Truman, and that he recognizes what the Democratic Party during the past 20 years has given to the people of our country. So it is not a question of the Democrats supporting President Eisenhower, it is a question of Eisenhower following the Democrats.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman.

Mr. GAVIN. In this particular instance, the President is not following the leadership of the Democrats.

Mr. McCORMACK. But you see I took the statement which the gentleman made in relation to the gentleman from Massachusetts. Now might I make another mild observation? I read the newspapers, of course, and I try to do a little thinking and a little evaluating about what I read. I see prominently displayed from time to time, "Citizens for Eisenhower Committee" and that they are going to support only those who support Ike. Well, if they are sincere that means there are an awful lot on the Republican side, my good colleagues whom I respect even in disagreement, whom they are not going to support.

How mortifying it must be to my Republican colleagues to have that hatchet hanging over their heads.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. How mortifying it must be to my Republican friends to know that they are threatened not by the Republican organization but by some pseudopolitical organization.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes, I yield to the gentleman.

Mr. GROSS. Was the word "mortifying" or "modifying"?

Mr. McCORMACK. Well, I do not know what they are going to try to do to you gentlemen on your side. According to the voting record to date there are very few on the Republican side who could qualify for their support. That is your problem, however. Of course, if the Citizens for Eisenhower are sincere, when November comes they will be supporting Democratic Members seeking reelection rather than a great majority of Republican Members.

But let me pass that over. My friend referred to the TVA and the fact that those coming from the TVA area are not supporting the President. If a Democratic President had issued that order, every newspaper in the country would have screeching headlines calling him a dictator. There is no question but what President Eisenhower has issued an order to the members of the Atomic Energy Commission which is in the nature of dictation to them. The President overlooks the fact that the members of the Atomic Energy Commission are appointed as a result of a law passed by the Congress of the United States, and apparently the President overlooked the fact that they have their responsibilities as members of the Atomic Energy Commission to perform their duties in accordance with the organic act establishing the Atomic Energy Commission.

I am not going to say that the President is a dictator, because we Democrats are too kind to call the President a dictator, but I will say that if the same situation arose while a Democratic President was in office there would be a dozen Republican colleagues of mine in the well of the House calling such a President a dictator. The Republican press, consisting of about 90 percent of the newspapers of the country, unfortunately so—I wish they would be converted to the Democratic Party—and what I say is again impersonal and in no unkind sense—90 percent of the newspapers of the country would have screeching headlines accusing the Democratic President of being a dictator, if any Democratic President did the same thing as President Eisenhower did in this case.

So with those few thoughts off my mind, unless the gentleman wants to provoke some more—

I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I would like to ask the gentleman if he can tell us why a great many of the industries of the New England States are moving down into the Tennessee Valley. What is the reason for this exodus of New England industry into the valley?

Mr. McCORMACK. The gentleman has asked a question that would take more than a minute to answer. But coming back to what the gentleman said in his remarks, is social security a Republican measure? I thought that was a good Democratic measure. Yet the recommendations of the President to extend it is nothing but following up the Democratic measures of the past 20 years. When did unemployment compensation start? With the Republican Party or the Democratic Party? It was put into law by the Democratic Party. What about low-cost housing? It will be interesting to see what you do when that bill comes back on the conference report. I expect a majority of the House conferees to do a job on the Senate amendment. They are not going to accept the Senate amendment, which is the recommendation that President Eisenhower recommended. When we presented to this House the Eisenhower recommendation, 150 Republicans voted against it and only 51 Republicans voted for it. On the other hand 124 Democrats voted for the 4 years of low-cost housing, 35,000 units a year, and 61 against. In other words, 75 percent of my Republican friends opposed President Eisenhower in his recommendation, and 68 percent of the Democrats supported the recommendation because it was good Democratic policy.

What about the reciprocal trade agreements law? Was it a Republican who recommended that? Was it a Republican Congress that enacted it into law or was it a Democratic Congress?

So when President Eisenhower makes recommendations of that kind he is following good Democratic leadership; in other words, he is going to the country with an exhibition of good commonsense in following good Democratic leadership.

And next fall when the people go to the polls on election day and in their wisdom, as I confidently predict, elect a Democratic House and a Democratic Senate, it will be the best thing for the people of our country, because under we Democrats the people griped in the good old American way, they criticized the Democratic Party in the good old American way, but one thing was certain: For 20 years the American people never had a lack of confidence in business or in having a job.

Mr. SMITH of Virginia. Mr. Speaker, I have no further requests for time.

Mr. ELLSWORTH. Mr. Speaker, I yield 2 minutes to the gentlemen from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I want to thank the gentleman for giving me this opportunity to reply to my very good friend who used my name on several occasions.

Mr. Speaker, I definitely am not against flood control. The project that I am interested in and to which the gentleman refers, is a straight, clear-cut flood-control project. I am not in disagreement with the TVA on flood control, for which it was originally conceived; but after you got into flood control, you got into hydroelectric power, you found it was necessary to supplant it with steam-power plants because you did not have sufficient water in the low areas in the summer months to operate. So you came in here and asked the American taxpayers to subsidize the TVA further not for flood control, but for steam-power plants.

I am for flood control first, last, and always. I have always supported flood-control projects. I think it is the wisest investment that the American taxpayers can make to impound our waters for domestic and industrial purposes rather than permit these recurring devastating floods. But when it comes to steam-power plants, you have no right to ask the American taxpayers to build steam-power plants in the Tennessee Valley any more than we in Pennsylvania would have to ask the American taxpayers to build steam-power plants for us. We have coal in Pennsylvania and if the Government will give us subsidized, tax-exempt steam-power plants in Pennsylvania we can utilize our coal in the distressed areas to produce cheap power and it will permit us to compete with the TVA industrially; but we cannot compete with TVA on the basis that the TVA is now operated subsidized and tax exempt.

I do want to make it clear, when the gentleman talks about my position on flood control, that I am for flood-control projects any time, anywhere, any place in these United States which will contribute to the protection, welfare, and development of our Nation, but I am definitely against Federally subsidized, tax-exempt steam-power plants to give one area an advantage over other parts of the country.

Mr. ELLSWORTH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DONDERO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 119) to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 119, with Mr. COTTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DONDERO. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this bill ought not to take very much time. It has already passed the Senate. My recollection is that it was reported out of the Committee on Public Works of the House unanimously. What it does is to take the Federal Government out of a project to the extent of $32 million. The total cost of the project is about $38.5 million. The other $6.5 million is for flood control, which will be the Federal Government's part or contribution to the entire project. The State of Oklahoma, through its authority mentioned in the report, will complete the rest of the project. I believe the project is located in the district of the gentleman from Oklahoma [Mr. STEED] a member of our committee. I do not intend to take the time of the Committee of the House, but I yield part of it to the gentleman from Oklahoma so he may describe the project in detail.

Mr. STEED. Mr. Chairman, I would like to correct a statement made by the chairman. The project is located in the district of my colleague, the gentleman from Oklahoma [Mr. EDMONDSON], who will discuss the project in detail.

Mr. Chairman, I would like to say for the information of the committee that if there is any opposition to this bill from any of the areas, private or public, State or Federal, I have not heard anything about it. The bill passed the Senate unanimously. It came from our committee unanimously. Insofar as I know, it is in accord with the policy of the present administration and the wishes of everyone concerned in this type of project. I hope the committee will go along with the bill so that we can dispose of it in due time today.

Mr. DONDERO. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, S. 119, revising terms under which the Markham Ferry project in Oklahoma, originally authorized as a multi-purpose dam, together with reauthorization by the Public Works Committee of Coocas River, Coogar Dam, and Priest Rapids to permit local interests to proceed with construction of power facilities, initiates a new concept of partnership between the Federal Government and local interests. Heretofore the Government has assumed the full costs of construction of multipurpose dams, it has allocated to power features only such costs as could be considered in excess of estimates for flood control and navigation, and then has assumed role of selling and distributing power at rates based on costs of this one phase of the total construction project. In this way Government has become actively involved in the manufacture and distribution of electric power.

In areas where the Government has the obligation of providing flood control and/or navigation, it is often advisable that all phases of the project be attempted at the same time or that initial structures for power generation only be planned to permit full utilization of the watershed potential at some later date, when flood control or navigation becomes economically justified. In each of the above-named projects, power is the primary objective. Recognizing the present need for this power, the local interests have indicated their willingness to assume all costs to be involved in the construction of power facilities, with only such Federal contributions as

would be involved if flood control or navigation facilities should be attempted by the Government at a later date.

Where flood control or navigation is not justified as yet economically, but power needs are immediate, local government authorities will pay the greater portion of the cost of construction in accordance with plans of the Corps of Engineers. Additional facilities for flood control or navigation, if later authorized by the Congress, can be added to the existing foundation structures at Federal expense. Under this arrangement the local authority assumes full charge over the sale and distribution of the generated power, and can make suitable arrangements with area power agencies, either State or private, and, subject to Federal Power regulations, may integrate their generating capacity to insure more uniformity in rates and a more dependable supply of power to all users.

The pattern thus set will enable many areas throughout the country to secure much needed power long before it could be justified as a Federal multipurpose project. It will also encourage local communities to assume more initiative and responsibility in developing their own resources instead of depending upon the Nation's taxpayers. Last, and most important, it will be a start toward getting the Federal Government out of the business of producing and distributing power in competition with private agencies willing and able to assume their share of Federal, State, and local taxes.

The policy of utilizing impounded water in suitable streams is sound where benefits accruing over a 50-year period are sufficient to amortize the original cost and reasonable interest charges.

Due to the vagaries of weather and insufficient rainfall, many of these projects, unable to operate the year around at full capacity, need available standby power. This may be avoidable from an integrated hydro facility or from steam generating plants nearby, privately or publicly owned.

In any event, competing agencies operating in any given area should be mutually interested in pooling their resources to assure the best possible distribution of their power at rates as nearly uniform as possible based on transportation and other physical problems of cost. As demands for electric power grow with an ever-increasing population, the need for steam plants to furnish and stabilize an adequate supply of needed power must be recognized. Construction and operation of these steam plants should be the prerogative of private investment or locally authorized regional organizations, each distributing power under the regulation of State public utilities or the Federal power authority, where interstate distribution requires such control. So long as Federal subsidies favor one part of the country over another, just so long will the controversy over consumer rates continue to plague Congress.

With abundant capital in the possession of small savers, banks, and insurance companies, awaiting an opportunity for profitable investment, the first duty of government is to provide protective safeguards against improper combinations in restraint of trade and protect the public against exploitation. It is from the interchange of wages and profits resulting from privately operated industry that Government derives its source of income. Government operation of any facility, whether total or partial through subsidies, not only fails to return its proper share of taxes but assumes the right to call on Government for deficiencies and further expansions.

The Government operation of TVA is a shining example of the involvement of public funds in electric power. The initial investment for creating hydropower was used as the basis for setting attractive consumer rates. Attracted by these preferential rates, industry moved in to take advantage of cheap power. When adequate power was no longer available, the Congress was asked to appropriate from public funds additional moneys to build steam plants to provide current to meet new demands. Existing area steam plants, capable of supplying this new demand, were either absorbed by TVA or forced to the wall because they were unable to compete with preferential rates being charged by TVA, which was selling both hydro- and steam-generated power at rates based on the costs of the original hydropower installation. TVA now has 20 or more steam plants in operation and is demanding that Government bear the cost of additional steam-producing facilities to meet their growing demands. So the taxpayers of the Nation are bearing the cost of furnishing electric power to the citizens of the Tennessee Valley at consumer rates far below the cost of similar service elsewhere. This is neither fair nor just. If TVA is to continue as a Government-operated facility its rates for power should be set to return a profit at rates comparable to averages permitted by public utilities throughout the country, and the profits should be returned to the Government as credit to the taxpayers whose money was used to create TVA in the first place. Otherwise TVA should be sold to private interests and the proceeds applied to our staggering public debt.

The favorable action of Congress on Senate bill 119 would establish a precedent that Government participation in multipurpose dams should henceforth be limited only to that part of the cost which would, under the laws, be required to provide flood control and navigation structures, and local participating agencies should assume full control over the sale and distribution of power output.

It is my considered opinion that Government should not be permanently engaged in any business that can be conducted by individuals or privately finaced organizations unless it is of primary concern for the health and welfare of the country at large.

