which sprang, 22 years later, the Declaration of Independence, and eventually, the perfect union which is the United States of America.

The people of New York State and of Albany are deeply grateful to the present Congress and the President for their approval of my resolution commemorating our stirring beginning and for sending to Albany today a delegation of 7 Senators and 7 Representatives from the 7 States which, as Colonies, sent delegates to that long ago First Congress.

We are grateful because, by your action, you have helped to remove the dust from an almost forgotten page of American history, giving that page its proper place in the great march of events which has transformed those little Colonies of 1754 into the world giant of 1954.

Why has the Congress of today, with its many problems, seen fit to dispatch 14 busy Members to these commemorative ceremonies? Why have my city and my State embarked upon this celebration?

The answer, I think, is twofold.

First, because it is important in these stark days to remind ourselves of the greatness of our past; to strengthen our minds and resolution by reflecting upon the courage of those who clamored for union two centuries ago; to warm our hands and our hearts at the banked fires of history.

Secondly, because the theme of the celebration is national unity. Twice, in my own generation, we have been compelled to go to war because tyrants in other lands misunderstood the temper of the American people, seizing upon their surface disagreements as a symptom of disunity.

That must not happen again. We must serve notice upon those who think they can seize the world without interference from us that the people of the United States are as united basically as they were in 1754 or at any other time in our history.

Let those who think otherwise look long and well at what is happening in Albany, N. Y., where, almost on the eve of a great political campaign, men and women of both major parties gather to pay tribute to the past and to say again, as did the Congress of 1754, that union is essential to our freedom.

Question of the Week

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 1954

Mr. BENDER. Mr. Speaker, does anybody still watch TV mornings and afternoons?

SENATE

WEDNESDAY, JUNE 23, 1954

(Legislative day of Tuesday, June 22, 1954)

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

Rev. Stanley J. Gaines, O. P., Dominican House of Studies, River Forest, Ill., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen. O God, from whom are all right counsels and just works, pour forth Thy wisdom and strength upon the Members of this august body.

Direct them in the ways of justice and truth. Assist them to know the better course of action in the weighty matters that demand their constant attention.

Further, grant to them, O Lord, Thy special blessing and inspiration that in serving the common good and needs of this great Nation under God, they may assist others of the world toward that goal of peace that is the greatest possession of men in this world. Finally, we give Thee thanks, O Lord, for these and the many gifts You have bestowed upon us, and we earnestly pray that we may continue to be worthy of Thy help, through Christ, our Lord. Amen.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 22, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 22, 1954, the President had approved and signed the following acts:

S. 445. An act for the relief of Felicitos Valerina Margaret Hauke;

S. 507. An act for the relief of Mrs. Eleanor Emilie Nell;

S. 584. An act for the relief of Rosa Euler and her minor child;

S. 653. An act for the relief of Metorima Shizuko;

S. 662. An act for the relief of Julie Nicola Frangou;

S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel);

S. 1073. An act for the relief of Mary Shizue Hirano;

S. 1135. An act for the relief of Stamatios James Bratsanos;

S. 1296. An act for the relief of Elfriede Hall;

S. 1430. An act for the relief of Ruth Johanna Heidenreich;

S. 1661. An act for the relief of Erna Prange Blanks;

S. 1734. An act for the relief of Rosa Stephan;

S. 1808. An act for the relief of Hildegard Monti;

S. 2243. An act for the relief of Seiko Nagai and her minor child;

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia";

S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended; and

S. 3213. An act relating to the merger of the Columbus University of Washington, District of Columbia, into the Catholic University of America, pursuant to an agreement of the trustees of said universities.

MESSAGE FROM THE HOUSE

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

S. 1766. An act to establish the Office of Commissioner of Refugees; and

S. 2217. An act to amend section 67 of the National Defense Act, as amended, to provide for an active-duty status for all United States property and fiscal officers.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2728. An act to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes; and

S. 3378. An act to revise the Organic Act of the Virgin Islands of the United States.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1974. An act to amend the third paragraph of section 4, chapter 1, title I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (31 Stat. 322; 48 U. S. C., sec. 101), as amended;

H. R. 2012. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a campsite and other public purposes;

H. R. 2635. An act for the relief of Olga Abitia;

H. R. 2762. An act to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497);

H. R. 2793. An act for the relief of Miyoko Nagare;

H. R. 3116. An act for the relief of Dimitra Makhavitzki;

H. R. 3344. An act for the relief of Carmen Salvador and her daughter, Ruby Salvador;

H. R. 3516. An act for the relief of Anna K. McQuilkin;

H. R. 3759. An act for the relief of Babette Mueller Esposito;

H. R. 4740. An act for the relief of Kaoru Yoshioka;

H. R. 4928. An act to authorize the Secretary of Agriculture to convey a certain parcel of land to the city of Clifton, N. J.;

H. R. 4959. An act for the relief of Muhittin Schuer;

H. R. 4998. An act for the relief of Paul Frkovich;

H. R. 5639. An act for the relief of Edeltraud Kamberg Douglass;

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

H. R. 5822. An act for the relief of Evanthia Demetrios Makrozonari;

H. R. 5997. An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of general obligation bonds, the proceeds thereof to be used for veterans' mortgages;

H. R. 6318. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes;

H. R. 6340. An act authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes;

H. R. 6414. An act for the relief of Barbara Pator Allen;

H. R. 6422. An act to authorize the Secretary of the Army to convey to the Government's grantors certain lands erroneously conveyed by them to the United States;

H. R. 6553. An act for the relief of Esterina Pella Bellucci;

H. R. 6855. An act for the relief of Mrs. Elisabeth Metzing Rink;

H. R. 6885. An act to amend section 1 of Joint Resolution 12 enacted by the 25th Legislature of the Territory of Hawaii, in the regular session of 1949 and approved by the 81st Congress of the United States of America at the 2d session (Public Law 746, ch. 833);

H. R. 6886. An act to ratify and confirm sections 5 and 6 of Act 254 and Act 280 of the Sessions Laws of Hawaii, 1953, and to authorize the issuance of certain public improvement bonds by the Territory of Hawaii;

H. R. 6955. An act for the relief of Margers Nulle-Siecenieks;

H. R. 6959. An act to authorize the sale of certain land in Alaska to the Baptist Mid-Missions, an Ohio nonprofit corporation, for use as a church site;

H. R. 6982. An act for the relief of Maria Elizabeth Sanchez Y Moreno;

H. R. 6987. An act for the relief of Gene C. Szutu and Florence C. Szutu;

H. R. 7041. An act for the relief of Waltruade Elsa Solleder;

H. R. 7045. An act for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, Raymundo, and Marciano, and Mrs. Brigida de Gutierrez;

H. R. 7152. An act for the relief of Jozef Van den broeck;

H. R. 7158. An act authorizing the United States Government to reconvey certain lands to S. J. Carver;

H. R. 7221. An act for the relief of Anders Taranger;

H. R. 7451. An act for the relief of Erika Jette Lavery;

H. R. 7464. An act for the relief of Ellinor H. Anthony;

H. R. 7494. An act for the relief of Elizabeth Forster Austin;

H. R. 7584. An act for the relief of Angele Marie Boyer (nee Pieniazeck);

H. R. 7593. An act for the relief of Theresia Probst Uhl;

H. R. 7612. An act for the relief of Enrico Intravaia;

H. R. 7628. An act for the relief of Mrs. Adriana M. Truyers Aretz;

H. R. 7629. An act for the relief of Mrs. Ruth Gruschka Krug;

H. R. 7807. An act for the relief of Heinz Gerhard Rolappe;

H. R. 7913. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 7931. An act for the relief of Gunther H. Hahn;

H. R. 8026. An act to provide for transfer of title to movable property to irrigation districts or water users' organizations under the Federal reclamation laws;

H. R. 8027. An act to amend the act of March 6, 1952 (66 Stat. 16), to extend the time during which the Secretary of the Interior may enter into mandatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 8081. An act to authorize the purchase, sale, and exchange of certain Indian lands on the Yakima Indian Reservation, and for other purposes;

H. R. 8146. An act for the relief of Palmina Smarrelli (nee Lattanzio);

H. R. 8239. An act for the relief of Fung Ping Wah (also known as Reginald Ping Wah Fung) and his wife, Fung Wai-Yin Li (also known as Doris Fung);

H. R. 8385. An act to amend section 2382 of the Revised Statutes, in order to make the size of townlots conform in size to local standards;

H. R. 8520. An act to provide for the inclusion of the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments in the Missouri River Basin project;

H. R. 8921. An act to establish the rate of compensation for the position of the General Counsel of the Department of Commerce;

H. R. 9000. An act to integrate the Judge Advocate's promotion list with that of the Army to restore lost seniority and grade, and for other purposes;

H. R. 9002. An act to amend the Officer Personnel Act of 1947 to provide for the retirement of certain officers of the Regular Army and the Regular Air Force at age 60, and for other purposes;

H. R. 9005. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177);

H. R. 9007. An act to amend the Universal Military Training and Service Act;

H. R. 9236. An act to amend the Federal Credit Union Act, as amended;

H. R. 9340. An act to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use; and

H. J. Res. 459. Joint resolution to designate the lake to be formed by the completion of the Texarkana Dam and Reservoir on Sulphur River, about 9 miles southwest from Texarkana, Tex., as Lake Texarkana.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations under the heading "New Reports" on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDENT pro tempore. The clerk will state the nominations under the heading "New Reports."

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. KNOWLAND. I now ask unanimous consent that the President be immediately notified of the nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

Mr. JOHNSTON of South Carolina. Mr. President, I understand that the nominations that have been confirmed en bloc do not include the first nomination on today's Executive Calendar.

Mr. KNOWLAND. That is correct.

LEGISLATIVE SESSION

The PRESIDENT pro tempore. Without objection, the Senate will resume the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

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

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

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

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

The Chief Clerk proceeded to call the roll.

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

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

RECOMMENDATIONS RELATING TO THE MUTUAL SECURITY PROGRAM — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 449)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and referred to the Committee on Foreign Relations.

(For President's message, see House proceedings for today.)

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Douglas County Chapter, No. 212, of the National Association of Retired Civil Employees, at Roseburg, Oreg., relating to increased annuities for retired civil employees; to the Committee on Post Office and Civil Service.

A resolution adopted by the convention of District Grand Lodge, No. 3, B'nai B'rith, Philadelphia, Pa., favoring an amendment to Senate rules relating to debates in the Senate; ordered to lie on the table.

ELIMINATION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. CLEMENTS. Mr. President, I present a petition bearing the signatures of 81 members of the Parkland Baptist

Church, Louisville, Ky., urging the passage of S. 3294, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes, and I ask that it be printed in the RECORD and referred to the Committee on Interstate and Foreign Commerce.

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

Petition of 81 members of the Parkland Baptist Church, Louisville, Ky., praying for the enactment of Senate bill 3294, the so-called Langer bill, to prohibit the transportation of alcoholic beverage advertising in interstate commerce.

PROCEDURE OF CONGRESSIONAL INVESTIGATING COMMITTEES—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Minnesota Annual Conference of the Methodist Church with regard to congressional investigating committees be printed in the body of the RECORD.

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

THE FIRST METHODIST CHURCH,
Albert Lea, Minn., June 16, 1954.

The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: By the unanimous vote of the Minnesota Annual Conference of the Methodist Church, assembled in the fieldhouse of Hamline University, in St. Paul, June 12, 1954, I am asked to convey to you the resolution given below.

This was the 100th annual session of the Methodists of Minnesota. Each of our 268 churches was represented by its minister and 1 elected lay representative, a total of some 500 persons. The conference represented our present membership of 110,000 Methodists in this State.

This is the resolution:

"We reaffirm our resistance against communism with its atheistic totalitarianism, clever deception, and ruthless violence. But in the light of another year of zealous efforts on the part of many to preserve our American way of life, we find it necessary to insist that communism must not be resisted by its own methods. We harm only ourselves when we rely upon loyalty oaths, the stigmatizing of loyal citizens, irresponsible accusations, assertions of guilt by association, or any spreading of charges of disloyalty on the basis of mere suspicion.

"We note with great hope that the Congress is now considering legislation designed to correct these evils by formulating rules and procedures to be followed in conducting congressional investigations. We urge our pastors and people to write to their Representatives in the House and Senate, commending such legislation as will bring the conduct of these investigations into line with our democratic way of life."

As the maker of the resolution, I am asked to convey to you the intention of the conference. In the conduct of all future congressional investigations we wish to see imposed on those taking part the same type of democratic procedures which we have found by experience so necessary for the protection of the rights of persons either charged or suspected. We urge a return to the American tradition that a person is innocent until proved guilty by due process of law.

Thank you and very sincerely,

PAUL G. HAYES,
Commission on Christian Social Relations, Minnesota Annual Conference.

ADEQUATE FEDERAL AID FOR AIRPORT PROGRAM — TELEGRAM FROM MILWAUKEE COUNTY (WIS.) BOARD OF SUPERVISORS

Mr. WILEY. Mr. President, the State of Wisconsin has long been one of the most aviation-minded States in our Nation. Symbolic of that deep interest is Billy Mitchell Field in Milwaukee, Wis., bearing the name of America's great aviation pioneer.