The disposal of the estimated $30 billion of Government funds invested in various phases of competitive business would go far toward reducing the national debt and bring in an immediate income in the form of taxes to reduce the interest charges that now exceed the total cost of all Government operations a few years ago.

Mr. TRIMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I would like to begin by thanking the gentleman from West Virginia [Mr. NEAL], and the distinguished chairman, the gentleman from Michigan [Mr. DONDERO], for the remarks which they have made in support of this legislation. It is a bill which has had bipartisan support throughout its life both in the Senate and in the House.

Mr. Chairman, I am a little bit hesitant to make any kind of a speech for it, because when we were before the Committee on Public Works, I started to make a talk and I was interrupted and told everybody was for it, so I might as well stop speaking. And, when I got before the Committee on Rules, I started to make a talk for it there and some of my friends on the committee said, "Everybody is for it. There is no point in making a speech." So with some trepidation for fear I might get somebody against it who is already for it, I shall make a few remarks on the subject and then stop.

There are three compelling reasons which I believe dictate passage of this bill. They are reasons that should have equal weight on both sides of the aisle. In the first place, the bill will carry out and complete an authorized program for the construction of three dams on the Grand River, an authorized program which has a history of 13 years of consistent approval by the Congress. This dam when constructed by the Grand River Dam Authority, a State agency, will complete and unify this program of three dams on the Grand River in our State.

The second compelling reason is that it is going to save the Federal Government and the Federal taxpayers approximately $32 million. At the same time, by having the State construct the dam and carry out the flood-control purposes of it in coordination with the other two dams on this big river, it will provide the flood control which is needed in this area and will assure the efficiency and the operating effectiveness of the other two dams which have already been constructed, one of them by the Federal Government now operated by the Army engineers and the other by this same Grand River Dam Authority as a State agency.

A final reason is that this bill, as my very able colleague from Oklahoma [Mr. STEED] has already stated, is a bill that has the united support and the enthusiastic support of all of the interested agencies and groups concerned in it. It is not only actively supported and endorsed by the Governor of the State of Oklahoma; it also has the support of the Department of the Interior; has the support of the committees of both Houses of the Congress thus far; it has the support of the Army engineers. The only expression of opposition that we have heard came from a historical group which was disturbed about the possibility that the first white settlement in Oklahoma might be covered in the construction of this reservoir. I think

that that objection was answered very adequately in the hearings of the Committee on Public Works when the Army engineers gave their assurance that construction was possible in a manner so that this original white settlement would be amply and adequately protected for its historical value. I think, with that assurance from the Army engineers, every bit of real opposition to the bill in the State of Oklahoma has evaporated. I think it is a bill that should be passed.

I certainly appreciate the able support that has been given to it by the members of the Committee on Public Works of the House.

Mr. DONDERO. Mr. Chairman, we have no further requests for time.

Mr. TRIMBLE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the general comprehensive plan for flood control and other purposes approved by the act of June 28, 1938, for the Arkansas River Basin, as modified by the acts of August 18, 1951, and July 24, 1946, is hereby further modified to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma, in accordance with the terms of the Federal Power Act and in general conformity with the recommendations of the Chief of Engineers in House Document No. 107 of the 76th Congress and House Document No. 758 of the 79th Congress, such project to have the same number of acre-feet of flood storage and the same flood control and power pool elevations as recommended by the Chief of Engineers, with provision for emergency operation for surcharge storage three feet above the normal flood-control pool.

SEC. 2. To the extent that it may be mutually agreed between the Grand River Dam Authority and the Secretary of the Interior, operation for power production of this and other installations of the Grand River Dam Authority on the Grand River in the State of Oklahoma shall be coordinated with the power operations of the Federal projects in the area: *Provided*, That nothing herein stated with regard to any such agreement shall be construed in any way to modify or repeal any existing authority vested in the Federal Power Commission by this or any other act or to modify or repeal any authority of the Secretary of the Army or the Chief of Engineers pursuant to section 7 of Public Law 534, 78th Congress.

SEC. 3. There is hereby authorized to be appropriated not to exceed $6,500,000 as a monetary contribution by the United States for flood-control storage in the Markham Ferry project: *Provided*, That such funds as may be appropriated under the foregoing authorization shall be administered by the Chief of Engineers in a manner which shall assure (1) that the Grand River Dam Authority shall comply with the provisions of this act relating to the construction of the Markham Ferry project, and (2) that the total payment made by the Chief of Engineers to the Grand River Dam Authority shall be $6,500,000 less the sum of (a) such amount as he shall determine to represent the cost to the Government, including acquisition and conveyance of lands acquired in the Markham Ferry project area by the United States with flood-control appropriations and conveyed to the Grand River Dam Authority pursuant to section 4 of this act, and (b) such amount as he shall determine to represent the fair market value of any other lands acquired by the United States and public-domain lands, or interests therein, lying within the project area, and conveyed to the Grand River Dam Authority pursuant to section 4 of this act: *Provided further*, That the acceptance by the Grand River Dam Authority of the foregoing amount shall constitute the agreement of the Grand River Dam Authority to hold and save the United States free and harmless from all claims heretofore or hereafter asserted of whatever nature including but not limited to acquisition of land, relocation, construction, operation, and maintenance of the dam and reservoir: *Provided further*, That the foregoing authorization shall be in addition to authorizations heretofore made for appropriations for flood-control projects for the Department of the Army.

SEC. 4. The sale, transfer, assignment, grant, or conveyance to the Grand River Dam Authority of such land, easements, and flowage rights owned by the United States of America as may be necessary for the construction, operation, and maintenance of the Markham Ferry project by the Grand River Dam Authority is hereby authorized and directed. The conveyance of such lands or interests therein shall be made by the Secretary of the Army, notwithstanding the provisions of any other law or requirement to the contrary. Other officials having jurisdiction over such lands are authorized and directed to transfer custody of such lands to the Secretary of the Army. Reimbursement for the fair market value of said lands will be made by the Chief of Engineers from funds appropriated pursuant to this act. No such conveyance shall be made until funds have been appropriated pursuant to section 3 of this act and until a license for the Markham Ferry project has been issued by the Federal Power Commission. In addition to the foregoing monetary contribution, the Secretary of the Army is authorized and directed to transfer engineering data including maps, survey reports and data, drilling records and designs as will be of value to the Grand River Dam Authority in planning, construction, maintenance, and operation of the Markham Ferry project.

Mr. DONDERO (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 9, strike out the period and insert the following: "and such project shall be designed for an ultimate installed capacity of not less than 72,000 kilowatts: *Provided*, That the initial installation may have a smaller capacity."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COTTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 119) to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FARM PROGRAMS AND FAMILY FARMS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, there have been several recent occurrences which justify our taking a few moments to consider our national policies in relation to the family farm.

A few weeks ago my attention was called to a paper by Mr. E. G. Shinner, of the Shinner Foundation, in Chicago, entitled "The 1953–54 Recession: The Paradox of Efficiency." In that paper, Mr. Shinner argued that we cannot go on forever pursuing greater and greater efficiency with fewer and fewer farmers, fewer and fewer manufacturers, distributors, and so forth, and still advance the well-being of the average citizen.

He argued that farming has great value as a way of life, and that our national farm programs—including the price-support programs—ought to be geared to protection of family farming and to discouraging large corporate farming. Mr. Shinner proposed that we limit farm-price supports given an individual farmer to a decent family income level, and no more.

A few days later my attention was directed to a table which analyzes sizes of our farm price-support loans, by States, on 1953 crop wheat, cotton, and corn.

In the State of California in 1953, the 5 biggest cotton loans averaged $649,000. The average of all cotton price-support loans in that State was only $1,731. The big 5 were 375 times the average loan.

In the State of Mississippi, the 5 biggest cotton loans averaged $479,000. The average of all loans was $372. The 5 large loans were nearly 1,300 times the average loans.

In my own State of Texas, the 5 biggest cotton loans averaged $219,440. The average of all Texas cotton loans was only $337.

The contrasts are somewhat smaller but still very striking in regard to corn and wheat, with the bigger loans running 20 to 40 times the size of average loans.

In Iowa, the five biggest corn loans were for an average of $98,000. The average of all Iowa corn loans was only $2,154. Illinois' five big corn loans were for an average of $88,000, while the average of all was only $2,025. In Indiana, the five big loans averaged $85,000 and all loans averaged only $2,307 on corn.

Out in Montana the average of the five big wheat loans was $176,000 and the average of all wheat loans in that State was $4,000. In Oregon the wheat figures were $176,000 compared to $6,293. In Colorado $151,000 average loans to the five big operators compared to $3,152 average of all wheat loans. In Washington the two figures are $219,968 and $10,500.

I insert in the RECORD at this point in my remarks this comparative table of the average of the big loans, and the average of all loans, on 1953 crop corn, cotton, and wheat, by States:

Comparison of largest loans made by CCC on 1953-crop corn, cotton, and wheat, with estimated average loan, by States

State	Corn		Cotton		Wheat	
	Average 5 largest loans	Average loan	Average 5 largest loans	Average loan	Average 5 largest loans	Average loan
Alabama	$8,334	$755	$100,712	$318	$9,601	$1,343
Arizona			231,209	1,378		
Arkansas	1,809	1,378	192,517	407	67,931	3,475
California			649,335	1,731	83,735	9,500
Colorado	6,628	2,031			151,803	3,152
Delaware	15,029	3,009			6,646	1,251
Florida	4,308	775	5,391	362		
Georgia	6,686	918	27,516	309	14,783	988
Idaho	2,721	1,453			114,934	3,003
Illinois	88,177	2,025			61,254	1,526
Indiana	85,291	2,307			31,457	1,204
Iowa	98,535	2,154			21,747	1,147
Kansas	19,337	1,575			106,963	1,525
Kentucky	27,588	2,302	12,801	970	17,356	1,312
Louisiana			74,823	452		
Maryland	10,171	2,490			15,313	975
Michigan	17,822	1,404			22,382	1,283
Minnesota	47,816	1,843			39,192	1,194
Mississippi	891	778	479,535	372	19,565	2,786
Missouri	50,578	1,994	153,191	395	39,668	1,695
Montana					176,714	4,000
Nebraska	43,925	2,487			75,961	2,708
Nevada					34,179	7,500
New Jersey	20,088	2,800			20,393	1,880
New Mexico			144,835	500	26,680	2,000
New York	9,696	1,487			15,254	1,126
North Carolina	14,360	610	42,438	403	14,234	765
North Dakota	7,064	720			71,253	2,890
Ohio	53,475	1,961			34,648	1,208
Oklahoma	1,750	857	31,932	229	41,161	2,367
Oregon	4,321	2,173			176,538	6,293
Pennsylvania	11,644	1,389			12,370	818
South Carolina	9,298	780	87,880	368	14,258	918
South Dakota	25,554	1,500			65,060	1,400
Tennessee	8,748	1,450	42,655	299	21,911	1,000
Texas	1,855	750	219,440	337	72,548	1,900
Utah					25,172	2,800
Virginia	10,046	2,405	3,947	451	19,421	862
Washington	10,879	2,593			219,968	10,500
West Virginia	7,563	2,559			3,310	1,347
Wisconsin	27,607	1,450			5,659	1,200
Wyoming					35,352	4,266

These figures make it obvious that our present price supports, unlimited as to amounts of individual production which will be supported, are encouraging a movement toward big farms in America that should not be tolerated. Our Government should not support socially undesirable activities—and large factories-in-the-field are just that, socially undesirable.

IS FAMILY-SIZED FARM HEADED FOR EXTINCTION?

The farms of 1,000 acres or more have been growing rapidly in recent years with smaller-size operations shrinking. Are the big corporation ranches and plantations going to swallow up the average-size farm? Another question is, will the farm owner still be the real boss of his farm acres, or will his farm ownership consist of stock certificates in a superland operation handled by corporate personnel from the president down to third assistant sodbuster? Certain agricultural trends certainly point in that direction. The farms of 1,000 acres or more have increased 80 percent since 1920. The number of farms in the 10- to 179-acre class have declined 25 percent. During this time, 1 farm unit out of every 6 has disappeared, or 1 million in all. They have been absorbed into other farms until the average farm of today is 60 acres larger than 30 years ago.

The top 3½ percent of the Nation's farms get more than 25 percent of the gross farm income. The top 13½ percent get half the total income, while the remaining 86½ percent share the other half. This bottom half of the Nation's farmers are grossing less than $2,000 a year each; and out of this, all operating and other costs must be paid before they have anything for living expenses.

HONEST HARD TIMES

If farming is placed upon strictly efficiency ratings and a mode-of-living concept abandoned, 10 million people will be forced off the farms. Those who advocate this drastic change do not disclose what they believe will happen to these 10 million people.

The family-size farm should be saved and this type farming encouraged. The boys and girls reared on these farms, including the mode-of-life type, have made a very great contribution toward making our country the finest and greatest country on earth.

Price is a real problem with the farmer. If the farmer cannot get a fair price for what he produces and is not treated fairly in the economic picture, he cannot survive.

The Nation needs a strong—not a weak—agriculture. It is vital to our country. There are enough people directly dependent on the farm, plus those who process and otherwise depend upon farm production, to influence economic conditions. If the farmers are prosperous, the entire Nation is prosperous. Hard times usually commence on the farm. Some outstanding leaders do not realize this; others merely promise honest hard times.

A third happening which has come to my attention is the vote of the House Agriculture Committee, as reported in the press, to authorize production payments to dairymen after September 1 to support farm return from dairy products at 80 percent of parity.

I happen to believe that the use of production payments is wise. They will support farm income without increasing consumer prices. I have seen estimates which indicate that they will be no more expensive to the taxpayers than buying butter, cheese, and dried milk, storing them and then disposing of them at a loss. Secretary Benson has said production payments will be cheaper on wool than high price supports. Certainly, when the cost to taxpayers of price supports and the increased prices to consumers caused by supported prices are added together, production payments are considerably less costly to our citizens than the present support methods.

I will vote to approve the committee's action extending 90-percent supports and authorizing dairy payments and I commend the members for taking these steps.

LIMIT AMOUNT OF DIRECT PAYMENTS

At the same time, I wish they had voted a limitation on the amount of direct payments that might go to an individual farmer, designed to support not more than a good family income.

Mr. Shinner used a dairy example in his paper on this subject. He wrote:

> Just recently, I visited a dairy in Florida where I learned that 1 man milks 400 cows a day. This is a typical illustration of what is happening throughout the Nation. The result, so far as the dairy industry is concerned, is too well known to bother with statistics, except to mention that there is now 1¼ billion pounds of surplus dairy products in the hands of the Government.

Mr. Shinner then adds:

> We should limit the amount of farm price supports extended to an individual farmer to an amount of production that will give his family a decent basic income. Our price support laws should assure parity price for enough products to make up such an income, but no more. There should be no support at all on excess production.
>
> If some men want to make a business out of farming, instead a way of life, then let them do it at their own risk in the markets. Let them earn only what their efficiently produced surpluses will bring in a free market. They should not be permitted to squeeze the family farmers off the land,

nor subsidized in creating surpluses as has been done in the past.

This limitation on price supports would have the effect of putting the small farmers back in business, and of slowing up those who think that efficiency is a cure-all in agriculture.

In the face of increasing concentration of land and income in farming, Dr. Arthur F. Burns, chairman of the Council of Economic Advisers, offers as a solution for the low-income farmers, that they consolidate farms and, as an alternative, seek part-time work in industry where there are already millions unemployed.

Dr. Burns offers this approach in a thoroughly matter-of-fact manner. The unsophisticated reader might easily be led to believe that Dr. Burns' pronouncement could and should be accepted as a sound economic policy. * * *

The Burns approach to this problem is the application of a cold price economy—a treatment that is at best, only partially applicable. Should he see fit to apply the same theory to all phases of agriculture, his own figures could lead him to but one conclusion, namely, that 5 million farmers represent sheer economic waste; 2 million, yes, even 1 million could perhaps do the job as well, or better. All of this brings to mind the wisdom of Goethe's picturesque and philosophical statement: "Gray are all theories, and green alone life's golden tree."

Like the vineyards of France, the wood-carving and watchmaking of the Swiss, the beautiful handicraft of the Italians—farming in America is and must ever be largely a way of life. It does not, nor will it ever, lend itself to a strictly cost-plus analysis and operation.

Mr. Speaker, I suppose every Member of this body has referred to small, independent business, and to the family farm, with high praise at some time in his political career. Praise of the family farm, like a platitude, often slips off tongues casually, and without real understanding of the family farm's importance in our society.

In all reality, they are essential to our democratic society which must be preserved, not as a quaint but inefficient relic of the past, not as a nostalgic whim, but because family farms are one of the finest and most valuable institutions in our democracy. Their intangible values to this Nation do not lend themselves to cost accounting methods or measurement by efficiency experts. But those values are just as real as the value of democracy and freedom. Democracy and freedom cannot be evaluated by cost accountants or bookkeepers, yet most Americans will risk their lives to preserve them.

JUVENILE DELINQUENCY

I have followed with a great deal of interest recent congressional hearings on juvenile delinquency. There is some juvenile delinquency in rural areas, but it is far less prevalent than in the cities. And a high percentage of it in the rural areas is where there are undesirable types of tenancy or commercialized farming, with its accompanying work gangs and rural slums. There is little where family type farming is the predominant pattern.

In the family farming areas of America there is a wholesomeness, a sense of social responsibility, a spirit of mutual aid and neighborliness among people that is not found elsewhere. There is a love of independence and a self-reliance born of independent enterprise.

The family farm is a place where youth grows up in such an atmosphere. Rural youth there has the opportunity to form constructive work habits, to become self-reliant, to see mutual aid in practice and to learn consideration for and cooperation with others.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. I would like to ask the very eminent gentleman from Texas whether he has given any thought to the question as to whether it is a good thing for this country that our farms are becoming larger and larger, with the result that our rural population is decreasing from year to year, and just what effect that will have upon the overall picture of the general population in this country.

Mr. PATMAN. I think it is a very bad thing for our country, I will state to the distinguished gentleman from Kansas.

Our country has been built up in time of peace and saved in time of war by people originating from a type of farm that was operated not for profit, not by an operator with the expectation of amassing great wealth or savings even of any kind, but for the sole and only purpose of engaging in a mode of life under which he could educate his boys and girls by barely ekeing out an existence in some instances. But those farms have produced some of the finest and best men and women in our Nation, and it is people from those farms, the mode-of-life farms who I think render the greatest contribution toward the success of our great country, the mode-of-life type of farm. Under the plan, theory, and policy that is being advocated today in which the stop watch, the slide rule, and the efficiency expert determine whether or not the farmer remains in business, is definitely in opposition to the kind of country we have created here, which we believe is the finest and greatest country on the face of the earth.

I will state to the gentleman in answer to his question that I believe definitely it is in the interest of our people to continue even the mode-of-life farm rather than to adopt instead the efficiency farm which will eliminate at least 10 million people from the farms; and not yet has anyone said, even those who are advocating this program, what will happen to these 10 million people. This proposal I am discussing will give the mode-of-life farmer an opportunity to earn a good standard of living if he works for it.

Mr. MILLER of Kansas. I thank the gentleman for his comment. Has the gentleman a solution to offer for this problem?

Mr. PATMAN. Yes; I have not proceeded far enough to reach the solution, but I assure the gentleman that I have in mind offering a solution in this statement, and that I am coming to it. It involves limiting production payments and encouraging every farm family to work and earn enough for a fair standard of living. If the farm family earns money, it will be as a result of work in producing farm products which may be sold at a fair price, the aggregate to be sufficient for a decent standard of living.

FAMILY ENTERPRISE

On the well-managed family farm, the father, mother, sons, and daughters are partners in a family enterprise. All share in the successes—and sometimes the failures—that are experienced. The youths have their projects. Their time is full. They grow to adulthood with far fewer of the unhappy incidents that too often mar the lives of young men and women who find no place for themselves in early life—nothing to do—in a busy city world.

A million young men and women come to the cities from rural America each year. They come with the love of freedom, the wholesome background and the fine traits of character which are a bulwark to our democracy. They are the most important export of agriculture, far more important than any grain crop, any cotton crop, or any other product we get from the farms. They are a priceless contribution to our Nation, sturdy, self-reliant young people well trained to carry forward a decent, socially responsible, democratic society.

Who can put a value on this crop of fine young Americans, or on the value of the family farms which produced them? It cannot be done, but that value is as real as it is incalculable.

This is but one of the family farm's intangible values to this Nation. I want to deal with another.

So long as America maintains a family farm pattern in agriculture, there need be little fear of tyranny, communism, or any other ism replacing our democracy.

DISTRIBUTION OF LAND MAJOR PROBLEM IN ALL COUNTRIES

There are social revolutions and armed revolutions in progress all about us in the world today. Without any exceptions that I know, there is involved in the background of each such serious situation land monopoly, insecurity of tenure on the land, inequitable distribution of land or a closely related problem.

The pattern of feudal land holdings of another century is gradually being overthrown around the globe. Our own postwar administrators in foreign lands recognized and speeded this process. The American occupation government in Japan headed by General MacArthur made an extensive redistribution of land in that nation. There was redistribution in South Korea, unfortunately limited in extent. It is a tragic fact that in Italy such redistribution was deferred by our occupation government, and communism unnecessarily gained a foothold in some of the rural areas of the country as a consequence.

It has been very significant that in most of the nations where communism has been held at bay, land redistribution is proceeding, and that unrest in our own hemisphere has developed in British Guiana, a land of huge sugar plantations, and in Guatemala, where the United Fruit Co. is a large operator.

The basic land difficulties in Guatemala are revealed in an interview given by Col. Castillo Armas, leader of the

forces now invading that nation to overthrow the Communist-tinged government. The interview—an appeal for support—was given just before Armas flew to his headquarters from Honduras.

Colonel Armas charged that the agrarian reform law which has been instituted in Guatemala was a political gesture; that he recognized the need for raising the standard of living of farm workers, and that he would see that the agrarian reform law was amended to give the farm workers, not the government, the benefits.

In general—

Colonel Armas said—

our desire is that the revised law should give more land and more economic independence to a greater number of campesinos (farm workers).

I offer for the RECORD at this point a portion of a New York Times story of Monday, June 21, discussing the Guatemalan agrarian reform situation. The article makes it clear that insecurity of people on the land is a major cause of unrest in the nation and that both factions are attempting to deal with it.

Communist agitators always find insecure people in agriculture a weak spot—a ready seedbed for their agitation. The truth is that Communist Russia has duplicated feudalism with her state farms. They will contribute to the certain downfall of communism. But that does not keep her agitators from holding forth the false lure of land ownership, and repeatedly winning the support of insecure agrarian populations with that lure.

Wherever insecurity on the land exists, it is a major national weakness.

[From the New York Times of June 21, 1954]

REBEL CHIEF MAPS FARM LAW CHANGE—CASTILLO ARMAS DECLARES LIFE OF THE GUATEMALA WORKER MUST BE IMPROVED

TEGUCIGALPA, HONDURAS, June 20.—Col. Carlos Castillo Armas' program includes drastic revision of the Guatemalan agrarian reform law. The statute has been considered the heart of the program of President Jacobo Arbenz Guzman.

Col. Castillo Armas, leader of the Guatemalan revolt, gave an interview Thursday night, just before he flew north to his headquarters in Guatemala.

The colonel, who is 43 years old, emphasized his awareness that the standard of living of Guatemalan farm workers had been long in need of improvement. But he asserted that the fundamental flaw in the Arbenz agrarian law was that it was a calculated political gesture and was not based on a sincere desire to raise the standard of living.

Col. Castillo Armas said he thought it would not be necessary to repeal the law per se. What it needs, he asserted, is a series of thoroughgoing amendments that would guarantee that the beneficiary would be the farm worker himself, rather than the Government.

FARMERS CALLED TENANTS

He observed that, as the agrarian law and worked out, the peasant was often a tenant of the Government, rather than a small landowner in his own right.

With regard to the expropriation of land in Guatemala, the colonel said a study was needed to see that the former owners received fair compensation. He asserted that he saw no reason why a farm worker established on expropriated land for which a fair price had been paid should not stay—assuming he wanted to stay as a sincere worker of the land rather than a small-scale "demagogue."

"In general," Col. Castillo Armas said, "our desire is that the revised law would give more land and more economic independence to a greater number of campesinos (farm workers)."

In contrast, this Nation's greatest strength is in rural America—out on the land where men and women with a stake in democracy till the soil.