I have received this morning an important telegram from the chairman of the Milwaukee County Board of Supervisors on behalf of full reinstatement of the Federal aid to airport program, and on behalf of Uncle Sam bearing a more equitable share in the costs of that vital program.

In this aviation age, it is essential that we plan not just for today's airport needs, but for the air traffic needs of tomorrow which will obviously be far heavier than those of the present time.

I present Mr. Lawrence J. Timmerman's telegram, and ask unanimous consent that it be printed at this point in the RECORD, and be thereafter appropriately referred.

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

MILWAUKEE, WIS., *June 22, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

House Document No. 428 is recommended for your consideration. Your active support is urged for that portion of this document on supplemental appropriations dealing with Federal aid airport program. Wisconsin in general and Milwaukee County in particular have been in the forefront of necessary airport development which is so important to economic growth and national security. General Mitchell Field, Milwaukee County's major airport has experienced an 18-fold increase in passenger traffic in the last 10 years. Passenger traffic has increased 25 percent in the last year. Military activity on General Mitchell Field has grown in similar proportions. Milwaukee County in the past has carried on its improvements with relatively little support from the Federal Government. Federal aid in theory held out the inducement of a dollar-matching airport development plan while in actual practice the plan has proven a Federal participation of less than 20 percent. The recent unfortunate halt in Federal aid was especially embarrassing and costly to Milwaukee County since it came at a time when the county was engaged in a terminal building program thereby causing the county to bear by far the greatest portion of the costs. It is fervently hoped that document No. 428 will successfully reinstate the Federal aid airport program and that Milwaukee County will eventually realize a more equitable share in its proceeds. Your aid and support in this matter is of the utmost importance.

LAWRENCE J. TIMMERMAN,
Chairman, County Board of Supervisors.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JENNER, from the Committee on Rules and Administration:

S. Con. Res. 85. Concurrent resolution to authorize the adoption and use of official seals by the Speaker of the House of Representatives and the President pro tempore of the Senate; without amendment; and

S. Res. 214. Resolution providing for a study of technical-assistance programs; with additional amendments (Rept. No. 1628).

By Mr. BRICKER, from the Committee on Banking and Currency:

S. 3158. A bill to eliminate cumulative voting of shares of stock in the election of directors of national banking associations; with amendments (Rept. No. 1629).

PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT NO. 87 ENTITLED "REVIEW OF THE UNITED NATIONS CHARTER—A COLLECTION OF DOCUMENTS"

Mr. JENNER, from the Committee on Rules and Administration, to which was referred the concurrent resolution (S. Con. Res. 80) to print additional copies of Senate Document No. 87, Review of the United Nations Charter—A Collection of Documents, submitted by Mr. WILEY on May 5, 1954, reported it favorably, without amendment, and it was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Foreign Relations 1,000 additional copies of Senate Document No. 87, 83d Congress, 2d session, Review of the United Nations Charter—A Collection of Documents.

IDORA C. MOONEY

Mr. JENNER, from the Committee on Rules and Administration, reported an original resolution (S. Res. 266) to pay a gratuity to Idora C. Mooney, which was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Idora C. Mooney, widow of Raymond M. Mooney, an employee of the Senate at the time of his death, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MARY C. RUCKMAN AND ROBERT J. RUCKMAN

Mr. JENNER, from the Committee on Rules and Administration, reported an original resolution (S. Res. 267) to pay a gratuity to Mary C. Ruckman and Robert J. Ruckman, which was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary C. Ruckman, mother, and Robert J. Ruckman, brother, of Dewey T. Ruckman, an employee of the Architect of the Capitol at the time of his death, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

DORIS ELEANOR ZACHARY

Mr. JENNER, from the Committee on Rules and Administration, reported an original resolution (S. Res. 268) to pay a gratuity to Doris Eleanor Zachary, which was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Doris Eleanor Zachary, widow of James J. Zachary, an employee of the Senate at the time of his death, a sum equal to 9½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BILLS INTRODUCED

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

By Mr. BEALL:

S. 3651. A bill for the relief of Demetrios A. Mitropoulos; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland:

S. 3652. A bill for the relief of Francis Timothy Mary Hodgson (formerly Victor Charles Joyce); to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 3653. A bill for the relief of Mrs. Fa-chi Ling Wang and Eileen Wang; to the Committee on the Judiciary.

By Mr. PAYNE:

S. 3654. A bill for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois); to the Committee on the Judiciary.

By Mr. CASE:

S. 3655. A bill to provide that the Metropolitan Police force shall keep arrest books which are open to public inspection; and

S. 3656 (by request). A bill establishing an order of priority for satisfying attachments or other processes against earnings, salary, insurance, annuities, or pension or retirement payments in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 3657. A bill 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; to the Committee on the Judiciary.

FUNERAL EXPENSES OF THE LATE SENATOR HUNT

Mr. BARRETT submitted the following resolution (S. Res. 269), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. LESTER C. HUNT, late a Senator from the State of Wyoming, on vouchers to be approved by the Committee on Rules and Administration.

EXTENSION OF TRADE AGREEMENTS ACT—AMENDMENT

Mr. JOHNSON of Colorado (for Mr. SYMINGTON) submitted an amendment intended to be proposed by Mr. SYMINGTON to the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, ETC., APPROPRIATION BILL, 1955

Mr. THYE submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 28, line 15, after the word "fund", to insert the following: *"Provided,* That the Secretary of Health, Education, and Welfare hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place the position of Director, Bureau of Old-Age and Survivors Insurance, in grade GS-18 in the General Schedule established by the Classification Act of 1949, and such position shall be in addition to those positions in the Department of Health, Education, and Welfare presently allocated in grade GS-18: *Provided further,* That this proviso shall be effective only upon enactment into law, during the 2d session of the 83d Congress, of S. 2665: *Provided further,* That the position described herein shall be allocated to the numerical limitations contained in S. 2665."

Mr. THYE also submitted an amendment intended to be proposed by him to House bill 9447, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

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

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred, as indicated:

H. R. 1974. An act to amend the third paragraph of section 4, chapter 1, title I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (31 Stat. 322; 48 U. S. C., sec. 101), as amended;

H. R. 2012. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a camp site and other public purposes;

H. R. 5997. An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of general obligation bonds, the proceeds thereof to be used for veterans' mortgages;

H. R. 6340. An act authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes;

H. R. 6885. An act to amend section 1 of Joint Resolution 12 enacted by the 25th Legislature of the Territory of Hawaii, in the regular session of 1949 and approved by the 81st Congress of the United States of America at the second session (Public Law 746, ch. 833);

H. R. 6886. An act to ratify and confirm sections 5 and 6 of act 254 and act 280 of the Session Laws of Hawaii 1953 and to authorize the issuance of certain public improvement bonds by the Territory of Hawaii;

H. R. 6959. An act to authorize the sale of certain land in Alaska to the Baptist Mid-Missions, an Ohio nonprofit corporation, for use as a church site;

H. R. 8026. An act to provide for transfer of title to movable property to irrigation districts or water users' organizations under the Federal reclamation laws;

H. R. 8027. An act to amend the act of March 6, 1952 (66 Stat. 16), to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes;

H. R. 8081. An act to authorize the purchase, sale, and exchange of certain Indian lands on the Yakima Indian Reservation, and for other purposes;

H. R. 8385. An act to amend section 2382 of the Revised Statutes, in order to make the size of townlots conform in size to local standards; and

H. R. 8520. An act to provide for the inclusion of the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments in the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

H. R. 2635. An act for the relief of Olga Abitia;

H. R. 2793. An act for the relief of Miyoko Nagare;

H. R. 3116. An act for the relief of Dimitra Makhavitzki;

H. R. 3344. An act for the relief of Carmen Salvador and her daughter, Ruby Salvador;

H. R. 3516. An act for the relief of Anna K. McQuilkin;

H. R. 3759. An act for the relief of Babette Mueller Esposito;

H. R. 4740. An act for the relief of Kaoru Yoshioka;

H. R. 4959. An act for the relief of Muhittin Schuer;

H. R. 4998. An act for the relief of Paul Frkovich;

H. R. 5639. An act for the relief of Edeltraud Kamberg Douglass;

H. R. 5822. An act for the relief of Evanthia Demetrios Makrozonari;

H. R. 6414. An act for the relief of Barbara Pator Allen;

H. R. 6553. An act for the relief of Esterina Pella Bellucci;

H. R. 6855. An act for the relief of Mrs. Elisabeth Metzing Rink;

H. R. 6955. An act for the relief of Margers Nulle-Siecenieks;

H. R. 6982. An act for the relief of Maria Elizabeth Sanchez Y Moreno;

H. R. 6987. An act for the relief of Gene C. Szutu and Florence C. Szutu;

H. R. 7041. An act for the relief of Waltruade Elsa Solleder;

H. R. 7045. An act for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, Raymundo, and Marciano, and Mrs. Brigida de Gutierrez;

H. R. 7152. An act for the relief of Jozef Van den broeck;

H. R. 7221. An act for the relief of Anders Taranger;

H. R. 7451. An act for the relief of Erika Jette Lavery;

H. R. 7464. An act for the relief of Ellinor H. Anthony;

H. R. 7494. An act for the relief of Elizabeth Forster Austin;

H. R. 7584. An act for the relief of Angele Marie Boyer (nee Pieniazeck);

H. R. 7593. An act for the relief of Theresia Probst Uhl;

H. R. 7612. An act for the relief of Enrico Intravaia;

H. R. 7628. An act for the relief of Mrs. Adriana M. Truyers Aretz;

H. R. 7629. An act for the relief of Mrs. Ruth Gruschka Krug;

H. R. 7807. An act for the relief of Heinz Gerhard Rolappe;

H. R. 7931. An act for the relief of Gunther H. Hahn;

H. R. 8146. An act for the relief of Palmina Smarrelli (nee Lattanzio);

H. R. 8239. An act for the relief of Fung Ping Wah (also known as Reginald Ping Wah Fung) and his wife, Fung Wai-Yin Li (also known as Doris Fung); to the Committee on the Judiciary;

H. R. 2762. An act to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497); and

H. R. 4928. An act to authorize the Secretary of Agriculture to convey a certain parcel of land to the city of Clifton, N. J.; to the Committee on Agriculture and Forestry.

H. R. 6318. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes; and

H. R. 8921. An act to establish the rate of compensation for the position of the General Counsel of the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

H. R. 7158. An act authorizing the United States Government to reconvey certain lands to S. J. Carver;

H. R. 7913. An act to convey by quitclaim deed certain land to the State of Texas; and

H. J. Res. 459. Joint resolution to designate the lake to be formed by the completion of the Texarkana Dam and Reservoir on Sulphur River, about 9 miles southwest from Texarkana, Tex., as Lake Texarkana; to the Committee on Public Works.

H. R. 6422. An act to authorize the Secretary of the Army to convey to the Government's grantors certain lands erroneously conveyed by them to the United States;

H. R. 9000. An act to integrate the Judge Advocate's promotion list with that of the Army to restore lost seniority and grade, and for other purposes;

H. R. 9002. An act to amend the Officer Personnel Act of 1947 to provide for the retirement of certain officers of the Regular Army and the Regular Air Force at age 60, and for other purposes;

H. R. 9005. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177);

H. R. 9007. An act to amend the Universal Military Training and Service Act; and

H. R. 9340. An act to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use; to the Committee on Armed Services.

H. R. 9236. An act to amend the Federal Credit Union Act, as amended; to the Committee on Banking and Currency.

OFFICE OF COMMISSIONER OF REFUGEES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1766) to establish the Office of Commissioner of Refugees, which were to strike out all after the enacting clause and insert:

That the Secretary of State is hereby authorized and directed to establish in the Department of State an Office of Refugees and International Migration, which shall be headed by a Director, who shall be appointed by the Secretary of State without regard to the civil-service laws or the Classification Act of 1949, and who shall receive compensation not to exceed $15,000 per annum.

SEC. 2. Effective 30 days after his appointment the Director of the Office of Refugees and International Migration, on behalf of the Secretary of State and subject to his direction, shall in consultation with other appropriate agencies of the Government have primary responsibility for—

(a) the coordination and policy guidance of programs of assistance to refugees and international migration;

(b) liaison between the Government of the United States and foreign governmental and intergovernmental agencies and organizations concerned with refugees or with migration and resettlement of people; and

(c) accumulation and collation of information concerning migration possibilities of people from areas in which prospective migrants are located to areas of potential reception.

SEC. 3. When used in this act the term "refugee" means a person (a) who is out of his usual place of abode because of persecution, fear of persecution, natural calamity, or military operations, and (b) who is in urgent need of assistance for the essentials of life or for transportation: *Provided, however,* That no person shall be considered to be a refugee who is or has been a member of any Communist, Nazi, or Fascist organization or movement unless he shall establish by clear and convincing evidence that his membership or affiliation was involuntary or while under the age of 16 years or that since the termination of such membership or affiliation he has been actively opposed to the doctrine, program, principles, and ideology of such organization or movement.