EARLY PATTERN

Family farming is an American institution. The European pattern of large, feudal landholding got an early foothold here but was largely thrown off partially as a consequence of the mechanics of pressing our frontiers westward, partly as a result of American labor's resistance to oppressive industrial conditions in our new land, but largely because statesmen, beginning in the First Congress of the United States, had the intelligence and the vision to see the value of the institution to the Nation: to see that a nation of free and independent citizens would be far stronger and far better than a land of a few great landowners and many poor peasants.

I find in the Annals of the First Congress, during its session in February and March of 1789, that there was a proposal to sell public lands in million-acre tracts in the western territory.

On motion of Representative Scott, of Pennsylvania, the House resolved itself into a Committee of the Whole on the State of the Union, and Mr. Scott argued for the sale of the lands in small tracts, through a land office established in the western area, so that actual settlers could acquire lands.

Mr. Scott warned that there were 7,000 settlers on the frontier eager to become a part of and add strength to the Union; but who might move on to Spanish territory, where they had been invited, contributing their strength to Spain instead of the Union, if they were not accommodated.

If they may be indulged with a preemption to the purchase (of lands they had settled), no men will be better friends to the Government—

Scott told the First Congress.

Within a few years, national policy had developed to one of positive encouragement of settlers of small tracts and discouragement of speculators and land monopolists.

Debate in the Fourth Congress, first session, from June 7, 1795, to June 1, 1796, were landmarks of our land-policy development. In that Congress, Congressman Gallatin of Pennsylvania successfully proposed that lands be offered at auction in small tracts to freeze out speculators—he held that they could not afford to pay as much as bona fide settlers. Upon adoption of this proposal he offered a second amendment to require one actual settler on every reasonably sized tract.

The happiness and the prosperity of the country would be promoted by the prevention of the land becoming engrossed in a few hands, he argued.

Representative Rutherford, of Virginia, supported Mr. Gallatin, spoke highly of the people on the frontier, saying that "they are not too polite to be religious, they are hospitable and neighborly and do not employ their nights in nocturnal revelings." He contrasted their service to the Nation on the Indian frontier to the services of holders of large, unoccupied tracts of lands, "whose owners, perhaps, are living secure in some large city."

Representative Crabb argued for sales in 160-acre tracts, arguing that the dividing of the land into small tracts "would put it into the possession of the real proprietors, and have a tendency to make good Republicans instead of servile tenants dependent on tyrannical landlords" out of the people.

And give me leave—

Exclaimed Mr. Crabb—

to tell these gentlemen that the man possessing 160 acres of land, in his own right, feels the sweets of it as much, and thinks himself as independent, and perhaps more happy, than the lordly nabob that holds a million, not acquired by the sweat of his brow.

The debate has continued in Congress after Congress down to this day, but except for minor, temporary deviations, our policies have been geared to the maintenance of the family-type agriculture which has made this Nation a strong nation of predominantly independent citizens with a stake in their land.

As the preemption fight got underway in the middle of the 19th century, we find the same basic theme underlying the debate on land policy. Congressman A. Johnson, of North Carolina, appealed to the House on April 29, 1852, for a family farm policy on the frontiers to provide a refuge for those enmeshed in poverty on large estates in North Carolina and Virginia.

I appeal to you on behalf of the poor North Carolinian, my own brother, I know his condition.

Johnson said in the House.

I know something about the condition of the poor man in the State of Virginia and elsewhere who, with his wife and little ones, lives on some barren, piny plain, where, with the utmost toil upon his appointed spot on earth, he can make but a scanty subsistence. * * * Look at his condition. Do you not see under the circumstances that surround him there, that his condition is unalterably fixed, and that he can never extricate himself from the iron grasp of poverty? Where is the man, abstractionist, North Carolinian, Virginian, or citizens of any other State who has a heart that beats for his kind, and patriotism for his country, that could say to him? Do not go away; stay here, linger, wither, and die in your poverty, and where the only inheritance which you can leave your children is your poverty.

Congressman F. McMullin, of Virginia, followed Johnson, saying:

Notwithstanding, I shall regret to see my neighbors leave Virginia; notwithstanding, I shall regret to see the hard-fisted yeomanry of the country—those citizens of Virginia who have been the tenants and the laborers for the land aristocrats of Virginia—paying to the swell-headed aristocracy of Virginia from one-third to one-half of their labor in the shape of rent, I say, although I shall regret very much to detract from the laboring

population of Virginia, yet when the question presents itself, whether the industrious farmers and mechanics be permitted to better their condition by emigrating west, I cannot but answer in the affirmative. * * * I know that the tenants contribute from one-third to one-half of their labor in the payment of rent * * * and * * * suppose you take away that portion of the population, what is to become of the landed interests in the State? Why, unless they own slaves or purchase them, the land must decrease in value, or they must go to work themselves.

The preemption fight, the Homestead Act of 1862, the Reclamation Act of 1902 are all part of this long-continuing development of a land policy to encourage a family pattern in agriculture.

WHAT DANIEL WEBSTER SAID

The fundamental importance of the family farm to the preservation of democracy was continuously recognized. Daniel Webster declared more than 130 years ago:

The freest government, if it could exist, would not long be acceptable if the tendency of the laws were to create a rapid accumulation of property in few hands, and to render the great mass of the population dependent and penniless.

In the nature of things, those who have not property, and see their neighbors possess much more than they think them to need, cannot be favorable to laws made for the protection of property. It looks on property as its prey and plunder, and is naturally ready, at all times, for violence and revolution.

Men of all parties, Jefferson and Lincoln, Webster, Benton, Teddy Roosevelt, and Franklin Roosevelt, have spoken out and worked in the interests of this American land policy and its preservation in the interests of the Nation.

BOTH POLITICAL PARTIES FOR SMALL FARMER

Clauses in the platforms of the major political parties on land policy, which are very similar, tell the story of our historic position in the period after the Civil War.

The Democrats included a plank in their national platform in 1868 demanding that—

The public lands should be distributed as widely as possible among the people, and should be disposed of either under preemption or homestead laws, or sold in reasonable quantities, to none but actual occupants.

In 1872 the planks were almost identical. The Democrats said:

We are opposed to all further grants of lands to railroads or other corporations. The public domain should be held sacred to actual settlers.

There was nearly identical language again in 1884. The Democrat national platform said:

We believe that the public land ought as far as possible to be kept as homesteads for actual settlers.

The Republican platform plank read:

The public lands are a heritage of the people of the United States, and should be reserved as far as possible for small holdings for actual settlers.

In 1900 both parties endorsed reclamation of arid lands to provide lands for actual settlers.

In 1940, the Democratic platform decried the alarming growth in farm tenancy, pledged itself to mitigate the hardships of migrants, to enlarge the tenant purchase program and to safeguard family farms in all our programs.

I insert in the RECORD at this time a series of excerpts from the two party platforms taken from the compilation by Leroy D. Brandon under the direction of South Trimble and published by the Government Printing Office in 1936 and 1940:

[From Platforms of the Two Great Political Parties, 1856–1928, Inclusive, and 1932–1940, compiled by Leroy D. Brandon under direction of South Trimble, Clerk, United States House of Representatives, GPO, Washington, 1936 and 1940]

EXCERPTS FROM THE POLITICAL PLATFORMS OF THE DEMOCRATIC PARTY

1868: "The Democratic Party * * * do, with the return of peace, demand— * * * That the public lands should be distributed as widely as possible among the people, and should be disposed of either under the preemption or homestead laws, or sold in reasonable quantities, and to none but actual occupants."

1872: "We are opposed to all further grants of lands to railroads or other corporations. The public domain should be held sacred to actual settlers."

1884: "We believe that the public land ought, as far as possible, to be kept as homesteads for actual settlers."

1896: "The Democratic Party believes in home rule, and that all public lands of the United States should be appropriated to the establishment of free homes for American citizens."

1900: "We favor an intelligent system of improving the arid lands of the West * * * and the holding of such lands for actual settlers."

1904: "This great Democratic measure (Newlands irrigation act) * * * is working automatically * * * until the reclamation of all the lands in the arid West capable of reclamation is accomplished, reserving the lands reclaimed for homeseekers in small tracts and rigidly guarding against land monopoly."

1940: "Steps have been taken to stop the alarming growth of farm tenancy, to increase land ownership, and to mitigate the hardships of migratory farm labor."

"We pledge ourselves: * * *

"To extend and enlarge the tenant-purchase program until every deserving tenant farmer has a real opportunity to have a farm of his own. * * *

"To safeguard the family-sized farm in all our programs."

EXCERPTS FROM THE POLITICAL PLATFORMS OF THE REPUBLICAN PARTY

1872: "We are opposed to further grants of the public lands to corporations and monopolies, and demand that the national domain be set apart for free homes for the people."

1876: "We reaffirm our opposition to further grants of the public to corporations and monopolies, and demand that the national domain be devoted to free homes for the people."

1884: "The public lands are a heritage of the people of the United States, and should be reserved as far as possible for small holdings by actual settlers."

1896: "We believe in an immediate return to the free-homestead policy of the Republican Party."

1900: "In further pursuance of the constant policy of the Republican Party to provide free homes on the public domain, we recommend adequate national legislation to reclaim the arid lands of the United States."

1920: "The farmer is the backbone of the Nation * * * the Federal farm loan act should be so administered as to facilitate the acquisition of farmland by those desiring to become owners and proprietors and thus minimize the evils of farm tenantry."

1936: "Our paramount object is to protect and foster the family type of farm, traditional in American life * * *

"8. To provide for ample farm credit * * * and preference in land loans to the farmer acquiring or refinancing a farm as a home."

"10. To provide * * * payment of reasonable benefits. These payments are to be limited to the production level of the family-type farm."

1940: "We propose to provide benefit payments * * * to restrict the major benefits of these payments to operators of family-type farms."

I want to call particular attention to the 1940 platform plank of the Republican Party, which said, in regard to agriculture:

We propose to provide benefit payments * * * (and) * * * to restrict the major benefits of these payments to operators of family-type farms.

Mr. Speaker, I wish the Democratic Party had said that, in equally clear language, also. My party has stood for such limitations. This meaning can be read into their declarations. But the language of that Republican plank was concise and clear that it was the purpose to "restrict the major benefits of"—benefit—"payments to operators of family-type farms."

This is the Shinner proposal, and the objective I advocate today—an objective that both major political parties have also advocated.

In the late thirties and early forties farm debate was centering around parity payments to farmers. There were proposals to support some of the agricultural commodities at a percentage of parity through loans, and then to make a payment to farmers of the difference between parity and the loan value or the market, whichever was higher. There was a great deal of sentiment to put the family farm limitation on such payments and to exclude the large industrial-type farm operators from benefit on excess production.

Mr. Speaker, during this period the attack on the 160-acre limitation on land irrigable from public reclamation projects began to gather force, and a study was made by Dr. Walter R. Goldschmidt, then assistant professor of anthropology and sociology at the University of California at Los Angeles, of the effect of the size or scale of farm operations on communities, small business, and social life. The study was published as a staff report of the Senate Small Business Committee on December 23, 1946.

As a result of this study, Dr. Goldschmidt was commissioned to write a book, As You Sow, which was published by Harcourt, Brace & Co. in 1947 and discusses in detail how the growth of industrialized farming is changing the American way of life.

I wish it were possible for every Member of Congress to read both of these works very carefully, for they reduce as nearly as possible to a bookkeeping basis

the value of the family farm and the danger to the basic pattern of our great, democratic society inherent in industrialized agriculture.

The Senate committee document compares two towns in the Central Valley of California, carefully selected for the similarity of the resources available to them so they would be justifiably comparable. They were in similar land areas. Agricultural income in the communities they served totaled approximately the same. The one big difference was that the town of Dinuba with 7,404 population is in an area of small, family-type farms. The town of Arvin with a population of 6,236 is in a large-farm area. The pattern of agriculture was the single, major, basic difference in their basic economic situation.

The two types of social and economic structures which had grown up as a result of the difference in agricultural pattern was most striking. In the large, commercial farm town of Arvin, there were 62 business establishments compared to 141 in the family-farm town of Dinuba. Volume of retail trade ran only $2.5 million in Arvin, and $4.4 million in Dinuba.