SEC. 4. The President is hereby authorized to continue membership for the United States on the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953.

SEC. 5. The President shall designate from time to time a representative of the United States, and not to exceed three alternates, to attend a specified session or specified sessions of the Council for the Intergovernmental Committee for European Migration. Whenever the United States is elected to membership on the Executive Committee of the Intergovernmental Committee for European Migration, the President shall designate from time to time, either from among the aforesaid representative and alternates, or otherwise, a representative of the United States, and not to exceed two alternates, to attend sessions of the Executive Committee.

SEC. 6. The Secretary of State shall prepare and transmit to the President and to the Congress on or about January 15 of each year a report on activities undertaken under this act and shall from time to time prepare and publish factual reports on refugees and on international migration and resettlement of people.

SEC. 7. Nothing contained in this act shall be construed to supersede or modify any provision of the Immigration and Nationality Act.

SEC. 8. There are hereby authorized to be appropriated such sums of money as may be necessary to carry out the purposes of this act.

SEC. 9. This act and all authority derived therefrom shall expire on December 31, 1957.

And to amend the title so as to read: "An act to establish in the Department of State the Office of Refugees and International Migration and to provide for the continuation of the United States membership in the Intergovernmental Committee for European Migration."

Mr. McCARRAN. Mr. President, the bill (S. 1766) which the Chair just laid before the Senate was amended by the House of Representatives by adopting amendments in the nature of a substitute. I ask unanimous consent that the bill with the House amendments thereto be now referred to the Committee on the Judiciary.

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

ACTION OF SENATE SMALL BUSINESS COMMITTEE REGARDING DISPOSAL OF SURPLUS MILITARY GOODS

Mr. THYE. Mr. President, I am pleased to report to the Senate that the Department of the Army has taken steps which will protect the interests of American small-business firms in the disposal of surplus military goods. I wish to make a brief statement because so many Senators have asked the Senate Small Business Committee to investigate this problem and attempt to work out some safeguards.

On April 27, 1954, as chairman of the Small Business Committee, I wrote to the Secretary of the Army and asked that changes be made in the disposal procedures then in effect. On June 9th, the Army replied and assured the Committee that our recommendations would be adopted in order to guarantee that private businesses are not unnecessarily disrupted by Government actions in disposing of surplus goods.

I feel that the Small Business Committee has rendered a distinct service in this matter, and I trust that all members of the Senate will continue to refer such problems to me personally and to our staff.

Mr. President, I ask unanimous consent to have incorporated at this point in the RECORD the text of the two letters to which I have referred and a statement I have made on the subject.

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

SELECT COMMITTEE ON SMALL BUSINESS,
UNITED STATES SENATE,
April 27, 1954.

Hon. ROBERT T. STEVENS,
Secretary of the Army,
Pentagon Building,
Washington, D. C.

MY DEAR MR. SECRETARY: The Senate Small Business Committee has been contacted on several occasions to assist private industry in bringing about a better policy on the disposal of Government surplus property.

During the past several weeks, a specific example came about when the Schenectady Quartermaster Depot disposed of approximately a half-million leather soles which had been in storage for at least 7 years. The section of the leather industry most directly affected by this sale has been in a poor economic condition for the past few months, but industry groups heard of the sale only by chance and immediately sought to have the sale postponed until all the facts could be determined and presented to appropriate Army officials. The Senate Small Business Committee contacted the Quartermaster General's office to second the appeal of the industry.

It was the position of the Army that the preparations for the sale had proceeded so

far that any delay or postponement was not feasible. Nonetheless, officials of both the Army's G-4 section and the Quartermaster Corps indicated that better procedures might be followed in the future to preclude the mistakes on the leather sole sale.

First of all, I personally feel that it was less than candid to advertise as "new" commodities which had been on the shelf for at least 7 years, particularly when the disposal itself was justified to me as being held to get rid of these pieces of leather which would be worthless when they were 10 years old. Naturally, the purchaser of these soles will put them in the market as a substitute for leather soles which have been tanned and prepared within the past few months. It seems that serious misrepresentations will come about as a result.

Secondly, it would appear to be only a matter of good policy to call in private groups and industry associations most directly affected by future sales in order to receive their counsel on disposal policies and timing. I know that this has been done in the case of machine tools held in storage by the armed services.

Finally, I feel that the simplest reform could come through breaking up into smaller units the disposal of large quantities of goods. In the instant case, I have been informed that the lot disposed of on April 22 represents approximately a 5-week supply for the entire New England and Middle Atlantic area.

The committee would be most grateful to you if you could study these three proposals and give us your reactions to them.

With best wishes.

Sincerely yours,

EDWARD J. THYE,
Chairman.

DEPARTMENT OF THE ARMY,
Washington, June 9, 1954.

Hon. EDWARD J. THYE,
Chairman, Select Committee on Small Business, United States Senate.

DEAR MR. CHAIRMAN: This is in further reply to your letter of April 27, 1954, to the Secretary of the Army concerning the sale of surplus leather soles by the Schenectady General Depot.

Your letter is correct in pointing out that although the soles were several years old they were described on the invitation for bids as "new." The Army agrees that the use of this term, without further information, was unfortunate, but wishes to assure the committee that there was absolutely no intention to mislead. Pertinent instructions in effect at the time of the sale provided that surplus property be described on invitations for bids as either "new" or "used." The leather soles in question were unquestionably not used; as a matter of fact, they were still in their original containers. Hence, it seemed proper to the responsible property disposal officer to describe them by the alternative word "new." Of course, the ambiguity could have been cured by mentioning the approximate period of time since the leather soles were purchased on the invitations, and it is regretted that this was not done.

While it is acknowledged that the description of the leather soles in the Schenectady invitation was not fully informative, two factors should be mentioned in mitigation. First, the general sales terms and conditions which are a part of the invitation for bids specifically provide that the goods are sold in their "as is" condition and provide further that the Army makes no guaranty, warranty, or representation expressed or implied as to character or to quality. Second, bidders are invited and urged to inspect the property offered for sale prior to submission of their bid.

Nevertheless, it is recognized that a complete and more accurate description of the leather soles would have been desirable, and action is now under way to revise the Army regulations which govern descriptions of surplus property in order to minimize the possibility of recurrence of such situations.

Your letter also suggested that industry advisory groups be consulted on disposal policies and timing. The Department of Defense established an Industry Advisory Committee on Disposal on April 6 of this year to provide recommendations and advice concerning the sale of surplus property. Although this group is still in the organizational stage, the Department of the Army is initiating action to solicit its advice to the maximum practicable extent in connection with the sale of leather soles at the Utah General Depot. In addition, as a general means of acquainting industry groups with Army disposal actions, the Army has recently added trade association groups to the list of organizations to which invitations for bids on surplus property disposal sales are sent. Any comments or recommendations of these groups in response to the invitations will be given careful consideration by the Department of the Army.

With respect to your recommendation that large quantities of leather soles be broken up into smaller lots for disposal in order to minimize the effect of the sale on the industry, the Army wishes to advise that your suggestion has been adopted. The Army plans to dispose of 468,000 pairs of soles at the Utah General Depot at the rate of 50,000 pairs every 2 weeks.

Your comments on this problem have been most constructive and are sincerely appreciated. Should the committee have further questions, the Army will be happy to provide such further information as may be requested.

Sincerely yours,

L. E. BERRY,
Deputy Department Counselor.

Senator EDWARD J. THYE, Republican, of Minnesota, chairman of the Senate Small Business Committee, today announced that he had received assurances from the Department of the Army that sales of surplus property held by the Army would be designed to minimize the impact of such sales on private business.

Senator THYE stated, "Our committee was alerted to the danger existing in these sales when an already-depressed industry was threatened with widespread disaster through the sale of a vast quantity of goods which had laid in Army warehouses for some 10 years. As a result, on behalf of the committee, I wrote to Secretary of the Army Robert T. Stevens and made three specific recommendations for remedying a bad situation. I asked that industry groups be called in for assistance in arranging and timing surplus sales; I asked that large lots be broken down into smaller quantities so that no one sale would take over the normal market for private goods; and I asked that care be taken that potential buyers not be deceived by labeling as 'new,' goods which had been on the shelves for many years."

In reply to Senator THYE's letter, the Department of the Army pledged that the recommendations of industry groups would be sought and weighed in scheduling future sales. Furthermore, a Department of Defense Industry Advisory Committee on Disposal has recently been established and will attach the overall problems in this field. The Army letter also said that a policy of breaking down sizable disposals into smaller lots had been adopted and would be followed in the future. To correct problems of labeling surplus goods, the letter said that "action is now underway to revise the Army regulations which govern descriptions of surplus property in order to minimize the possibility [of misleading purchasers]."

Senator THYE said that the Army should be congratulated for its prompt action in meeting the immediate situation and for its avowed intentions of revising its procedures for handling surplus items in the future. The Small Business Committee chairman also indicated that the committee would press for similar action by the Navy and the Air Force.

REDUCTION IN APPROPRIATIONS FOR THE LIBRARY OF CONGRESS — BROADCAST BY EARL GODWIN

Mr. McCARRAN. Mr. President, I have before me a transcript of a broadcast by Mr. Earl Godwin, one of the outstanding commentators of the United States, bearing on the subject of the cut that has evolved in the funds for the Library of Congress. The broadcast is of such nature and magnitude that I believe it should be published in the RECORD. Therefore, I ask unanimous consent to have it printed at this point in the body of the RECORD as a part of my remarks.

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

The Senate of the United States has before it one of the most appalling bits of wreckage that the House of Representatives ever accomplished and sent on to the other body. I speak from the heart about the way the House manhandled the greatest collection of knowledge in the world—the Library of Congress. The House cut down the money for this pride of the people so that it just cannot operate the way the people want it to operate. If the Senate has its ears to the grass roots, the Members of that august body will hear the folks back home telling them in loud voice to get busy and restore those funds, they don't amount to much in money, while the so-called economy in reducing these funds ruins one of the greatest of America's useful treasures.

It is hard to believe, but it's right there for one and all to see, that the House took the word of its Appropriations Committee and cut down the Congressional Library because a little group of a subcommittee concluded that the Library of Congress was becoming a library of the American people. Of course, that's a barbaric view and sooner or later it will be reviewed and the lamp of knowledge will have the soot taken off the reflectors. In other plain words, the Senate is being called on by people the country over to keep the Congressional Library just what Congress has made it: the library of the people.

Shucks, it isn't expensive anyhow—$9 million or $10 million—and a couple of million dollars comes back from the business side of the Library in fees for copyright and the card-index business for public libraries the country over. The publishers contribute books in a stream, private gifts and acquisitions are mountain high, and all for the benefit of the American people who use the Library assiduously. Because it is the world's greatest aggregation of knowledge, why cut it down to pint size just because it has the title "Congressional Library," or "Library of Congress"? If that's all it is, then it is not worthwhile appropriating more than a few dollars for it.

The House fixed the Library of Congress so that it would be far too much for Congress and far too little for the people of America. The Senate could help change the name to the National Library and keep on with the proper appropriations so all America will be welcome and proud.

The PRESIDENT pro tempore. Is there further morning business?

INCREASING CONSUMPTION OF DAIRY PRODUCTS

Mr. WILEY. Mr. President, I send to the desk a brief statement with regard to the increase of dairy consumption in the United States.

I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the statement, together with an article from Wisconsin Dairying for June 1954, was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

As June dairy month draws to a close, the American people, I believe, understand more clearly than ever before the importance of increasing consumption of dairy products in furtherance of their own health and our national well-being.

Unfortunately, our people actually drink less milk today than they did 10 years ago. Every American uses 49 pounds of fluid milk a year less than in the period just after World War II. No wonder we have a surplus. No wonder we need to increase the milk drinking and dairy product eating habit.

After all, milk, as pointed out by the Milk Industry Foundation and by other leading dairy sources, is about as inexpensive a food as can possibly be purchased, with infinitely more nutritional value than anything on the market. When the customer at the counter says "Make mine milk," and orders milk in the glass or in the bottle, he is making good sense from every standpoint. So too does Mrs. American Housewife when she purchases cheese or other dairy products at the corner grocery.

For a series of vital facts concerning United States cheese production and consumption, as well as facts on other dairy products, I am reproducing now the text of an article published by the Agricultural Statistician of the Office of the Crop and Livestock Reporting Service, Wisconsin and United States Departments of Agriculture. This article was carried in the June 1954 issue of Wisconsin Dairying.

PEOPLE EAT MORE CHEESE THAN BEFORE WORLD WAR II

The United States is the world's leading cheese producing country. Its annual production is nearly equal to the combined output of Italy and France, which rank second and third, respectively, in cheese production.

Total cheese consumption is greater in the United States than for any other nation. However, in America per capita cheese consumption is considerably below that of most European countries. Based on disappearance of all types of cheese, an average consumption of about 7 pounds for each person was indicated in the United States in 1953, while for 1952 the per capita consumption averaged 7.7 pounds. The cheddar type of cheese constitutes about three-fourths of the Nation's total cheese output.