I submit for the RECORD a table showing the types and volumes of enterprises, and their per person sales, in the two towns. These statistics tell much of the standard of living of the people in the two areas. The citizens in the small farm community were able to spend more on clothing, more on home furnishings, and household construction and more on food than the citizens of Arvin.

Number of businesses and volume of business by major category: Arvin and Dinuba, 1943

Category of business	Arvin			Dinuba		
	Enterprises	Volume	Amount per person	Enterprises	Volume	Amount per person
Food retailers	11	$592,000	$95	17	$712,000	$96
Eating places	4	41,000	7	8	117,000	16
Clothing and luxury goods	3	110,000	18	12	493,000	67
Home furnishing and household construction	3	239,000	38	25	662,000	89
Gasoline, autos, and auto supplies	19	915,000	147	34	982,000	132
Drugstores and sundries	5	113,000	18	8	139,000	19
Liquor license establishments	9	232,000	37	9	287,000	39
Agricultural supplies	2	7,000	1	19	887,000	120
Miscellaneous	6	286,000	46	9	104,000	14
Total	62	2,535,000	407	141	4,383,000	592

The occupations of the residents of the two communities also tell the story of their varying social structure. In Arvin two-thirds of the population was farm labor, in Dinuba only 30 percent or less than one-third.

Surveys of recreation facilities, churches, clubs, schools, participation in community activities—every criteria—reflected a tremendously better society in the Dinuba community for everyone from children through adults.

Arvin had 7 churches compared to Dinuba's 16. Arvin had no veterans groups but Dinuba had two active ones. Arvin had a Booster Club, Lions Club, a PTA, Farm Bureau center and Farm Home center. The Weedpatch Grange was just outside the community, but few Arvin residents participated.

In Dinuba among the family farmers there was a chamber of commerce, a businessmen's association, Rotary, Y's Men's Club, Young Business Men's Club, Firemen's Club, American Legion, Legion Auxiliary, Masonic Order, Eastern Star, Rainbow Girls, DeMolay, Women's Club, Garden Club, Red Cross, PTA, an active Farm Bureau Center, Home Center and Grange, beside scouting activities.

In Dinuba 45 percent of the families participated in community activities compared to only 32 percent in Arvin.

In summarizing the study of Arvin and Dinuba, Dr. Goldschmidt reports:

> In the realm of social conditions, the two towns showed great divergence. In a series of measures of community character one community was found to meet the standards normally accepted for community life in America far better than the other. The differences were considerable in degree and consistent in direction.

Large scale farm operation is immediately seen to take an important part in the creation of the condition in Arvin. Its direct causative effect is to create a community made up of a few persons of high economic position and a mass of individuals whose economic status and whose security and stability are low, and who are economically dependent directly on the few. In the framework of American culture, more particularly that of industrialized farming, this creates immediately a situation where community participation and leadership, economic well-being and business activities are relatively impoverished.

* * * if we carry large-scale operations to their extreme, we reach the company town. Whatever physical assets may be developed in a company town, there inevitably remains something contrary to the normal accepted standards of social life in such a community with its social hierachy and dependency ratio. Where company policy does not grant good conditions, then the company town is a miserable community indeed. The position of large scale farming lies intermediate between the norm for America and such aberrations on community life.

The author directs attention to the fact that conditions in Arvin were ameliorated some by the existence of a few family farms in the area, alongside the extremely large ones.

These small farms created business and social activity, credited to Arvin, the poorer of the two towns, which would make an ever poorer showing without them and with only the large operations.

One of the most significant portions of the study is a section of direct quotations which represent the evaluation of people of their own communities. Most residents of Dinuba called that community their home town. A considerably smaller percentage of Arvin people took enough pride in their town to call it their home. At an Arvin Booster Club meeting, one participant commented:

> We think we have a pretty good town and we have done a lot for Arvin, but we have to admit that we don't stack up very well against Dinuba. They have a high school, paved streets, good buildings, and so forth.

A woman commented that people in Arvin feel transient. She said Arvin was a poor place to raise children because all they had to do was lounge around the pool hall.

An Arvin minister said:

> The big farmers are not interested in the town; they go to Bakersfield or Los Angeles for all their wants and don't care whether the town is here or not. There is practically no one who is interested in the welfare of the community. The churches should take care of that, but it can't because its congregation is made up of transient people who do not have a stake in the community.

Criticisms in Dinuba were on a different level. Like Republicans and Democrats, they argued about how the community and its activities should be run, just as we argue over how various programs for the Nation should be run. But there was no one in Dinuba who condemned his community, just as there is no one in either party in this Congress who condemns our Nation.

Dr. Goldschmidt, in his book, draws several thoroughly documented conclusions about the industrialization of agriculture. I want to read some of them:

> With industrialization has come a class system and a social pattern in agriculture that is essentially similar to those found in urban areas.
>
> With the rarest exceptions do any of the legal protections for wage workers in agriculture exist, though the agricultural industry has been and without doubt will continue to be allocated its share of total national income.
>
> The condition of farm workers, both social and economic, are substandard and not conducive to a healthy social order.
>
> Efficiency of operations, when measured by productive use of land or income returns to the farm working force is not greater on large-scale farm operations than it is on farms of moderate size capable of utilizing modern small-size power equipment.
>
> Rural society under industrial conditions has not only excluded from social participation the wage-working group, but has effectively and in many instances advertently prevented the development of associations within the laboring group itself, thereby preventing it from developing a sense of, and capacity for, social belonging as well as from participating in community decisions.
>
> The exclusion of labor from participation in the community is also the result of their poverty, poor living conditions, low educational opportunities, and the inability which results from the necessity of constant migration.
>
> Farm policy has not been successful in halting the trend toward industrialized farming, and there is evidence to show that both price and labor policies have actually hastened the process.

Mr. Speaker, the land policy debates of a former generation have become the family farm policy debate of today.

Most of the valuable agricultural lands in the public domain are gone. We debate today over the 160-acre limitation on reclamation projects, and similar regulatory provisions. I regret that the importance of this land policy is not as

impressed on our minds today as it was in the Congress a century ago. If it were, we wouldn't even consider breaking down the family farm limitation in our reclamation laws, or in any other law.

In my opinion, the promotion of family-type agriculture is as important in America today as it was in the era of settlement. A century ago that pattern was being developed. Today the policy matters which confront us are more how to preserve it. We must see that the pattern which has been established and is now predominant remains so, that it is not destroyed abruptly or by small degrees.

I have not made the detailed research study of the effect of farm programs in this field that Dr. Goldschmidt has made. But my observations agree with his conclusion that our national farm policy has not halted the trend toward industrialized farming, but is actually hastening the process.

The fact is that the National Government is giving large commercial farm operations double assistance. We give them price supports on their entire production, and we subsidize their imported and migrant labor—a subsidy from which the small, family farmers get no benefit.

One of the greatest inconsistencies in American agriculture today is the inconsistency of some big farmers who oppose subsidies but clamor for the farm labor programs. The farm labor program is a subsidy to the largest operators, who additionally dump their workers on public agencies, poor, sick, hungry, and unemployed, to get medical care, relief, and other aids at the taxpayers' expense.

It is time that we give attention to the basic considerations involved in farm legislation.

Family-type agriculture must be supported and protected against the insecurity of disorganized production, disorganized marketing, the vagaries of the weather, and disasters. I am in favor of extending 90 percent price supports indefinitely, and extending them to more products. I am going to support the Agriculture Committee bill for a 1-year extension of 90-percent supports, for betterment of the dairy support level, and use of production payments.

But I am very strongly of the opinion that amendments would be wise to limit the amount of benefits to an amount that will provide a decent family income.

In the case of dairy payments direct to farmers, such a limitation should be relatively easy to work out. A formula will become more complicated as we attempt to apply it to the diversified farmer totally, but that should be undertaken.

Similarly, I think that there should be reasonable limitations on the total of loans which will be made on the crops of any one individual by the Commodity Credit Corporation.

There is no justification in basic American policy for making loans to support crops, produced by one ownership, up to a value of $250,000, or $450,000 or even $650,000, as we are now doing. Indeed, such support of land monopoly is contrary to the basic policy which has made this Nation great, and a basic policy which has had the support of both our great political parties.

This is a matter of importance not just in agriculture but to the whole Nation. Let family agriculture disappear and hundreds of thousands of small businesses will disappear. It will not be just farm implement factories that are hurt, but clothing stores, food stores, furniture stores, lumber yards, home builders for there will be shacks in the farming areas followed by run-down houses in the towns, empty stores, empty churches—an entirely different sort of American society.

The contrast of Arvin to Dinuba is an example of what can happen to this land. Retail business off 40 percent. A few rich and many poor. Poor churches. Condemnation instead of pride in community and country.

The whole nature of our Nation can be changed just as much by drifting along in this area of policy as it can be changed by any "ism" or undemocratic ideology.

I present this for the consideration of the Members of the House of Representatives. I know they are interested. I have had the privilege of serving in this body a long time, and I have never served wih finer or better people. I do not believe that the people in the respective congressional districts represented here, 435, could send better or finer men and women who have at heart the interests of their country more than those Members they have sent here.

I am proud of this great body, I am proud of the House of Representatives. It is a body set up here under our Constitution, the Members of which must be elected every two years. Every Member sitting here is elected by the people. Not one has been appointed. No person can be appointed to this body. Certain measures only may be initiated and exclusively started here in the House of Representatives, for instance laws involving taxes, revenue, impeachment and the election of a President in the event the Electoral College does not elect one. Many exclusive privileges and rights are ours in this body. I think a lot of the House of Representatives. I know the Members are fair. I respectfully invite to their attention the statement I have made concerning this type of farm.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I have listened with great interest and profit to the brilliant address of the great statesman from Texas [Mr. PATMAN]. He has graphically presented the historic background of the United States which rests upon the concept of a free land of independent small one-family farms. It was upon this concept that our forefathers predicated their dream of a continuing democracy with a contented and an abundantly provided for citizenry.

The gentleman from Texas has shown how further and further we are wandering from that basic concept. The growth of tremendously large agricultural corporations and the diminishing number of independent farmers must raise in every thoughtful mind grave fears of what may be in the future unless the trend is halted.

The gentleman from Texas in perhaps the most timely address made in the 83d Congress has shown how this trend away from the concept of the independent small farmer has brought all of the ills throughout the world that are today plaguing us. Every great nation of the past has fallen when land fell into possession of the few and the many became the serfs of the few, or in the words of Lloyd George, "Trespassers on the lands of their birth."

We are told that the basic problem in Korea was that from the many was withheld the opportunity of having for their own small plots of the land of their birth for the tilling and the growing of sustenance for their families. Indeed, Mr. Speaker, this is the basic problem in all of Asia and in most of Europe. All of this the statesman from Texas has presented for our thoughtful consideration in that which I repeat is the most significant address made on the floor of this House since the convening of the 83d Congress. He has done a masterful job. If his words are heeded, he has made a constructive contribution to the happy solution of all our problems which today add up to a threat to our very security.

SECURITY FOR SMALL FARMER

The distinguished gentleman from Texas has made mention of Mr. E. G. Shinner, the author of a plan which has taken the Nation by storm. Mr. Shinner's plan envisions an agricultural economy in which the small farmer will be assured of a certain future with a guaranteed income sufficient to feed, clothe, and educate his family.

The farmer who gives the years of his life to furnishing the Nation the food without which it cannot endure is entitled to that. He will not want for more, assured that his wife and children will have everything necessary for their comfort and contentment, and to him given the glorious opportunity of spending his days among the herding cattle and the growing crops of a rich earth.

I think I should tell you something of Mr. Shinner. Mr. Shinner is a neighbor of mine. Indeed, Mr. Speaker, I have no constituent more distinguished in the rendering of large and unselfish services in the field of man's relations with his fellowman in the social, economic, and political functioning of the democracy envisioned by our forefathers. His strength of character, his sincerity, and the crystal-clear thinking of his keen mind are universally recognized in the city of Chicago. I appreciate that my friend in his fine modesty will be embarrassed by what I am saying. But I think that it is owing to the House and to the country that they should be permitted to know, despite his modesty and his spirit of self-abnegation, the stature of a towering mind and a great American, devoting his years and his means to good works for country and his fellowmen. He is not a visionary. On the contrary, his achievements in the business world gained him the reputation of being one of the most successful merchandisers

and business executives in our country's history. He is now devoting all of his time and all of his means, without expectation of personal advantage, to the public welfare.