Americans are eating a little more cheese than they did before World War II, but United States per capita consumption has by no means increased in proportion to the increase in total cheese production. To illustrate this fact we can compare the total cheese production and per capita consumption figures for the 10-year prewar period 1930–39 with those for postwar years.

Total United States annual cheese production for the 10 years 1930–39 averaged 594,329,000 pounds. Per capita consumption of all cheese during the same period averaged 5 pounds. For the period 1945–49 the cheese output averaged 1,140,888,000 pounds, or an increase of 92 percent over the prewar average. Per capita consumption for these 5 postwar years averaged 6.84 pounds, or 37 percent over the prewar average.

For the years 1950–53, average annual total cheese production was double the average annual output for 1930–39. However, per capita consumption for the past 4 years averaged only about 47 percent higher than in the prewar years.

For the 5-year prewar period, 1935–39, the average annual farm and factory butter output for the Nation was 2,195,000,000 pounds. The margarine production during the same 5-year period averaged 372 million pounds annually, or about one-sixth the volume of butter production. Butter consumption on a per capita basis for this 5-year period averaged 16.8 pounds annually, and for margarine the per capita consumption averaged 2.8 pounds.

However, average annual butter output for 1947–49 was 1,611,000,000 or about 27 percent below the prewar average. Margarine production was increased to 839 million pounds for the annual average for these 3 years which is two and one-quarter times the prewar production of this product. Per capita consumption of butter during this 3-year postwar period averaged 10.5 pounds annually, which was 37 percent less than the average for 1935–39. Annual per capita consumption of margarine for the same 3-year period was up to 5.5 pounds or nearly double the average for the prewar period. The preliminary estimates indicate a 1953 butter output of 1,647,000,000 pounds and a margarine production of 1,292,000,000 pounds.

ICE CREAM GAINS FAVOR

Ice cream production for the Nation is indicated at 2,911,000,000 pounds in 1953, as compared with the 1947–49 average annual output of 2,757,000,000 pounds and 1,279,000,000 pounds for the 1935–39 average. Per capita ice cream consumption averaged 9.8 pounds for the prewar period, but increased to 18.5 pounds for the years 1947–49. For 1953 the average per person was estimated at 17.8 pounds.

Fluid milk and cream consumption per person averaged 330 pounds for the years 1935–39 increasing to 359 pounds for the postwar years 1947–49. For both 1951 and 1952 per capita consumption was 352 pounds, dropping to 350 pounds in 1953. These figures include whole milk consumed and the milk equivalent of the cream consumed.

Preliminary estimates show that the output of all dairy products for 1954 will be greater than last year. To offset some of the indicated increase in production this year per capita consumption of all dairy products appears to be up somewhat compared to 1953. Margarine production and average consumption per person is expected to be lower than last year.

Supplies of milk and other dairy products during the first half of 1954 have been very large. Carryover of stocks were larger than for any previous year. Milk production so far during 1954 has been at record rates each month.

The price indexes prepared by the Bureau of Labor Statistics indicate that the index numbers for retail prices of dairy products have been consistently lower than the index of prices of all foods. Also, the price index of all consumer goods has been higher than that for dairy products. In other words, since 1949 the retail prices of all dairy products have not risen as much as prices for other foods and also the nonfood items which people buy and use.

Mr. GORE obtained the floor.

Mr. SMATHERS. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I shall be glad to yield, provided I do not lose the floor.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I wonder whether we could enter into a sort of three-way arrangement by having the Senator from Tennessee yield to me first for the purpose of making an announcement on the legislative program.

Mr. GORE. I yield for that purpose.

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to say that there are a number of bills which we expect to take up within the next few days and before the tax bill is considered. The bills will not be necessarily taken up in the order in which I mention them, and some of them I have already mentioned in other announcements to the Senate, but I should like to make this information available to the Senate. The bills are:

Calendar No. 1612, S. 2862, to provide relief for the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders. This bill was the subject of some colloquy yesterday, both during the call of the calendar and subsequently. The bill is sponsored by the Senator from Nevada [Mr. MCCARRAN], and the Senator from New York [Mr. LEHMAN] raised some question regarding it.

Calendar No. 1541, H. R. 303, to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes.

Calendar No. 1604, S. 3385, to provide for more effective extension work among Indian tribes and members thereof, and for other purposes.

Calendar No. 1623, H. R. 7709, to continue until the close of June 30, 1956, the suspension of certain import duties on copper.

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

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I hope the distinguished majority leader will give priority to the consideration of Calendar No. 1623, H. R. 7709, because I understand that the bill must go to conference, or at least go back to the House, and the expiration date of the present law is June 30.

Mr. KNOWLAND. I will say to the distinguished minority leader that several Senators have spoken to me about the bill. I have consulted the chairman of the Committee on Finance [Mr. MILLIKIN] about it, and he concurs as to the importance of expediting action on the measure. I believe he was awaiting the return of a Senator, who is expected to return to the city today. He said it was perfectly agreeable to him to move to lay aside the unfinished business in order to take up this bill. Therefore I can say to the distinguished minority leader that I shall get in touch with the chairman of the Committee on Finance and with the minority leader later in the day in an effort to expedite action on the bill.

Mr. JOHNSON of Texas. The distinguished chairman of the Committee on Finance is in the Chamber. I am informed that he is agreeable to taking up the bill at any time that will suit the convenience of the Senate.

Mr. KNOWLAND. I understand that he was awaiting the return of a Senator, who wanted to be present when the bill was considered. I understand that that Senator has returned. I would have no

objection to taking up the bill even if it meant laying aside the unfinished business to do so.

Mr. JOHNSON of Texas. I hope the bill can be disposed of promptly.

Mr. KNOWLAND. Then the next bill to be taken up is Calendar No. 1634, H. R. 5173, to provide that the excess of collections from the Federal unemployment tax over unemployment compensation administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States to provide that the remainder of such excess shall be returned to the States, and for other purposes.

Then we have the bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, which is Calendar No. 1637, H. R. 9447. According to present plans, that bill will be followed by the tax bill, which is Calendar No. 1635, H. R. 8300.

In the meantime I am informed that the conference report on the agricultural appropriation bill is about to be acted on by the House of Representatives. If the House adopts the conference report today the Senate should also be able to consider and act on it. The Senate should be ready to vote on the conference report on the agricultural appropriation bill as soon as it has been adopted by the House. That is about as far as I can state the program at this time.

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

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. In the light of the schedule which the distinguished majority leader has announced, I wonder whether he would explore the possibility of working out a unanimous-consent agreement to vote at some specific time on the reciprocal trade bill and on all pending amendments, which bill, of course, is the unfinished business. I thought that perhaps we might be able to work out such an agreement for some time tomorrow. If the Senator from California will give some thought to it, it may permit us to move on to the consideration of some of the other bills he has mentioned and to get them out of the way.

Mr. KNOWLAND. I appreciate the suggestion of the distinguished minority leader. I shall explore the situation on this side of the aisle, and I hope he will explore it on his side of the aisle. Then I shall consult with him further regarding the matter. I may say also that earlier today I saw in the Chamber the junior Senator from Oregon [Mr. MORSE]. I hope that he will be prepared to proceed with his motion to reconsider the action of the Senate in adopting the conference report on the civil functions appropriation bill, so that we may dispose of the bill and send it to the President for his signature.

Mr. MORSE. Mr. President, sometime during the afternoon I shall make my motion and my argument. I hope the bill will not go to the President for his signature, but will be recommitted to conference with new conferees, as it should be, in order to protect the legitimate interests of the people of the Pacific Northwest in the $500,000 planning fund for John Day Dam which was added to the bill by the Senate by amendment, but apparently dropped in conference by the Senate conferees.

AMENDMENT OF NATIONAL HOUSING ACT

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee that he be allowed to yield to the Senator from Florida [Mr. SMATHERS] without his losing his right to the floor? The Chair hears none, and it is so ordered.

Mr. SMATHERS. Mr. President——

Mr. CAPEHART. Mr. President, will the Senator yield so that the Senate may consider and act on Senate Joint Resolution 167? It should take less than a minute to dispose of it. The purpose of the joint resolution is to extend for 30 days the present Housing Act, because certain titles of it will expire on June 30 and on July 1. It is important that the act be extended.

Mr. KNOWLAND. Mr. President, is this the measure the Senator from Indiana introduced yesterday and discussed with the minority leader, the majority leader, and the ranking minority member on the Committee on Banking and Currency?

Mr. CAPEHART. The Senator is correct. Senate Joint Resolution 167 has been lying on the table. It is acceptable to the ranking minority member of the Committee on Banking and Currency [Mr. MAYBANK]. It is hoped that the House will act on it promptly as soon as the Senate has passed the joint resolution.

The purpose of the joint resolution is to extend for 30 days the existing Housing Act because certain titles expire at midnight on June 30 and at midnight on July 1. It is impossible for the conferees to reconcile their difference on the new housing bill before midnight of June 30.

Mr. SMATHERS. I ask unanimous consent that I may yield to the Senator from Indiana, with the understanding that I do not lose the floor, which has been yielded to me by the Senator from Tennessee [Mr. GORE].

Mr. CAPEHART. That is my desire likewise. I wish to call up Senate Joint Resolution 167. I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 167.

The PRESIDING OFFICER. The Senator from Indiana asks unanimous consent to temporarily lay aside the unfinished business, H. R. 9474, to extend the authority of the President to enter into trade agreements, and to proceed to the consideration of Senate Joint Resolution 167.

The clerk will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 167) to amend the National Housing Act, as amended, and for other purposes.

The PRESIDING OFFICER. Does the Senator from Indiana desire to be heard further?

Mr. CAPEHART. I placed in the RECORD yesterday an explanation of the purpose of the joint resolution. That explanation is now a part of the RECORD. I merely wish to say that the purpose of the joint resolution is to extend the existing law for 30 days. I hope that after the Senate has passed the joint resolution the House will act on it promptly.

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

Mr. CAPEHART. I yield.

Mr. JOHNSON of Texas. Does the distinguished chairman understand that the ranking minority member of the Committee on Banking and Currency, the Senator from South Carolina [Mr. MAYBANK], who is the former chairman of the committee, is of the opinion that the course of action recommended by the chairman is the course we should follow in this instance?

Mr. CAPEHART. That is correct. I have discussed it with him on a number of occasions, and again this morning on the telephone.

Mr. JOHNSON of Texas. Mr. President, I hope the request will be agreed to.

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

There being no objection, the joint resolution (S. J. Res. 167) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking "July 1" in paragraph (1) (G) of section 301 (a) and inserting "August 1"; and

(2) by striking "July 1" in section 803 (a) and inserting "July 31."

SEC. 2. (a) Section 10 of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking therefrom the words "at the expiration of the succession of the Corporation" and inserting in lieu thereof the words "by the close of business on June 30, 1954."

(b) Subsection (a) of section 102 of the Reconstruction Finance Corporation Liquidation Act is amended to read as follows:

"(a) The first sentence of section 3 (a) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 603 (a)), is amended to read: 'The Corporation shall have succession until it is dissolved pursuant to the provisions of section 10 of this act.'"

(c) Section 105 of the Reconstruction Finance Corporation Liquidation Act is amended by striking the words "termination of succession" wherever they appear therein and inserting in lieu thereof the word "dissolution."

(d) Subsection (a) of section 106 of the Reconstruction Finance Corporation Liquidation Act is amended to read as follows:

"(a) Promptly after June 30, 1954, the Administrator of the Reconstruction Finance Corporation shall make a full report to the Congress."

SEC. 3. Section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking out "June 30, 1954" and inserting "July 31, 1954."

SEC. 4. The Servicemen's Readjustment Act of 1944, as amended, is hereby amended—

(1) by striking "June 30" in clause (C) of section 512 (b) and inserting "July 31";

(2) by striking "June 30" in the first sentence of section 513 (a) and inserting "July 31"; and

(3) by striking "June 30" in the first sentence of section 513 (d) and inserting "July 31."

SEC. 5. Title V of the Housing Act of 1949, as amended, is hereby amended as follows:

(a) In the first sentence of section 511 immediately following the phrase "July 1, 1952," strike the word "and", and insert at the end of the sentence just before the period a comma and the language "and an additional $8,500,000 on and after July 1, 1954."

(b) In section 512, (i) strike "and 1953" and insert "1953, and 1954", and (ii) strike "and $2,000,000" and insert "$2,000,000, and $170,000."

(c) In section 513, strike "and $10,000,000 on July 1 of each of the years 1950, 1951, 1952, and 1953" and insert "$10,000,000, and $850,000 on July 1 of each of the years 1950, 1951, 1952, 1953, and 1954."

THE REVOLUTION IN GUATEMALA

Mr. SMATHERS. Mr. President, according to our best information, today may well be the decisive day in the fight for freedom and self-government by the people of Guatemala. Battle lines are forming at this very minute for a showdown struggle which will determine whether or not some 3,000 Communists now in control of this American Republic can continue to impose their totalitarian will upon the hitherto free people, and whether or not these people may be doomed to a future of slavery, Soviet style.

In my judgment, the Guatemalan anti-Communist patriots go into battle with the hope and best wishes of the majority of the American people riding with them.

It is true that there are some few in the United States who, either because of fear or confusion, wish to adopt a hands-off, neutral attitude in this matter. They believe that we as a Nation should have no concern over the outcome of the struggle going on within our own hemisphere between Communists and anti-Communists.

Mr. President, is not the position taken by these few, unrealistic and naive in the light of our past? Was it not just 4 years ago this month when we deliberately committed our boys and our Treasury to a conflict some 8,000 miles away from home, in an effort to stop Communist expansion? It was believed then that such drastic steps were necessary because Communist success in Korea had a direct and proximate effect on the security of the free world and the national security of the United States. This year when the Soviet-inspired, directed, and equipped native Communist forces began to close their strangle-hold on the countries of Indochina, our leaders debated and almost decided that it was necessary to send our planes and ships into far-off nations in order to assist in stopping Communist expansion in the interests of the free world and our own national security.

For the past 3 years we have been reaching deep into the pockets of the taxpayers in order to send almost a billion dollars annually to the people of Asia in order to help them resist communism.

The people of the United States have made this sacrifice willingly, even though not happily, because they believed that Communist victory, even though some 8,000 miles away from home, directly endangered our own freedom and the freedom of the non-Communist world.

Now when we observe this revolution going on in Guatemala, wherein native Guatemalans are desperately striving to throw off the heavy hand of Communist imperialists, and reestablish for themselves a government of their own choosing, is it not the height of absurdity and unrealism for some of us to adopt a holier-than-thou, antiseptic, hands-off attitude?

This battle against communism in Guatemala is not 8,000 miles or 10,000 miles away from our shores, but 860 miles away from our shores and 860 miles away from the Panama Canal.

Surely, if we detest and fear communism nearly 10,000 miles away from home and are willing to make sacrifices and expenditures to defeat it, almost halfway around the world from us, we cannot now in the name of consistency and logic claim that we are unconcerned and are neutral in the struggle against communism right in our own front yard.

In recent months the record will reveal that many of us have criticized the British and the French, as well as Mr. Nehru, of India, for their neutralism in the face of continued Communist aggression. We argued then, and I think correctly, that neither they nor anyone else could remain neutral in the face of Communist expansion and expect anything other than eventual Communist dictatorship.

The policy of neutralism has been demonstrated to be a policy of self-destruction.

In the face of these facts, how then can we in the name of common sense and consistency fall into the same error of neutralism, when obviously the danger in Guatemala is the greatest threat to the security of the Western Hemisphere that we have thus far experienced?

Mr. President, it seems to me high time that we recognize this danger, bring it out into the open and deal with it forthrightly and realistically.

The United Nations is an international organization dedicated to world peace. But the Soviet Communist delegates to the United Nations have methodically resisted and substantially blocked the effectiveness of the United Nations in its efforts to discourage and frustrate international banditry and unwarranted aggression against free and friendly peoples of the world.

This present situation could be handled under the United Nations Charter, but we know from bitter experience and the unmistakable pattern of Soviet conduct within the United Nations that the Soviets will permit no action which would serve to deter expansion of the world Communist conspiracy.

The Soviet delegates have written a consistent, uninterrupted record of vetoes throughout the United Nations history to thwart that organization's peace-serving moves whenever aggression has occurred. Was it not the Communists who in 1947 vetoed the appeal of Greece for a United Nations Peace Commission to be sent to the border of Greece to observe the infiltration of Communists across the border? Was it not the Communists who in 1948 vetoed Chile's appeal for investigation of the overthrow of Czechoslovakia by the Communists? Was it not just a few weeks ago that the Soviet vetoed the request of Thailand for a peace commission to observe the Communist threats to the independence of that country? And, was it not the Communists who refused to let this present problem in Guatemala be considered by the Organization of American States?

Mr. President, the record of the United Nations alone is our most conclusive evidence that the troubles in Guatemala today are due to Soviet Communist intervention in Western Hemisphere affairs, and represent a bid for the extension of the world Communist conspiracy to the Americas.

The evidence of this Communist penetration into Latin America has been piling up. We know there has been a considerable traffic of Guatemalan citizens surreptitiously called to Moscow, there methodically trained and indoctrinated, and then, skilled in stealth and deceit, infiltrated into the leadership of Guatemalan citizen organizations and Government positions. The aggressive design of the Communist conspiracy became even more clearly apparent when we detected the recent huge shipment of arms and ammunition from behind the Iron Curtain into Guatemala. These arms were slipped into Guatemala under cover of darkness, and are being used to keep in Communist slavery the freedom loving peoples of this American Republic.

It is no surprise or cause for wonderment that many of the patriots of Guatemala rebelled against this Soviet-controlled government, because it was seeking by force and fear to perpetuate a totalitarian government upon them.

Prior to the revolt among the people of Guatemala the republics in the Organization of American State already had planned to meet, according to Western Hemisphere agreements, to consider the Communist threat in Guatemala. However, when the revolt occurred, Guatemala got her signals crossed and appealed to the appropriate body of the Organization of American States—the Peace Commission.

The Soviet Union wanted to debate this matter in the United Nations—not in OAS—and when a motion was made to refer the matter to the Peace Commission of OAS—the proper regional organization of the U. N.—the Soviet vetoed it. The Guatemalan leaders, thus being informed of the party line, withdrew their appeal originally made to this Commission.

Mr. President, the Organization of American States, as the regional peace organization under the United Nations, is the appropriate and logical body to handle this regional crisis. Now that the government of Honduras has again brought this outbreak, which should be the concern only of the American States, to the attention of the regional Peace Commission of the Americas, it is to be hoped—and we should urge—that the Organization of American States will move resolutely forward toward joint hemispheric action to meet a situation which poses a common threat.

In the light of known Communist procedures, let us now not allow them to shoot their way into permanent, open control of an American republic and then perpetuate totalitarian slavery by their familiar stalling tactics in the United Nations, where the Soviet Union has become the master of the devious use of dilatory parliamentary procedures and evasive technicaliities to serve their Communist interests.

No diversionary tactics by the Soviet delegation should be permitted to throw up a smokescreen against the real issues involved.

Mr. President, the people of the Americas—all the sister Republics of the Western Hemisphere—now must recognize that what is happening in Guatemala means that "the chips are down" with the Communists in our hemisphere. Therefore the historic plan for preserving our common security must be brought into action. This is a problem for the Americas, and the people of the Americas must meet it and solve it.

Mr. President, an editorial which appeared in yesterday's issue of the Americas Daily, a bilingual English-Spanish newspaper, well sums up the situation as it appears to me, when it states:

> Now that the battle cry of freedom has sounded in the midst of flying bullets—a situation that has arisen despite the fact that peaceful means would have been preferable for overthrowing the Communist dictatorship—the titanic struggle facing the anti-Communist people of Guatemala in their fight against the forces mustered by Russia's totalitarian ally has placed the governments of the Americas on a delicate spot. The dilemma confronting them will not admit of half-way measures. Either those governments must be definitely on the side of the freedom-loving people of Guatemala or they must be on the side of a government that is bound to follow the directions which the Kremlin dictates to it.

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

Mr. SMATHERS. I am happy to yield to the distinguished minority leader.

Mr. JOHNSON of Texas. I wish to commend the distinguished junior Senator from Florida for his very constructive observations, and to associate myself with everything he has said. This is only one of the many fine statements he has made on the grave problem which confronts us in the Western Hemisphere. The junior Senator from Florida has been a leader in the attempt to arouse public opinion in this hemisphere to the dangers with which we are faced.

There is now pending before the Senate Committee on Foreign Relations a resolution which will express the sense of both the Senate and the House in connection with this very serious danger.

I desire to express my appreciation to the junior Senator from Florida for the contribution he has already made in this field, and to express the hope that he may find it possible to use his always persuasive powers on the members of the Committee on Foreign Relations to report the resolution, in order that every Member of Congress may say to the Government of the United States, to the people of the United States, and to the people of the Americas that the Communists cannot be permitted to operate from any place in the Western Hemisphere.

Mr. SMATHERS. I thank very much the able senior Senator from Texas for his generous statement about me and my activities. I may say in return that I fully appreciate the wonderful work which he has been doing in this field.

I am certain he recognizes that the threat in Guatemala is just about 850 miles from his constituency of Texas. It is about 840 miles from the people of Florida. But more important than that, it represents, of course, a threat to the whole Western Hemisphere.

I am aware of the resolution which the distinguished minority leader submitted yesterday, and which has been referred to the Committee on Foreign Relations. I congratulate him on helping to bring the matter to a head, and I assure him that I shall join with him and the distinguished majority leader, both of whom have indicated that they intend to use every effort to bring the resolution to a vote in the Senate.

I thank the Senator, and I congratulate him.

Mr. JOHNSON of Texas. I may say to the Senator from Florida that some parts of Texas are nearer Guatemala than Amarillo is to Brownsville, both of which are cities of Texas.

Yesterday, in my observations on this subject, I quoted the remarks of our former colleague, Henry Cabot Lodge, Jr., who is now United States Representative to the United Nations and Representative in the Security Council. Mr. Lodge told the Soviet Representative:

> Stay out of the Western Hemisphere. Don't try to start your plans and conspiracies here.

Does not the Senator believe that every American joins with Ambassador Lodge in that warning?

Mr. SMATHERS. I most assuredly do. I regret to say, however, that I observed some editorial comment recently to the effect that we should now conduct ourselves with great restraint; that we should not rush into anything; that we should proceed in accordance with the usual parliamentary procedure.

The point I was trying to make this morning was that if we permit ourselves to become bogged down in parliamentary procedures, whereas the Soviet Union, time and again, has demonstrated its effectiveness to block action which would interfere with their expansion, while we have become involved with the niceties of parliamentary procedure, we are likely to find that the Communists have accomplished what they have set out to do in the Western Hemisphere.

I hope that the United States will not make the mistake of becoming deeply involved in the niceties of parliamentary procedure. I hope that the United States Ambassador to the United Nations, our former colleague, will express what most of us in the Senate feel, and that he will follow that up with prompt, effective, and decisive action, in order to see that something is done. We must make sure that the people in Guatemala who are opposed to communism will win this particular battle.

Mr. JOHNSON of Texas. I do not wish to detain the Senator from Florida longer, other than to say that I am very proud that I am able to serve with a Senator of his vision and foresight. I certainly trust that the statement he has made today will serve notice to all the nations and peoples of the Western Hemisphere of the dangers which confront us, and will serve to awaken free people everywhere.

Mr. SMATHERS. I thank the distinguished minority leader for his generous words. Coming from one of his stature and position, they gratify me very much.

The sentiments he has expressed will, I am certain, give notice to the nations of the Western Hemisphere of what we propose to do.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the editorial to which I referred a moment ago, which was published in Diario Las Americas, the Americas Daily, of Miami, Fla.

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

THE UNITED STATES AND THE OTHER GOVERNMENTS OF THE AMERICAS SHOULD HELP ANTI-COMMUNIST GUATEMALAN PATRIOTS

The moment has now arrived for the Guatemalan people to rise up in arms against a dictatorial Communist regime which has allied itself in treasonable fashion with the Soviet Union to the detriment of both national and hemispheric interests, causing the outbreak of a conflict featured by Guatemalan fighting against Guatemalan and provoking the greatest rift in hemispheric security that has occurred in the history of pan-Americanism.

Inasmuch as native Guatemalan Communists have an even greater responsibility toward their own country than do their confreres abroad, their action which has resulted in the shedding of Guatemalan blood will hang heavy in the balance of history. The foreign agents of international communism have been busy negotiating the fate of the Guatemalan people and their dignity as a nation, but the greatest share of the blame must be shouldered by the homegrown traitors to the Guatemalan nation who have compromised the peace and security of their fellow citizens.

Now that the battle cry of freedom has sounded in the midst of flying bullets—a situation that has arisen despite the fact that peaceful means would have been preferable for overthrowing the Communist dictatorship—the titanic struggle facing the anti-Communist people of Guatemala in their fight against the forces mustered by Russia's totalitarian ally has placed the governments of the Americas on a delicate spot. The dilemma confronting them will not admit of half-way measures. Either those governments must be definitely on the side of the freedom-loving people of Guatemala or they must be on the side of a government that is bound to follow the directions which the Kremlin dictates to it.

Because of the extreme gravity of the current situation, because of the fact that a handful of brave men have launched themselves on a war to liberate their people and preserve American solidarity, and because of the fact that a force of Guatemalans are laying down their lives to fight a Soviet spearhead aimed at the heart of the Americas, the governments of this hemisphere should hasten to lend their moral and their material support to those in the land of the Quetzal who are confronting an ally of Soviet imperialism. The patriots fighting today in

Guatemala find themselves face to face with a government that recently received a $10 million shipment of arms from behind the Iron Curtain.

To abandon the Guatemalans at this time during a battle with historic significance for them and for the entire Western Hemisphere would be an act of injustice toward any people and it would be a gratuitous slap in the face to the fate of all the nations of the Americas. Just as happened in the case of Korea, when the immediate fate of the Americas was not directly involved, the Government of the United States should back up the anti-Communist forces of Guatemala, and it should be joined in this by its fellow American nations. Washington officials should not be alarmed that such action might be misinterpreted as an act of aggression against Guatemala; on the contrary, it could only be construed as intervention on the behalf of that nation. The current battle isn't directed against the Guatemalan people, but rather against a government that is being supported by the Kremlin. The nations of the Americas must not fail Guatemala in this historic moment.