FAMILY FARM LIMITATION

I have been privileged to discuss with him his plan of a family farm limitation on our price-support program. I am sold on it. It is clear that it means not only the preservation of the basic American way of life, but it is essential to the maintenance of small business—the Main Street merchant—and to a prosperous, full employment economy in the United States. It is essential to the maintenance of our national strength.

As the Representative from a large city congressional district, I was especially interested in Mr. Shinner's thoughts on the subject of programs which support the profits of huge commercial farm operations. Every so often one of these giant farmers gets into the papers. Recently it was the Montana wheat king, who apparently produces more than 200,000 bushels of wheat each year to add to the growing surpluses of that commodity. On another occasion it was a southwestern cotton grower who gets a million-dollar price-support loan on his crop. I believe Congressman PATMAN told us that the 5 largest cotton loans in California last year averaged close to $650,000 each.

There is no denying that such enormous agricultural operations in harvesting a bonanza from the Federal farm program are hurting the program very seriously with city people. The great majority of city people see the necessity of a prosperous agriculture. They are united in their willingness to see that farmers have a decent income.

ATTITUDE OF CITY PEOPLE

The attitude of city dwellers was well expressed by Mr. Walter Reuther, president of the Congress of Industrial Organizations, in his recent communication to Chairman CLIFFORD HOPE, of the House Agriculture Committee. Mr. Reuther said:

> We know that the farmers are a vital group of customers for the products of American mines, mills, shops, and factories * * *. We know all too well the present economic recession, resulting in widespread hardship in thousands of industrial communities, is a sequel to a depression on America's farms which started 18 months ago.

The Reuther letter, in my judgment, represents the view of the majority of people in cities about the importance of farm prosperity. Later in my remarks I shall include the full text of Mr. Reuther's letter.

Mr. Speaker, recently I saw a study of the proportion of some of our basic industrial products consumed on the farms of America. Farmers use 16.6 percent—almost exactly one-sixth—of our petroleum products. They use 9 percent of steel in various forms. They use 10 percent of chemicals and 12.7 percent of rubber. When farm incomes decline, it is immediately reflected in the demand for all kinds of industrial products, as these figures indicate. We have in Illinois a great concentration of farm equipment factories and they have recently been extremely hard hit. Why? Because farm prices are down 17 percent since the Korean war period. Net farm income, once nearly $17 billion in a year, is now around $12 billion.

DEPRESSIONS START ON FARMS

City people are now acutely aware that recessions are farm led and farm fed. They are therefore in favor of necessary Federal programs to see that the farmers get a fair deal and their purchasing power maintained.

But when they see half-million-dollar loans going to the big commercial farm operators who are worth millions of dollars, a doubt is created. They do not see why prices should be supported for men whose incomes are hundreds of thousands of dollars per year.

The proposal of Mr. Shinner and the thoughts so forcefully presented by the gentleman from Texas [Mr. PATMAN] do not mean an arbitrary prohibition against any size of farm as I understand it. The Montana wheat king will not have to sell off his lands. He can continue to produce as much wheat as he wants but will not receive Government supports in relation to any production above a reasonable family income level.

In other words, the small family farmer will be protected in the positive assurance of price support sufficient for a comfortable living for his family. Farmers of large tracts of land will be on the same basis as large corporations in the industrial field. They will be part and parcel of the free competitive system.

ASSURED FAMILY LIVELIHOOD

The thought, as I grasp it, is that the small individual farmer, tilling his soil to produce food for others, is entitled to a special consideration on the part of the people for whom the food is grown. He is entitled to an assured and adequate livelihood. Capital that goes into large agricultural corporations should take its chance exactly as in the case of capital invested in large industrial corporations.

There is really nothing different in principle between the proposal of Mr. Shinner and of the gentleman from Texas, as I understand it, than the limitation we have placed on the total amount of conservation payments a single farmer may receive. The principle is embodied regularly in the appropriations for that program. Such an appropriations act, containing a $1,500 maximum on individual payments, has just recently passed the Congress. Such limits were authorized in the Soil Conservation and Domestic Allotment Act, and have been placed in appropriation measures since 1948.

MORE FARMERS, NOT LESS

Mr. Shinner's point that we need to provide as many places as possible for people on the land seems most important.

For several years I have heard the advocates of efficiency in agriculture saying that the less productive farmers should be displaced, retrained for jobs in industry, and farming left to fewer, more efficient farmers.

Today there are millions unemployed in industry. There are no jobs for which the marginal farmers can be retrained. Increased efficiency in industrial processes is averaging 2 to 3 percent per year. Unless our economy, our consumption, and our purchasing power grows—and it has been falling off in the past year and a half—there are going to be relatively fewer jobs and a movement back to the farm rather than away from it.

The United States Chamber of Commerce proposed in about 1946 that farm programs should be geared to the upper one-half or one-third of farmers who produce the bulk of food and fiber going into commercial channels and that welfare-type programs be used to deal with the smaller farmers, including retraining for other pursuits.

BASED ON FALSE CONCEPTS

This is the concept of men who have forgotten that the end purpose of our human society is not to create efficient machines, but to create secure and satisfying lives for people. Reducing people to relief-program existence does not advance us toward the real goal. The benefits of increasing efficiency must be so distributed they will enhance human existence or efficiency can be a liability to us.

In industry, the right of labor to share in the benefit of efficiency increases through increased wages is recognized. And it is essential to the maintenance of a stable economy. As greater perman production increases, there must be increased purchasing power to absorb the greater production. If efficiency increases simply displaced a million to two million workers a year in industry, our economy would be dragged down to the deepest sort of depression by increasing millions of unemployed.

Similarly, it is essential that we see that the benefits of modern knowledge, and of our Federal farm programs, are so distributed that they do not change the basic pattern of agriculture; that opportunities to live on the land are not diminished and that hundreds of thousands of farmers are not added to the growing rolls of unemployed people who are in a desperate plight within our American society.

I understand that the National Agricultural Advisory Committee, appointed by the President, has been asked to look into the problems of family farmers during the current year. There is an impression, based partially on statements of two of Secretary Benson's subordinates, that this administration inclines to the view that there are too many farmers; that agriculture would be better off if many were displaced.

I sincerely hope that this is not true. I sincerely hope that the committee will develop recommendations to multiply opportunities in agriculture and that it will, at minimum, submit a program to stop the trend toward large farms, which creates a society of a few wealthy people and large masses of poor.

The proposed limitation on benefits from Federal farm programs should certainly be carefully worked out, as it must

be, and included in such recommendations.

REUTHER'S COMMONSENSE LOGIC

Mr. Speaker, I am closing my remarks by reading the letter of Mr. Walter Reuther, to which I have referred, and which sets forth in simple language and in commonsense logic the thoughts of city people who live on the food grown by their fellow Americans on the farms.

Mr. Reuther wrote:

I regret that earlier commitments made it impossible for me to appear before your committee on either April 29 or 30 or May 4. I am writing you this statement of the position of the CIO regarding the many bills before you relating to the distribution of so-called surplus foods and fibers within the United States of America and abroad. I hope you will bring it to the attention of other members of your committee and make it part of the record of your hearings.

While we are not equipped and prepared to make choices and recommendations in detail for or against the bills dealing with the disposition of surplus foods and fibers to hungry people here and in other countries, we do want to make some statements regarding principle, policy and method.

Positive action in this field at the earliest possible date is of vital importance in terms of human welfare here and abroad and of the security of the free world.

Foods are grown to be eaten and fibers are grown to be worn and used.

As CIO representatives stated to your committee in hearings held across the country last fall and winter, we wholeheartedly support the basic principle you enunciated last August, that (a) abundant production of foods and fibers must be continued and (b) in order that farmers and their families will not be penalized for producing abundance, provision for maintaining farm income must be continued.

In this connection, we again find it necessary to denounce the reckless and dangerous irresponsibility of Secretary of Agriculture Benson who persists in asserting over and over again that city people are opposed to firm farm price supports and that, if such supports are not reduced, nonfarm people will rise up in rebellion and destroy all measures for protecting farm income. This is argument by incitement and threat, not by logic.

We know that farmers are a vital group of customers for the products of American mines, mills, shops and factories. When farmers get fair prices, have money to buy and do not fear the future, markets, industrial production and employment are good.

We know only too well that the present economic recession, resulting in widespread hardship in thousands of industrial communities, is the sequel to a depression on America's farms which started 18 months ago.

We know that the farm programs of the past 20 years have helped farmers, helped workers, helped our economy, helped strengthen our Nation and our security.

We remember that food did help win the war and write the peace. Had more foods and fibers been used earlier, in larger quantities and with more skill, a better peace would have been written before now.

We do not resent, we do not object to, the continued use of firm price supports, particularly if, as we assume, such use would be part of a sensible overall farm program in which farmers themselves would participate on the basis of democratic representation and voice in the formulation of policies and methods.

We do not think that a cost of 35 cents per capita per year for the maintenance of farm income and a relatively high degree of economic health among farm people is too high an insurance premium to pay.

Addressing ourselves to the bills before you, we are prepared to support plans and the appropriation of funds for the distribution of so-called surplus foods and fibers to school children, to the aged, to dependents and to the unemployed by ways and means that will feed the hungry and clothe the ill-clad without being perverted into substitutes for, instead of supplements to, cash payments and other provisions already made for these groups in our population.

Ideally, we would prefer that every American family receive enough cash income, in and as a part of the dynamic productive process, to buy adequate amounts of foods and fibers out of the wages, salaries, cash prices and profits paid to industrial workers, farmers, professional persons, storekeepers and other businessmen. That is why we are for higher minimum wages, why we are advocating more nearly adequate old age and survivors insurance payments, more nearly adequate unemployment compensation payments, a tax program to strengthen mass purchasing power, and freer collective bargaining so that wages can keep in healthy balance with continually accelerating technological development.

But we recognize that, in the year 1954, in the present political and economic climate, such a desirable balance in the distribution of our vast industrial and agricultural production is not going to be achieved. Substantially, all of the American people are not going to have all the money they need to buy adequate amounts of foods and fibers produced on American farms. Therefore, the devices proposed in much of the legislation before you seem feasible, and on that basis, we are prepared to endorse and support such steps at this time.

The Congress of Industrial Organizations supported the Marshall plan, the shipment of wheat to India, and subsequently to Pakistan, believing that all these expenditures were investments in international cooperation for the strengthening of the free world against the threat of Communist imperialism. It is, perhaps, worthwhile to recall that, if we had used our so-called surplus foods and fibers more liberally immediately after the end of World War II, we would have helped to keep millions of persons and much territory on the free side of the Iron Curtain that now runs in a great arc from the Baltic to the Black Sea and across Tibet to the China Sea.

Above safe reserves to meet drought and other crop failure here at home we should be able to work out ways to move remaining so-called surpluses to those hungry and ill-clothed millions who comprise a major part of the uncommitted millions for whom the free world and the orbit of Communist imperialism are contending. I believe that this can be done by using methods developed since the war by Lord Boyd Orr, former Director General of the United Nations Food and Agricultural Organization, and others. Certainly this must be done without dumping that will create new distress in attempting to alleviate existing hunger and other needs.

The products of America's farms are, indeed, an arsenal of constructive weapons for peace. Offering hope to the poor and wretched peoples of many parts of the globe, they are weapons of peace far more powerful than atomic and hydrogen bombs.

Certainly we should be prepared to give full priority to using these weapons of peace in the struggle against poverty and distress.

Mr. PATMAN. I want to thank my distinguished and able colleague from the great city of Chicago for his very kind and very complimentary remarks.

I want to invite your attention to this fact about the Members of Congress. From Chicago and New York they actually, these Members, have better voting records for the family-sized farmer and for agriculture than many of the Representatives right here in this body representing agricultural districts. It is for that reason that I have always tried to go along without trading out or anything like that. I do not believe in logrolling. But on problems that they have had also to deal with, I know that they have a great burden every 2 years running for office when their opponents will accuse them of increasing the price of food to help the farmers and they have to come back with the logical statement and reasonable answers that you have got to have a profitable agriculture in order to help the entire Nation. But the pressure is on them, and I commend them for having good farm records, and I again repeat, they are doing it not in the interest of just the farm section of the country; they are doing it in the interest of the entire Nation, the United States of America. And, I say again that Democratic Members from Chicago and New York have better farm voting records than many of the Members from agricultural sections of the United States. I have watched it over the years.