The Communist-backed military might of the present Guatemalan Government must not be allowed to overwhelm the movement of liberation that has been initiated amidst bullets and sacrifices by a group of patriots inasmuch as hemispheric security would thereby be placed in jeopardy and the national dignity of Guatemala would be trampled underfoot.

Mr. SMATHERS. I thank the able Senator from Tennessee [Mr. GORE] for having yielded to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of 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, and that the House receded from its disagreement to the amendments of the Senate numbered 1 and 20 to the bill, and concurred therein.

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

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.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1954, he presented to the President of the United States the following enrolled bills:

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.

AGRICULTURE DEPARTMENT APPROPRIATION BILL, 1955—CONFERENCE REPORT

Mr. YOUNG. Mr. President, I submit a report of 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, and I ask unanimous consent for the present consideration of the report.

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

The legislative clerk read the report.

(For conference report, see House proceedings of Tuesday, June 22, 1954, pp. 8762, 8763, CONGRESSIONAL RECORD.)

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

Mr. GORE. Mr. President, reserving the right to object, I understand that the conference report was unanimously approved by the conferees.

Mr. YOUNG. Yes. The report was unanimously approved by the conferees.

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

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

NATIONAL ADVISORY COMMITTEE ON EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 7434) to establish a National Advisory Committee on Education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

WHITE HOUSE CONFERENCE ON EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 7601) to provide for a White House Conference on Education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

COOPERATIVE RESEARCH IN EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9040) to authorize cooperative research in education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

TRADE AGREEMENTS

The Senate resumed the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into

trade agreements under section 350 of the Tariff Act of 1930, as amended.

Mr. SMATHERS. Mr. President, will the Senator from Tennessee yield to me, for the purpose of suggesting the absence of a quorum?

Mr. GORE. I yield.

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

The PRESIDING OFFICER (Mr. WATKINS in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GORE. Mr. President, the United States foreign-trade policy is one of the most important questions the Congress will consider this year. It is the cornerstone of our foreign policy. It is the weathervane that points to fair or foul weather in our domestic economy. The foreign-trade policy we adopt can mean the difference between prosperous export trade and falling prices and unmanageable surpluses. It can mean the difference between a high level of employment and unemployment for American workers. It can mean the difference between prosperity and depression for American business. It can mean the difference between allied economic solidarity and stagnation of trade and economic division in the free world.

The President of the United States, in his foreign economic policy statement of March 30, gave eloquent testimony to the need for adoption by the Congress of the amendment which I have offered. He said:

> The United States stands ready and able to produce and sell more than the rest of the world can buy from us. The inability of many foreign countries to buy our goods in the volume we would like to sell does not arise from any lack of desire for these goods. Such is far from the case. Instead it arises out of the inability of these nations to pay—in dollars—for the volume we have to sell.
>
> Dollar grants are no lasting solution to this impasse. * * * The solution is a higher level of two-way trade. Thus we can sell and receive payment for our exports and have an increasing volume of investment abroad to assist economic development overseas and yield return to us. Greater freedom from restrictions and controls and the increased efficiencies which arise from expanding markets and the freer play of economic forces are essential to the attainment of this higher trade level.

Mr. President, the amendment which I have offered on my own behalf, and on behalf of 24 other Senators, is designed to accomplish those objectives which President Eisenhower so forthrightly outlined.

As the President submitted his program on March 30, he called it the minimum which he considered essential. And with that characterization I thoroughly agree. I was sorely disappointed that the President did not go further in his recommendations for trade liberalization, but I think he was taking a step in the right direction, and I rise now to support that step in the right direction.

I think the program he outlined is the absolute minimum which must be enacted. I agree implicitly with his warning that "Failure to so move will directly threaten our domestic economy, for it will doom our efforts to find ways by which others, through their own efforts, can buy our goods."

Mr. President, to enact only a 1-year extension of the reciprocal trade agreements law means that once again we will do nothing to bolster our sagging world trade. It means that for another year the President will not have the minimum weapons he needs to meet and counter the growing threat of the Communist trade offensive. It means that our markets abroad will continue to contract and ultimately vanish. It means that for another year our customers abroad will wonder what our long-range trade policy will be, when finally we make up our minds. It means that the Soviet and Red Chinese trade bait will look more and more tempting to our allies as they grow more and more restive and uneasy, waiting for the United States to study the question further, and perhaps eventually make up its mind.

Mr. President, the amendment I have offered upon behalf of myself and other Senators is in the nature of a substitute for the bill passed by the House of Representatives and reported to the Senate by the Finance Committee which provides merely for a 1-year extension of the existing law. The provisions of my amendment are substantially a verbatim version of H. R. 8860, introduced in the House of Representatives by Representative KEAN, of New Jersey. I am informed that members of the staff of the Randall Commission and officials of the executive department of the Government participated in the drafting of the bill. The amendment embodies the original recommendations of the administration.

In order that the Senate may be fully informed as to the scope of the amendment, I propose to take a few minutes of the Senate's time to explain its provisions.

Section 2 of the amendment provides for a 3-year extension of the basic authority of the President to negotiate reciprocal trade agreements. This 3-year extension will provide some assurance to our friends abroad with respect to the continuity of United States trade policy.

The basic authority for negotiation of trade agreements is contained in section 350 of the Tariff Act of 1930, as amended. Section 3 of my amendment makes certain modifications of existing law as recommended by the President.

Mr. President, I shall not repeat the detailed explanation of the bill, since it can be found in the CONGRESSIONAL RECORD.

At this time I wish to analyze the conditions of world trade, and indicate the necessity of acting now to adopt a liberalized foreign trade policy.

Last year the administration and the Congress delayed taking definitive action on an international trade program. It was argued—with some justification, I think—that time was needed for the new administration to study and familiarize itself with the problems of world trade. So we marked time by enacting a simple 1-year extension of the Reciprocal Trade Agreements Act. This meant that we would do nothing. And we did nothing, not one new trade agreement was made.

During that year of inaction on our part, the Russian and Chinese Communist trade overtures to the free nations of the world met with alarming success. Already Russia had concluded trade agreements with 15 of our allies, and Red China with 13. Both Red nations are moving relentlessly to broaden the scope and step up the tempo of trade with these allies of ours, allies who for years have been our best customers, allies upon whom we have depended to sell much of our surplus production.

The Reds are driving hard to take over our foreign markets and to leave us stuck with huge unsalable surpluses. They are trying desperately to establish trade relations with our allies, because they know full well that economic ties are pipelines of political influence. I am firmly convinced that the Communist trade offensive is but the economic arm of the Kremlin's plan for world conquest.

We have, meanwhile, as I have said, done nothing in the past 18 months to bolster our sagging foreign trade; and now it is proposed that we continue to do nothing. To such a course I cannot accede without protest.

The study asked for last year has been made; and based upon that study, the President on March 30, submitted cautious recommendations for liberalizing international trade; and with his report he issued the warning that "if we fail in our trade policy, we may fail in all."

Mr. President, I should like to read again the warning by the President of the United States, so recently sent to this body:

> If we fail in our trade policy, we may fail in all.

That is a clarion call for action. The study has been made, and the recommendation has been made. Now is the time to act. However, instead of action, we are asked to preserve what the protectionists are pleased to call the status quo. Mr. President, American workingmen who are losing their jobs because of the status quo do not favor it. Farmers whose foreign markets are vanishing are not in favor of the status quo. American business, feeling the pinch of last year's billion-dollar loss in export trade, does not favor the status quo. Instead, they want action. The requirements of the free world demand action, too. Are we to stand still, powerless to meet the threat of the Communist economic offensive? Are we to mark time for another year, while the Communists move boldly to capture our overseas markets and entice our allies into the Communist trade orbit? I fear that if we content ourselves with a 1-year extension of the Reciprocal Trade Agreements Act, the answer is "Yes."

The fact is that the authority to reduce tariffs under the act, which expired on June 12, is almost all used up. With the possible exception of negotiating an agreement with Japan, which may be impossible within a year's time—and later I shall make further reference to it—virtually no further reductions in tariffs

would be possible under a simple 1-year extension. It would but continue the prevailing uncertainty.

International trade is a long-range affair. Under a 1-year extension our allies will not be able to make long-range plans for participation in our market. Our allies will be unable to quote firm prices on orders which require more than a year to fill. Neither they nor we will be able to move with vigor and assurance to establish markets, for markets are not built in a year.

It is imperative that we let our friends abroad know what trade policies they can expect from us in the future, beyond June 12 of next year. We simply cannot afford to keep them on pins and needles, wondering each year what the next year will bring in the way of American trade policy.

It is urgent that we enact this year the program the President recommended on March 30. It is necessary that we give the President authority to stimulate trade among the free nations through selective tariff reductions. Such stimulation will go far to meet the Red trade offensive by giving our allies an alternate market for their surpluses. Also, it will create new markets for our own surpluses that are piling high in the Commodity Credit Corporation's storage bins and in industrial warehouses, with resultant unemployment of our working people. It will strengthen the bonds of friendship that bind the free nations together, if we will act forthrightly now, and it will do much to bolster their economies. Moreover, Mr. President, it will permit a large reduction in our foreign economic-aid programs.

The United States is the center of the free world economic system. We account for half the total production of the non-Communist world. We are the world's largest exporter and its largest importer. The economies of the free nations of the world are based upon our economy, and they watch us closely for any hint of change in our way of doing business. Further delay in adopting a long-range trade program adapted to the present-day economic facts of life is almost certain to cause a nervousness in the free world markets, a fear that in our vacillation, we may swing again toward a return to Smoot-Hawley days.

Though the administration may sincerely disavow the intent to turn back the clock to trade practices of the late twenties and early thirties, the high protectionist pressures abroad in this land—abroad, too, in the corridors of the Capitol right now—are enough to feed the fears of our allies. And the fact that the administration was unwilling to fight for its program this year will not be very reassuring to them.

Inaction on the part of Congress, and a mere 1-year extension will encourage apprehension among the free nations that we may be ready to lead the free world down the road to economic chaos and ruin like that which followed World War I.

Of course, many causes contributed to that great disaster, but chief among them were the international trade policies pursued by our Nation and other countries of the world following World War I.

That war had left a legacy of destruction, profound maladjustments, and dislocations. Reconstruction demanded the fullest use of the natural resources of the world, and the achievements of science, technology, economic knowledge, and economic interchange.

But such trade did not occur. Instead, our Nation and others embarked upon the road of narrow economic nationalism.

For a time the seriousness of the situation was obscured by reckless international borrowing and lending which took place for more than a decade following the war. The collapse, sooner or later bound to come, struck with a force that spared none, spreading economic ruin and depression throughout the world.

Still chasing the mirage of narrow nationalism and fancied self-sufficiency leaders of the world at that time, our own country included, made the fatal blunder of trying to cure our ills by increasing the dosage of the very poison that had brought our downfall. Unsalable surpluses piled up, arteries of commerce became choked and clogged, while millions of men became hungry and desperate, while farmers lost their farms through mortgage foreclosures. They had lost their markets, their opportunity to sell what they produced.

I say to the distinguished lady Senator, so new in this body, that the wheat producers in her area of the country are now facing the same prospect. A little later in my address I shall cite figures graphically to illustrate that point.

By 1933 some kind of emergency action had to be taken. Fortunately we had in our midst a man with foresight and wisdom, a man who visualized new horizons of expanded trade. He was a fellow townsman of mine from the hill country of Tennessee, former Secretary of State Cordell Hull. I am extremely proud of him and of his record. Boldly he strode forward and proposed the reciprocal trade agreements program to Congress.

Our own farmers and workers needed markets and jobs. Cordell Hull knew that to sell abroad, we would have to buy from abroad. He knew that trade was a two-way street. Exports and imports, he explained, are interdependent. To induce others to lower their barriers to our merchandise, we must be willing to reciprocate. So he asked the Congress to give the President authority to make reciprocal agreements with other nations for the reduction of tariff barriers and other impediments to trade. The 73d Congress gave the President that authority on a temporary emergency basis.

The formula worked. It served to help lift us from the depths of a great depression. It helped to hold together the free world economy and to fashion the sinews of victory in a horrible world war. It aided the heartbreaking reconstruction that followed the war. And now, following World War II, this same program, with amendment and improvement, with the liberalization recommended by President Eisenhower, can become a mighty weapon for bolstering our sagging export trade and building allied economic solidarity.

Once again, as was the situation following World War I, all the resources of the free world and all the science and technology are needed. So is the economic interchange of the products of men's labor.

At the end of World War II, these allies, formerly good customers of ours, lay devastated. To a large extent they had to liquidate their holdings abroad to carry on the war, and at the war's end they found themselves in a perilous situation. They could not produce what they needed to rebuild their shattered industry and barren agriculture, and they did not have the dollars to buy what they needed from us. In addition to their destitution, they were faced with a new threat—Russian communism, with its military threat, its economic offensive, and its political and subversive penetration.

In this situation, the reciprocal trade program by itself, obviously, was not enough. True, it facilitated the exchange of what little our allies had to trade. But until their industry and agriculture were rebuilt, they had little to trade. So the reciprocal trade program had to be supplemented with our foreign aid program—a program to get our allies back on their feet so they could trade again, a program designed to keep them from falling prey to an omnivorous Kremlin.

To our everlasting credit, as I see it, we recognized that our safety was bound up with the safety of our allies, that our long-range prosperity was contingent upon their prosperity, that our peace, indeed, was contingent upon their peace, that it was to our advantage to help rebuild their industries and agriculture, to help shore up their tottering economies. So we came forward with the Marshall plan and other plans for economic aid, rehabilitation, and military assistance.

To date we have spent more than $60 billion in economic and military aid to the nations of the free world. We have helped them along the road to recovery. Much of that money we spent went to bridge the dollar-gap between exports and imports. With this aid our exports grew, until last year they reached $15.7 billion. Had the gap not been bridged, the recovery of our allies would have been impossible, and our trade would have dwindled to dangerously low levels.

The free nations of the world have made remarkable recovery and they are eager to resume two-way trade. They must have trade, otherwise the industry and agriculture they have rebuilt will stagnate.

Though their recovery is remarkable, some of their economies are still shaky, and their currencies are not freely convertible. Others are under direct threat of Red economic and military aggression. For some the choice is trade or starvation. The President took cognizance of this situation in his recommendations of March 30, when he said:

> Unless we are prepared to adopt the policies I have recommended to expand export and import trade and increase the flow of our capital into foreign investment, our

friends abroad may be discouraged in their effort to reestablish a free market for their currencies.

They want to trade with the United States. They want to trade with the free world.

Our friends abroad are ready to resume trade. Their productivity, thanks to their effort and our help, is above prewar levels in most cases. Yet barriers to trade leave them all dressed up with nowhere to go, so to speak. As the President said:

Dollar grants are no lasting solution to this impasse.

We should no longer try to fill the dollar gap with major grants.

The solution is a higher level of two-way trade.

Those are the words of President Eisenhower.

The reciprocal trade formula that Cordell Hull gave us is still good, but, as the Randall Commission found, it needs revision. Even the best of programs must be kept abreast of the times, must be nourished from time to time with new enthusiasm and new ideas and improvements. The basic formula is still good and it will still work. A higher level of international trade still equals greater prosperity for American agriculture, for American labor, and for American business, and it still means economic solidarity for the free world. The Pythagorean theorem still works on any triangle, but the figures in the equation have to be changed as the length of the legs of the triangle change. Such is the case with the reciprocal trade program. All we need to do is substitute new factors in the equation to meet new circumstances.

"But," say those who counsel inaction, "give us more time to study."

Surely, Mr. President, this argument that more time for study is needed is not valid. When the reciprocal trade program was first enacted, its authority was extended for only 3 years. It was intended that at the end of the 3 years the Congress should review its application and operation. Congress did review the application and found that the program had worked well. So it voted another limited extension. In all, the program has been extended eight times, and each time appropriate committees of Congress have reviewed its application and found it worthwhile. Congress has, in fact, maintained a continuing study of our foreign commerce over the past 20 years. Each time the program came up for extension, extensive hearings were held and all who were interested were given an opportunity to testify.

For example, in 1940 the Ways and Means Committee held hearings for 20 days and these hearings filled 2,893 pages. In that same year the Senate Finance Committee held 9 days of hearings, filling 867 pages of testimony. On the 1949 extension, the Ways and Means Committee held hearings for a week and the Senate Finance Committee held 16 days of hearings. Only last year the Ways and Means Committee held 16 days of hearings and filled 2,028 pages. These recent hearings are available to all. The hearings, held over the past 20 years, are available to all. Since that time other studies have been made.

I digress to say that no problem has been so thoroughly studied by Congress as has the question of trade and the question of tariff policy.

Not only has Congress studied the situation, Mr. President, so have many other governmental commissions and committees. The reports for all these commissions have recommended a reduction of United States trade barriers, and a reciprocal reduction by other countries. I know of not one exception to that statement. Let me cite some of the commissions which have worked on this problem.

In 1950, Mr. Gordon Gray, former Secretary of the Army, undertook a job as Special Assistant to the President. He was called upon to make recommendations for charting the course of the United States in the field of foreign economic policies and programs. The Gray Report, issued in November of 1950, recommended that trade barriers be lowered. That report on pages 78 and 79 says:

There is a need to reduce import barriers not only to augment our already strained sources of supply but, by increasing the possibility of dollar earnings by Western European countries, to limit their requirements for economic assistance from the United States. * * *

The cornerstone of United States tariff policy since 1934 has been the reciprocal trade agreements program, under which the United States has negotiated, on a reciprocal basis, extensive reduction in United States import duties. * * * This program is admirably designed to continue to serve as the vehicle for the long-run tariff policy of the United States.

Mr. William H. Draper, who served as our special representative in Europe, reported to the President in August of 1952 on the political, military, and economic development in Europe during the 6 months ending June of 1952. In a discussion of our economic-aid programs, he had this to say:

During the past few years * * * we have been taxing our own people to pay for the huge excess volume of resources—both raw materials and manufactured goods—which we have been shipping to Europe.

I digress to say to my friend, the distinguished senior Senator from Delaware [Mr. WILLIAMS], that I hope the time will come when we can sell and be paid in full. I hope the time is not too far away when we can end economic aid, the gifts of money, with which European countries buy our goods.

I return to the quotation from Mr. Draper:

To maintain our present volume of export trade, and at the same time to be paid in full, we must greatly increase our imports from Europe and from the other parts of the world.

If this simple truth were clearly understood and accepted by our own people, regardless of party, the next administration—

This was before the change in the administration and before the new Congress came into office—

and the new Congress would doubtless find ways and means to gradually accomplish the desired results. Among other methods to this end, I would suggest reaffirmation and extension of the reciprocal trade agreements program, enactment of proposed legislation for simplified customs procedures and the progressive lowering of other import restrictions and duties. Such a policy would increase Europe's capacity to pay without correspondingly reducing our exports. I believe adoption of this policy would directly benefit the United States by increasing its economic, and eventually its military, security.

It is pretty hard to misunderstand the import of Mr. Draper's recommendations. They are blunt and forthright.

In June of 1952 still another Commission reported. This was the Paley Commission—the President's Materials Policy Commission. The Paley Commission made recommendations "for policies and programs which they believed will help the United States and the free world toward greater economic and industrial strength and reinforce our joint security against aggression."

The Paley Commission found:

The Commission believes that the reciprocal trade program should be carried forward and its authority expanded. Under this time-tested system the Government should continue to reduce duties on raw materials in which the United States is deficient.

During the latter part of 1952, the Public Advisory Board for Mutual Security made a searching reexamination of United States trade and tariff policies. This Board was made up of representatives of agriculture, labor, business, and other distinguished citizens, and was headed by Daniel W. Bell. The Bell report, released in February of 1953, had this to say about trade restrictions:

Immediate action in formulating and carrying out a better United States trade policy is in the national interest and is vital to the strength and unity of the free world. Unless this country is prepared to increase its imports, * * * the United States exports will decline and American industry and agriculture will be seriously affected.

Mr. President, I wish to point out that this prophecy by that Commission of outstanding men, under the chairmanship of Mr. Bell, was made in February of 1953. In the light of what has happened since that time, I wish Senators would examine the validity of that prediction. Let me repeat:

Unless this country is prepared to increase its imports, * * * the United States exports will decline and American industry and agriculture will be seriously affected.

Later on in my address I shall detail how seriously American agriculture, American business, American labor, and American economy have been affected by the loss of our export trade. Continuing the quotation:

Our guiding aim should be, by national and international action, to increase production, trade, and consumption of goods, and to eliminate unnecessary trade barriers and all forms of discriminatory treatment in international commerce, thus contributing to an expanding world economy, to the establishment and maintenance in all countries of rising levels of employment and real income, and to the creation of economic conditions conducive to world peace.

Mr. SPARKMAN. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. SPARKMAN. I do not wish to anticipate anything the Senator from

Tennessee may say later in his speech, but I was particularly attracted by the very end of the quotation which he read. The able Senator digressed a little from the quotation to say something about what he would discuss later in his very excellent speech—the impact on American industry and agriculture by reason of our failure to develop a good, lively, healthy world trade. In the concluding remarks of Mr. Bell he said: "and to the creation of economic conditions conducive to world peace."

I am of the opinion that one of the great problems confronting us today is how we are going to make a contribution to world peace by encouraging a good, healthy trade relationship among the nations of the world, particularly the free nations of the world.

I believe it has been freely predicted that if the Kremlin is ever able to break down the alliance which has been steadily growing among the free nations of the world, it will be through the channels of trade. Of course, we see nations, particularly in Western Europe, drawn inevitably toward the Iron Curtain countries by various demands in connection with trade. They are required to trade with those nations under present conditions. If the Senator does not intend to comment on that phase of the subject later on, I wish he would comment on it at this time.

Mr. GORE. I have already commented on it to some extent, and expect to comment further, later on in my remarks, but I shall at this time give a brief response to the able commentary of the distinguished Senator from Alabama. What he has said illustrates the fact that trade is a two-edged sword—not only a two-way street, but a two-edged sword. Our foreign-trade policy must be coincidental to our foreign policy because friendship follows the trade routes. If we are able to maintain the mutually healthy trade relations of the free world community, we shall have lasting ties of friendship. If, however, we lose those ties and they are acquired by Red China and Red Russia, then the advantage of the trade route is on their side.

As I said earlier, it is already indicated how effectively they have moved in the past year and a half while we have been doing nothing. While we have a do-nothing policy with reference to foreign trade, Russia has entered into trade agreements with 15 nations whom we regard as our allies. Red China has entered into trade agreements with 13 nations whom we regard as our allies. Does the Senator think that is conducive to the kind of peace which the United States desires?

Mr. SPARKMAN. If the Senator will yield further, of course I think that is a very well and carefully thought-out design in which the Kremlin has engaged, with the purpose of drawing away from us, easily and more or less painlessly, nations which we thought were bound to us by ties of friendship. It was bound to have an effect, because there are certain necessities which such nations cannot overlook.

A few days ago there was a little exchange on the floor somewhat along this line. As I recall, I remarked that only a few days before that someone who I had good reason to believe knew what he was talking about, was telling me about the great need in Italy of coal. The Italians would willingly buy American coal at $18 or $20 a ton, for that would be the price at which it could be bought, except for the fact that they have no dollars with which to buy it. But Russia, on the other hand, was glad to work out a plan whereby Italy could obtain coal from Poland. A similar plan could be worked out with Denmark and with other countries.

The free countries of Europe must have these articles. If they cannot get them from us, then, of course, they will turn to whatever place from which they can get them.

The Senator from Tennessee has well pointed out the fact that both Soviet Russia and Red China have taken steps to make it easy for the countries of Europe to trade with them and with their satellites. In other words, everything possible has been done to encourage such trade and to make it possible for the countries of Europe to obtain the things they need from whatever country where they may be available, under the sphere of influence of the Kremlin.

Mr. GORE. I thank the Senator from Alabama for his statement. I heard the remarks of the able Senator a few days ago, to which he has made reference. I was surprised at that time to hear the statement made that American coal could undersell Polish coal in Western Europe. I did not question the accuracy of the Senator's information, but I must say that I was surprised at the time, so I made inquiry about it. The Senator's statement is verified by the facts. The Coal Exporters Association of the United States has informed me that it can successfully meet the competitive price for coal in Eastern or Western Europe. Furthermore, when compared with price and quality, American coal can undersell Eastern European coal. Yet what do we find? I should like Senators who are disturbed about unemployment among coal miners to consider this.

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

Mr. GORE. I yield.

Mr. MANSFIELD. The Senator from Tennessee is delivering a very able speech, and he is quoting the remarks of a number of distinguished Americans relative to the situation in respect to our foreign trade policy. If I may have the attention of the Senator for a moment, I desire to read a quotation from a statement by a distinguished American, which I am certain the Senator will find to be of interest. On July 3, 1951, this man said:

> Progress is hobbled by a web of customs barriers interlaced with international agreements, multilateral cartels, local shortages, and economic monstrosities. How tragic. Free men, facing the specter of political bondage, are crippled by artificial bonds that they themselves have forged and they alone can loosen. Here is a task to confront the wisest statesmen, the best economists.

That remark was made on July 3, 1951, by Gen. Dwight D. Eisenhower, who was then Supreme Commander of the Allied Forces in Europe.

As I understand the Senator's statement, he is backing up the President's original contention that he should have a 3-year extension of the reciprocal trade program. Is that correct?

Mr. GORE. I am supporting the request of the President in his message to Congress on March 30. I may say now that the public address by President Eisenhower last evening strongly supports the amendment which I have introduced, and strongly supports the statement by General Eisenhower in 1951, which the distinguished Senator from Montana has just read.