Mr. O'HARA of Illinois. I may say to the gentleman from Texas that those of us from the big cities will continue in the future as we have in the past, giving our full cooperation. We shall stand steadfastly with you in the waging of the good fight to return these United States of America to the traditional position of a great democracy, resting its foundations on agricultural domain of independent small farmers.

Mr. PATMAN. I thank the gentleman. I appreciate that.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. I am wondering whether the gentleman would be interested in a first-hand picture of the situation. I come, my colleague, from a typical area in the United States where we do a general farming operation—corn, wheat, alfalfa, hogs, and cattle; just that general type of farming. When I came to Kansas as a small boy our farms were generally 80 acres or 160 acres. Now and then there was a man who had 240 acres. The consequence was that in our school districts—Brown County was 24 miles square—as a rule we had from 20 to 30 to 40, sometimes 60, pupils in those schools. Now where we have country schools at all, we generally have from 4 to 6 to 8, and the country school district that has a dozen is very fortunate indeed. Now, what has happened? Of course, it is true that the families are not as large as they were then. But, that is not all. These 80-acre farms, sometimes 40-acre farms, have practically disappeared, as have the quarter to half sections. Many

of our farms are now running from 480 to a full section and sometimes more. The result is that our agricultural population is decreasing; it is disappearing. Now, what will be the result? The cities are going to feel this. Instead of raising hogs and cattle and corn and wheat out there, we should be raising some children on family-sized farms. If the gentleman can find a solution to that, he will be one of our great statesmen.

Mr. PATMAN. I think the solution offered by Mr. Shinner will be a good one and worthy of our consideration. I am very much sold on it. Incidentally, I have known Mr. Shinner for more than 20 years. He was before retiring a successful, independent merchant.

The SPEAKER. The time of the gentleman from Texas has again expired.

LT. GEN. ROBERT W. HARPER

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, on June 30, 1954, Lt. Gen. Robert W. Harper, commander of the Air Training Command and the dean of military educators, will retire. He will leave behind him 30 years of faithful and very fruitful service to this country.

Most of the General's years of service have been spent in the education and training of Air Force personnel. Before becoming a member of the Air Force, the general graduated from the United States Military Academy at West Point, N. Y., June 12, 1924. After a year of duty with the 7th Infantry, General Harper transferred to the Air Corps and entered primary flying school at Brooks Field, Tex. He graduated from advanced flying school at old Kelly Field, Tex., in September 1926. After 1 year with a combat organization, he was assigned back to Brooks Field as a flying instructor. Thus, early in his career he entered the training situation in a teaching role. Following routine tours of duty at stations in the United States and the Philippines, General Harper went back to service school himself. He attended the Air Tactical School and was graduated in 1937. In 1938 he was graduated from the Command and General Staff School. That same year, General Harper returned to the United States Military Academy at West Point, this time not as a student but as a tactical officer. He looks upon this as one of his proudest assignments.

In July 1942 Gen. H. H. "Hap" Arnold called General Harper to United States Army Air Force Headquarters in Washington to serve in the Office of Assistant Chief of Air Staff, A-3. A month later he took over as Assistant Chief of Air Staff, A-3, relieving Col. Hoyt S. Vandenberg, later United States Air Force Chief of Staff. In March 1943 the general was appointed Assistant Chief of Air Staff for Training, the top training job which he held until September 1944. At that time General Harper was moved to Europe to represent the Air Force in the organization being established for the administration of the occupation of Germany. His job was of a semidiplomatic status. He became chief of the air division of the United States portion of the Allied Group Control Council.

OBTAINED AIR CORRIDORS INTO BERLIN FOR WESTERN POWERS

Two years later he was appointed Director of the Air Force Division, Office of Military Government. It was in this job that General Harper obtained from the Russians—with stern but seldom-used desk pounding—three air corridors into Berlin. When the Russian blockade of Berlin stopped supply shipments in 1948, these air corridors were the only routes into the old German capital.

In May 1947 General Harper returned to the United States and was made commanding general of the Air Transport Command. A year later, May 1948, when the Air Transport Command merged with the Naval Air Transport Service and became known as Military Air Transport Service, General Harper assumed command of the Air University at Maxwell Air Force Base, Ala.

During his command of the Air University General Harper was given the job of drawing up plans for the proposed Air Academy. He and his staff selected outstanding civilian educators and institutions to work with the staffs and faculties of both the United States Military Academy and the United States Naval Academy, as well as Air Force personnel.

After a brief command at the Air University, General Harper took over the Air Training Command in October 1948.

The command at that time had its headquarters at Barksdale Air Force Base, La., and was composed of 17 bases. With the decrease of the planned postwar Air Force of from 70 to 48 wings, General Harper moved his headquarters to Scott Air Force Base in Belleville, Ill., in October 1949. The command at that time was composed of three training division headquarters: flying, technical, and indoctrination. These headquarters were also moved to Scott to tighten up the centralized control of the command. It was through this tightened control that General Harper set forth his postwar mission for the command—"to produce the finest airmen for the finest Air Force in the world."

DEVELOPED SCIENTIFIC METHODS TO TRAIN JET ERA PERSONNEL

The jet age had become a reality. True, the oldtimers were an eager lot. They had an inborn desire to fly these newer planes. But what of the cadets; how would they react to this transition? The concept of flying as it existed in the minds of these future airmen was slated for a drastic change. It was of prime importance to sell these men on the ease of flying the faster, higher altitude, and nearly vibrationless jets. This took many hours and days of personal conversation with the "Tigers" to be. Also to be considered was the fact that a different type of human product would have to be developed and trained for this new era in aviation history. General Harper felt that since we were living in a scientific age, we should use scientific methods to train personnel.

The idea of human resources research was not new. There were three research and development squadrons in the command. Bringing them together into a center was new. In December 1948, just 3 months after the general took over the Air Training Command, he created the Office of Human Resources Research and Development. Later, in October 1949, he brought the three squadrons together into the center. Today, with its headquarters still at Lackland Air Force Base, Tex., the center has research divisions at 15 air training command bases. According to General Harper:

> Money invested in the human resources research center program has a greater return in accomplishment than any other supporting program in our Air Force.

The research done by this center results in better utilization of Air Force personnel and, consequently, a more effective Air Force. All research done by the center, the new name of which is the Air Force Personnel and Training Research Center, does not result in immediate findings and immediate payoff. Some projects are completely successful in a short period of time. Some produce good findings in a few years. The final payoff of others may not be realized for as much as 20 years. It is not always possible to predict in advance when and how payoff will be realized, but all the research contributes directly or indirectly to the better performance of the Air Force mission.

General Harper has often said:

> If I were asked to list my most important contributions to the Air Force during my career, I would most certainly include training analysis and development directorate as one of my major accomplishments.

Prior to setting up training analysis and development directorate, there had been a number of separate improvement forces in the Air Training Command, but it was General Harper's idea to organize these forces into a systematic effort to insure efficiency and economy. Training analysis and development directorate was established to insure a continuing quality control on the training of Air Force personnel. Its units, which are at every one of the command's bases except the contract flying schools, are divided into four branches: Methods and instructor training, materials and curriculum, proficiency measurements, aids and equipment; and training information and research liaison division at command headquarters. Training analysis and development directorate experts furnish their various commanders educational advice and conduct training projects to further General Harper's three objectives, which are: Lower cost of training, shorter training time, and turning out a better end product.

STRESSED EFFECTIVENESS AND ECONOMY OF ALL TRAINING PROGRAMS

In line with the general's idea of calling upon experts for advice, he established the Air Training Command Advisory Board in March 1954. The Board is made up of 24 outstanding authorities in the fields of higher education, aeronautics industry, and other professional fields in which problems areas peculiar to Air Training Command may arise from time to time. These Board members are to familiarize themselves with and advise ATRC's commander on the

effectiveness and economy of all training programs. In outlining his objectives to the Board, General Harper said:

I ask you to bring the weight of your experience to bear on this project. I am interested in learning from you how we may improve our training, your comment, your criticism, the entire picture of our training as you see it. That is all I ask from you. Your work, of course, will have a most significant impact on the training program of the United States Air Force.

As he says himself:

I am doing my utmost to better the welfare and prestige of the individual and thus to move him to reenlist.

Since instructors are the heart of any training institution, General Harper and his staff have always tried to improve their prestige and quality. One of the first ideas instituted by General Harper was the instructor improvement program. This program has accomplished many things, among them a separate job field classification, an intracommand instructor exchange, and a set tour for officer instructors. General Harper also approved the idea of increasing the prestige of the new Air Force noncommissioned officer corps. As a result, many Training Command NCO's now have the sole responsibility for millions of dollars worth of equipment and property.

When the United States became involved in the Korean conflict, the Air Training Command was meeting its training commitments for a 48-wing Air Force. Korea called for a fast expansion to train people to support the increasing number of wings. Almost overnight the decentralization of the Command began. In early summer, 1951, two training air forces were created—Flying Training Air Force at Waco, Tex., and Technical Training Air Force at Gulfport, Miss. Today these air forces are made up of 24 flying training bases and 10 technical training bases.

In April 1952, another training air force was born. Crew Training Air Force was established at Randolph Air Force Base, Tex., for the purpose of turning basically trained flying personnel into coordinating crew members able to use their aircraft in the operational commands. Crew Training Air Force is made up today of 8 bases.

As General Harper said recently:

We of the Air Training Command have spared no effort to instill the concept of economical operation in the fundamental thinking of Air Force people.

The general was referring to a mythical Scotch character by the name of MacTorchy. He is a symbol of a program designed to make people cost conscious. His slogan was "Be wise—economize." Many ideas came from the airmen and civilians, which resulted in savings amounting to many millions of dollars.

INTEREST IN PERSONNEL WELFARE REFLECTED IN SAFETY PROGRAMS

In line with his interest in the welfare of his command personnel, the general has put considerable emphasis on ground and flying safety during the past 5½ years. Since he took command, the Air Training Command flying accident rate—per 100,000 hours flown—has dropped from 52.3 percent to 37.1 percent in 1953. The ground accident rate—per 100,000 man-days of exposure—went down in the same period from 8.21 percent to 4.81 percent. Trimming the ground figure to 4.81 percent in 1954 was clearly the result of definite action of the expanding command ground safety organization, from 10 to 125 persons. The improved accident rates were accomplished despite the fact that the number of student and support personnel of the command expanded from about 100,000 to nearly 300,000 during this time.

General Harper realized that in the training of a quarter of a million people at 42 different bases in 150 different skills, it would be imperative to make the individual realize the importance of his own training and the role he would play on the Air Force team. ATRC's job is twofold—teaching military facts of life and converting civilians into airmen. Once this has been accomplished, the command must teach them a specific technical trade and send them forth as journeymen rather than as green apprentices. To adapt, motivate and teach, General Harper's command was given only a few months. To put the man in the right frame of mind to accept and welcome his role was part of the job of the information services officers.

Two years ago General Harper introduced the OIS—Office of Information Services—concept to the Air Training Command. This idea divorced the information and education fields and selected exceptionally qualified people to handle a fourfold job: Public information—press and community relations; career information—internal information; historical duties; and protocol. Tools which were created for his internal information program included a monthly command magazine, Air Training, aimed at and written for the lower three grades of airmen; base newspapers; and an intensified airman's information hour.

The general had not ignored the idea of public relations during this time. He early differentiated between press-agentry and long-term good will. To that end he encouraged and helped establish workable military-civilian advisory committees at many ATRC bases. These committees bring together the town's mayor and his military counterpart, the base commander; police chief and military provost marshal, and the like. Both his community relations and internal information setups have been the basis for a recent Air Force-wide move in the direction of intelligent community relations. In January 1954, the Air Force adopted the OIS concept on a servicewide basis.

DISTINGUISHED CAREER RECOGNIZED BY UNITED STATES AND FRIENDLY GOVERNMENTS

In recognition of his distinguished career, General Harper has been awarded the Distinguished Service Medal and Legion of Merit with Oak Leaf Cluster. The French Government has honored him with the award of the Legion of Honor. The Chinese Government decorated him with the Order of the Cloud and Banner, while the British Government bestowed upon him the rank of Honorary Commander, Military Division, of the Most Excellent Order of the British Empire, in recognition of his services in the establishment and operations of RAF training schools in this country during World War II. He also wears the Cross of Grand Commander of the Royal Order of Phoenix, from Greece.

The Training Command's boss is a rated command pilot, combat observer, aircraft observer, and tactical observer. In addition to his command pilot's wings, he has been awarded pilot's wings in the French, Yugoslav, and Brazilian Air Forces.

Quality has always been the chief concern of General Harper. His own statement of the Air Training Command's mission—"finest airmen for the finest Air Force in the world"—proves this concern for quality. Technical training schools produced so many graduates during fiscal year 1952—nearly a quarter million—that it was possible to cut back production during succeeding years. The production figures were impressive, but to General Harper they were merely a normal response to a routine directive from higher authority. Quality is what he demanded, and quality is what he obtained for the USAF. The air war in Korea proved this fact. Bomber crews and individual fighter pilots were trained so realistically in the Air Training Command that they were absorbed into the Korean combat situation without delay, there to play a leading part in establishing a record of air superiority over the enemy never before equaled.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from California.

Mr. MILLER of California. I should like to join the gentleman from Illinois [Mr. PRICE] in paying tribute to General Harper, whom it is my privilege to know. He has done an outstanding job. I think the high standard of the Air Force is due to the leadership of General Harper in his administration of the training command. I am very happy to see that the gentleman from Illinois has recognized that and I join with him in paying tribute to General Harper.

Mr. PRICE. I thank the gentleman from California. I think the entire free world owes a great debt of gratitude to General Harper for his vision in securing from the Russians these air corridors, an action which possibly saved all of Western Europe from Communist aggression.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. WITHROW.

Mr. JENKINS.

Mr. CELLER.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 56. An act for the relief of Erich Anton Helfert; to the Committee on the Judiciary.

S. 2074. An act for the relief of certain Basque sheepherders; to the Committee on the Judiciary.

S. 3302. An act granting to the Las Vegas Valley water district, a public corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada; to the Committee on Interior and Insular Affairs.

S. 3303. An act granting to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, certain public lands in the State of Nevada; to the Committee on Interior and Insular Affairs.

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.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 129. An act to amend the act of August 30, 1935 (49 Stat. 1049), authorizing the Chippewa Indians of Wisconsin, to submit claims to the Court of Claims;

S. 932. An act to equalize the treatment accorded to commissioned officers of the Veterinary Corps with that accorded to commissioned officers of other corps of the Army Medical Service, and for other purposes;

S. 1665. An act to amend the Federal Credit Union Act;

S. 2212. An act for the relief of Alma S. Wittlin-Frischauer;

S. 2742. An act to amend the act of August 21, 1951, relating to certain payments out of Ute Indian tribal funds;

S. 2777. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

S. 2845. An act to amend section 3528 of the Revised Statutes, as amended, relating to the purchase of metal for minor coins of the United States;

S. 3103. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941;

S. 3364. An act to amend the act of October 31, 1949 (63 Stat. 1049); and

S. 3481. An act to amend sections 23A and 24A of the Federal Reserve Act, as amended.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MAILLIARD, for a period of 1 week, beginning June 24, on account of official business.

ADJOURNMENT

Mr. GROSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Thursday, June 24, 1954, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 8252. A bill for the relief of the city of Fort Smith, Ark.; without amendment (Rept. No. 1912). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 3419. A bill to authorize a $50 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; with amendment (Rept. No. 1916). Referred to the Committee of the Whole House on the State of the Union.

Mr. WIGGLESWORTH: Committee of conference. 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 (Rept. No. 1917). Ordered to be printed.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. House Joint Resolution 534. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; without amendment (Rept. No. 1913). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. Senate Concurrent Resolution 79. Concurrent resolution to express the sense of the Senate on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin; with amendment (Rept. No. 1915). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 542. Resolution to provide funds for the expenses of the investigations and studies authorized by clause 8 of rule XI, incurred by the Anti-racketeering Subcommittee of the Committee on Government Operations; with amendment (Rept. No. 1914). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRELINGHUYSEN:

H. R. 9660. A bill to create and prescribe the duties of a Commission on United States Foreign Intelligence Activities; to the Committee on Foreign Affairs.

By Mr. GAMBLE:

H. R. 9661. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 9662. A bill to grant the Administrator of Veterans' Affairs authority to fix a special compensation rate for service-incurred disability in certain cases; to the Committee on Veterans' Affairs.

By Mr. SMITH of Wisconsin:

H. R. 9663. A bill to outlaw the Communist Party and other subversive organizations; to the Committee on the Judiciary.

By Mr. TEAGUE:

H. R. 9664. A bill to prevent the infiltration of subversive persons into Government employment; to the Committee on Post Office and Civil Service.

By Mr. TOLLEFSON:

H. R. 9665. A bill to add section 246 (f) and amend section 412 (b) of title 2 of the Canal Zone Code, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. UTT:

H. R. 9666. A bill to amend section 1001, paragraph 412, of the Tariff Act of 1930, with respect to hardboard; to the Committee on Ways and Means.

By Mr. HAGEN of Minnesota:

H. R. 9667. A bill to amend the District of Columbia Unemployment Compensation Act, and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLER of Nebraska:

H. J. Res. 549. Joint resolution to authorize the Governor of Hawaii to fill by appointment the existing vacancy in the office of Delegate to the House of Representatives from the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

By Mr. HAGEN of California:

H. J. Res. 550. Joint resolution to permit the United States of America to release reversionary rights in a 36.759-acre tract to the Vineland School District of the County of Kern, State of California; to the Committee on Agriculture.

By Mr. DORN of New York:

H. Con. Res. 240. Concurrent resolution expressing the condolences of Congress to the families of officers and crew members of the U. S. S. *Bennington* who lost their lives in the explosions on May 26, 1954, and commending those who displayed gallantry and devotion to duty; to the Committee on Armed Services.

By Mr. CONDON:

H. Res. 597. Resolution relating to study of the problem of maintaining private ship construction and repair yards in the United States; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DELANEY:

H. R. 9668. A bill for the relief of Regina Gartner; to the Committee on the Judiciary.

H. R. 9669. A bill for the relief of Bernard Ellbogen; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 9670. A bill for the relief of Dr. Hezekiah Nicodemus, his wife Grace, and daughter, Sally; to the Committee on the Judiciary.

By Mr. HAND (by request):

H. R. 9671. A bill for the relief of Mrs. Fachi Ling Wang and Eileen Wang; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 9672. A bill for the relief of Monika Jonitz Jeffries; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 9673. A bill for the relief of Edward Mok; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9674. A bill for the relief of Giuseppe Alfio Bellia; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 9675. A bill for the relief of George Liberatos (Lymperatos); to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 9676. A bill for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 9677. A bill for the relief of Joseph J. Porter; to the Committee on the Judiciary.

PETITIONS, ETC.

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

1041. By Mr. GOODWIN: Petition of Rev. Frank C. Zagunis and others of Everett,

Mass., favoring passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1042. Also, petition of Mrs. Ernest W. Gordon and others of Melrose, Mass., favoring passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1043. Also, petition of Rev. William R. Valentine, Jr., and others of the First Methodist Church of Wakefield, Mass., favoring the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1044. By Mrs. HARDEN: Petition of Mr. J. W. Conlin and 59 other citizens of Parke County, Ind., urging the enactment of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1045. By Mr. MORGAN: Petition of Mrs. D. W. Hughes and 127 other residents of Washington County, Pa., in support of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1046. By Mr. SMITH of Wisconsin: Petition signed by 84 residents of Milton, Wis., urging action on the so-called Bryson and Langer bills; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

The Ohio Society, Sons of the American Revolution, Answer Questionnaire

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 1954

Mr. JENKINS. Mr. Speaker, my longtime friend, Mr. Charles A. Jones, of Columbus, Ohio, has sent me the result of what I think is a very interesting poll. Mr. Jones for years was the administrative assisant to a distinguished Ohio United States Senator, and while serving in that capacity he showed remarkable talent in keeping in touch with public opinion.

Mr. Jones says that the Ohio Society, Sons of the American Revolution, tried an experiment during the past few months. Early in January the president, Mr. Thomas A. Calhoun, of Dayton, mailed to each member a questionnaire dealing with pertinent public questions. This questionnaire was designed to avoid any partisan basis.

A 43 percent return was received on the 1,400 questionnaires sent out. The general protection of things American is evidenced in the answers to many of the questions.

Regardless of the attitude of the members of the Ohio Society, Sons of the American Revolution, on any of the specific questions in the three general areas, the majority of the members, 51.3 percent, held favorable opinions toward the present Republican administration in Washington. Only 3 percent were opposed without qualification to the policies and action of the present national administration; 15 percent were of the opinion that the present administration had served an insufficient length of time to overtly criticize the administrative function; 14.1 percent were of the opinion that more diligent work was needed by the administration; 2.4 percent indicated that the motivations of the present Federal governing unit was based on pure politics, and only a very few members, 0.9 percent, thought the New Deal influences of the previous administration were evidenced in the attitude and actions of the current Republican administration.

The thinking of the Ohio society on this particular question is basically the same regardless of the area of environment. The opinions expressed were in fundamental agreement whether the member lived in a small town or metropolitan area within the State of Ohio or outside the environs of the State.

Comments on the activities of the present administration in Washington

[Expressed in percentages]

Ohio	Adverse	Favorable	More work	Wait and see	Politics	"Dewey"
Small towns	3.5	52.8	16.3	9.3	4.7	14.0
Metropolitan areas	2.7	51.7	13.9	16.6	2.1	11.8
Out of State	3.9	47.1	11.8	13.7	-----	23.5

In the more specific and delimited area of questioning on internationalism, almost three-fourths—70.1 percent—of the members were emphatic in the belief that the United States should maintain membership in the United Nations. However, the members were not as firmly convinced that the United States should continue to supply direct, tangible economic aid to the members of the U. N. The members were about evenly divided in favor—38.3 percent—and opposed—35.6 percent—to economic aid to foreign countries.

Do you believe the United States should remain in the United Nations?

Ohio	Yes	No	Qualified
Small towns	63.4	23.2	13.4
Metropolitan areas	71.8	17.8	10.4
Out of State	71.4	21.4	7.2

Do you favor continued foreign economic aid?

Ohio	Yes	No	Qualified
Small towns	35.5	34.8	29.7
Metropolitan areas	41.1	35.2	23.7
Out of State	22.4	39.7	37.9

Do you favor continued foreign military aid?

Ohio	Yes	No	Qualified
Small towns	47.8	25.7	26.5
Metropolitan areas	52.3	23.9	23.8
Out of State	47.8	25.7	26.5

The internal security of the United States is a subject of great concern to all citizens of the country and even more pertinent to the members of the Sons of the American Revolution. The current issue of subversive infiltration into the governmental and defense function tends to make questions concerning this issue more pronounced in importance. The importance and interest of this area of questioning is indicated by the fact that more of the members answered the questions pertaining to national security than any other group of questions on the survey. 93.8 percent of the members favored the investigations by the Un-American Activities Committee.

Do you favor the Un-American Activities Committee investigations?

Ohio	Yes	No	Qualified
Small towns	95.6	2.6	1.8
Metropolitan areas	94.4	2.7	2.9
Out of State	96.6	3.4	----------

On the question of taxation the replies are as follows:

The question:

Do you believe we should cut taxes first and balance the budget later?

The replies:

Ohio	Yes	No	Qualified
Small towns	47.5	45.5	7.0
Metropolitan areas	35.6	58.5	5.9
Out of State	28.6	60.7	10.7

Would you approve higher Federal taxes if needed to balance the budget?

Ohio	Yes	No	Qualified
Small towns	41.3	51.4	7.3
Metropolitan areas	40.0	54.3	5.7
Out of State	42.9	46.4	10.7

On the question of economic assistance to the farmer through the price support program, over one-half, 53.3 percent, of the members were directly opposed to this type of program. However, over one-third, 33.6 percent, did favor price maintenance for products from the farm.

Do you favor farm price supports?

Ohio	Yes	No	Qualified
Small towns	37.0	52.9	10.1
Metropolitan areas	34.0	52.4	13.6
Out of State	23.6	60.0	16.4

On Government assistance through social-security programs, 55.9 percent advocated a more inclusive type of coverage than the present program, which excludes farmers and professional workers, 30.4 percent indicated acceptance of the present type of security benefits and saw no need for change.