Mr. MANSFIELD. Yes. I think the Senator from Tennessee is doing the President a real service in carrying out the President's program as he originally requested it, and certainly as it is in accord with the recommendations of the Randall Commission.

I think we have had enough in the way of postponement and the creation of numerous commissions to study problems to which we already know the answers. I sincerely hope that the Senator from Tennessee is successful in his endeavor to back up the President's program, because I believe it to be in the national interest.

Mr. GORE. I thank the distinguished Senator from Montana. He is one of the really thorough students of international affairs in this body and in America. It is because of his latter statement that I am supporting the program of the President. I believe it to be in the national interest. I believe it to be in the interest of peace and security in a free world.

Mr. SPARKMAN. Mr. President, will the Senator yield before leaving this point?

Mr. GORE. I yield.

Mr. SPARKMAN. I am glad the exchange between the two able Senators has made clear the point that the proposal of the Senator from Tennessee is really in support of the President's program. To be frank, I had been a little disturbed to know where we who are cosponsors of the amendment offered by the Senator from Tennessee stood on the question. I did not know whether we were to be classed as opponents of the President or as coattail riders. As someone close to the President has described us, whenever we opposed the President's program, he said we were opposing for the sake of opposing; but when we supported the President's program, we were coattail riders. I suppose that in this case we are coattail riders. Is that correct?

Mr. GORE. I beg to suggest a different title for our group, which I am happy to say is growing. We are bipartisan supporters of an enlightened foreign trade policy.

Mr. SPARKMAN. The remark I made was wholly facetious. I entirely agree with the Senator from Tennessee. I think that when this session of Congress comes to an end, we on this side of the aisle can chalk up an impressive record of trying to have enacted the impressive program which the President submitted to Congress earlier in the year.

If I may return to one point, before we leave this particular part of the discussion, the Senator from Tennessee made

a statement with which I am concerned, namely about the economic welfare of the coal miners of the United States. We speak about being undercut in the sale of coal to our allies in Europe. There is in my State a county, the principal industry of which is coal mining. The population of that county is 63,000. Today, 24,800 persons are on relief.

Mr. GORE. The same situation prevails in the State which is represented so ably by the distinguished senior Senator from Kentucky [Mr. CLEMENTS].

Mr. SPARKMAN. Yes; that is true wherever there is coal mining. In the county to which I have reference, the unemployment situation is almost as bad as it was in the dark days of the early 1930's.

I was utterly amazed to learn that in that one county of 63,000 population, 24,800 are living today in conditions we do not like to hear described, and they are living because of the availability of surplus farm products which the Government has been distributing there.

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

Mr. GORE. I yield.

Mr. CLEMENTS. I can confirm what the distinguished Senator from Alabama has said. There are breadlines in the coal-mining areas of my State. As a matter of fact, Kentucky and West Virginia are the two States in the Nation in which unemployment is the greatest; and a large percentage of the unemployment in the coal-mining areas is not only among coal miners, but among persons who are dependent for their living upon successful coal operations.

Mr. GORE. I, too, represent a number of unemployed coal miners. I venture the prediction that if the do-nothing foreign-trade policy is not changed, more coal miners will become unemployed.

Not only are we losing markets for coal, but as we lose markets for iron and steel products, there results a lessened demand for coal with which to fabricate such iron and steel products, and that causes more unemployment. Jobs are lost in the railroads which move coal cars to the ports. In fact, whenever we lose $5,500 worth of exports, it can be chalked up that one job for an American worker has been lost.

The coal miners have a deep interest in maintaining foreign markets and export trade. As has been cited in the Senate, Western Europe is now buying coal from behind the Iron Curtain. Why? Not because the purchasers of the coal would not prefer American coal, not because American coal cannot compete both in quality and price, but because the purchasers do not have the American dollars with which to pay for our coal. If we establish mutually beneficial and prosperous trade relations, more American coal could go into the furnaces and onto the hearthstones of Western Europe.

In view of the known facts, which seriously affect our own economy and that of the free world, it is difficult to understand why we are now being asked to continue a do-nothing policy. I have indicated that the only suggestion I have heard by way of a reason for inaction is that further study be given to the question. Prior to the colloquies with my distinguished colleagues, I had cited several studies that had been made. I now wish to cite a few more, and also to read the conclusions, which, without exception, recommend a liberalized foreign-trade policy.

In August of 1953, Lewis W. Douglas, a distinguished public servant of long standing, made a report to the President on his mission, following financial and economic conversations held between representatives of the United States and the United Kingdom at Washington in March of last year. In the report Mr. Douglas gave his views on the questions of trade and currency, particularly as they relate to the problem of imbalance between British sterling and the dollar. He stated:

> It is for us as soon as possible to commence to remove from our own policies the impediments to freer trade and currencies. * * *
>
> Long ago we became the world's greatest creditor. We can no longer pursue the protectionist policies of a debtor nation and hope to escape from government intervention, restrictionism, state planning and discrimination against American products in the international markets.

In November of 1953, Mr. Milton S. Eisenhower, brother of the President, made a tour of Latin America at the direction of the President to seek ways in which the traditional bonds of friendship between the United States and the nations of Latin America might be strengthened. Among the recommendations for strengthening economic relationships, the President's brother urged:

> That the United States adopt and adhere to trade policies with Latin America which possess stability, and with a minimum of mechanisms permitting the imposition of increased tariffs or quotas. I consider this matter of stability and consistency the outstanding requirement.
>
> The nations of Latin America pay for what they obtain from us. Their purchases from us are governed almost wholly by the volume of our purchases from them.

In addition to all these studies, in addition to all the congressional hearings, in addition to the magnificent study given to the problem by the distinguished Senator from Colorado, the Randall Commission, composed of outstanding Americans, and bipartisan in character, made an exhaustive study and report. Based upon that report, the President submitted his recommendation and urgently requested action.

No, Mr. President, further study is not our need. Now is the time for action. Further study would be sheer procrastination.

Mr. President, I was disappointed to learn that the distinguished and illustrious Senator from Colorado [Mr. MILLIKIN] did not endorse the report of the Randall Commission, but, instead, submitted minority views. I had hoped that eventually our distinguished friend would discover that he was in the majority. His party controls the Congress; the President is a member of his party; yet my distinguished friend nevertheless submitted minority views.

Mr. President, no trade policy can serve the needs of the United States unless adequate account is taken of the effects of that policy on America's ability to defend herself.

America's military defense demands require essential domestic production, of course, but it also demands imports of raw materials and products not available in the United States. It requires, too, strong friends.

We hope to have enough of the essential materials on hand so that if war should break out unexpectedly, strategic stockpiles and production would tide us over the initial emergency.

Our stockpile program is one means by which we are protecting ourselves from being caught short in an emergency. Our stockpile goals have been set by estimating the amounts that an emergency would require, taking into account the production which could be expected from the United States, Canada, Mexico, and other accessible sources. As of March 1954, we had substantial stockpiles in 75 critical commodities, totaling about 70 percent of our stockpile goals, and representing a total value of $4 to $5 billion. But an emergency might prove these goals woefully inadequate.

Then, not all scarce products can be stockpiled. For example, ground lenses, jeweled bearings, and certain machine tools, which may be badly needed in large quantities in time of crisis, must be shaped to particular specifications; and these specifications change with such rapidity that a complete stockpiling program is not feasible. Indeed, a complete stockpiling program is not at all feasible.

Moreover, new developments create new necessities, adding to our requirements.

Technological and military advances, such as the new bomb sight, new radar equipment, guided missiles, jet and tank engine parts, offer dramatic examples of the use of strategic materials. Copper, quartz, crystals, mica, nickel, cobalt, tungsten, manganese, columbium, and uranium are only a few of the materials essential to the manufacture of modern equipment for modern war.

We already consume approximately half the industrial raw material output in the free world; and changes within the past decade have made it evident that our current requirements for a wide range of metal and mineral products have outstripped the productive capacity of our domestic industry and resources.

Allies are, in fact, militarily essential. We cannot, in spite of our tremendous economic and military strength, go it alone, as some soft-hearted, head-in-the-sand thinkers would have us try to do. America spends billions of dollars annually on military production; and, as all of us know, military production is a voracious consumer of raw materials.

Where does America get its strategic materials for its own and the free world's military production?

Mr. President, the distinguished junior Senator from Montana [Mr. MANSFIELD] recently propounded to me, on the floor of the Senate, a question about our resources of strategic materials and the necessity for the United States to depend upon foreign sources of such materials. I wish to call his attention to the few to which I shall now refer.

From the Belgian Congo we get most of our cobalt, for which we are 95 percent dependent upon foreign supply.

From Nigeria we get columbium, for which we are heavily dependent on foreign supply.

From Mexico and Canada we get copper, for which we are 35 percent dependent on foreign supply.

From Chile and Canada we get our iron ore, for which we are 8 percent dependent on foreign supply.

From India and other countries we get manganese, for which we are 90 percent dependent on our foreign supply.

From India and Brazil we get mica, for which we are heavily dependent on foreign supply.

From Canada we get nickel, for which we are very heavily dependent on foreign supply.

From southeast Asia and Bolivia we get tin, for which we are almost completely dependent on foreign supply.

From Bolivia, Portugal, Spain, and Brazil we get tungsten, for which we are 52 percent dependent on foreign supply.

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield to me?

The PRESIDING OFFICER (Mr. BARRETT in the chair). Does the Senator from Tennessee yield to the Senator from Montana?

Mr. GORE. I yield.

Mr. MANSFIELD. In line with what the distinguished Senator from Tennessee has been saying—and it is most important, because it emphasizes our dependence upon strategic materials that are obtained from abroad—I should like to call his attention to an article which appeared in the Marine Corps Gazette for December 1953. The article relates to the materials needed for the production of one M-47 tank. The figures are as follows:

It takes 1,915 pounds of chromium, of which 100 percent is imported.

It takes 950 pounds of manganese, of which, as the Senator from Tennessee has pointed out, 90 percent is imported.

It takes 520 pounds of nickel, of which approximately 99 percent is imported.

It takes 6,512 pounds of bauxite, the ore of aluminum, of which 65 percent is imported.

And it takes 1,418 pounds of copper, of which 35 percent is imported.

Those are the figures for the production of but one M-47 tank, just one of the vital instruments in our security program. The figures show how dependent we are, in connection with the production of only one tank, upon strategic raw materials which, of necessity, we must obtain from abroad.

I call this matter to the attention of the Senator from Tennessee, so that the fine argument he has made with respect to our dependence upon imported strategic materials may be fortified to that extent.

Mr. GORE. I thank the able Senator from Montana. From his statement it is clear that if the United States were to be cut off from foreign sources of supply of strategic materials, our military-construction program would be seriously and dangerously impaired.

Mr. SPARKMAN. Mr. President, will the Senator from Tennessee yield to me?

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. GORE. I yield.

Mr. SPARKMAN. The Senator from Montana mentioned bauxite. The Senator from Tennessee did not include it in the list he submitted. As a matter of fact, prior to the statement by the Senator from Montana, I had wondered why the Senator from Tennessee had not mentioned bauxite.

The Senator from Montana said we obtain 65 percent of our bauxite by means of importations. As a matter of fact, what to my mind is even more important is embodied in the last statement made by the able Senator from Montana. With respect to the importation of various metals and materials, in what position would we be in the event our lines of communication with other countries were cut in time of war? I am sure the able Senator from Tennessee, who, in part, represents a State that, prior to the beginning of World War II, manufactured and fabricated virtually all the aluminum made in the United States, recalls that during World War II, enemy submarines entered the Gulf of Mexico and operated directly off the mouth of Mobile Bay and off the mouth of the Mississippi River, with the result that our importations of bauxite from South American countries were completely shut off for a period of time, and then we were confronted with a situation in which we knew that our domestic supply of bauxite could not possibly enable us to continue over a very long period of time the production of the war planes we vitally needed. Of course, as time has gone on and planes have become larger, more weight has gone into them, and more aluminum has been required. We have continued to use a part of our supply. The situation certainly has not improved, but has become worse, if anything. The threat which the Senator mentions certainly would be just as real in the event of another war as we saw it become in the last war.

Mr. GORE. I thank the able Senator from Alabama. I had not listed bauxite. In a brief list one cannot set down all the imports which we must have. It indicates that we are dependent both upon imports and upon exports. Of course, we do not have to export in order to live, but we must export in order to have prosperity at home, and we must export in order to supply our friends in the community of free nations with the things necessary for their own economic well-being.

In addition to the strategic supplies which can be publicly listed, the distinguished Senator knows that we are in dire need of certain imports to which no reference may be made at this time.

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

Mr. GORE. I yield.

Mr. SPARKMAN. The able Senator from Tennessee mentioned manganese. He knows that over the years we have obtained a good part of our manganese from Soviet Russia. From time to time we hear a great deal about trading with the Iron Curtain countries. I am not certain that we are now getting any manganese from Russia. Does the Senator know whether or not we are still importing manganese from Russia?

Mr. GORE. If we can buy it we will. I know of no recent shipments. We are now obtaining a great deal of manganese from India.

It is clear, then, that were the United States to be cut off from our strategic sources of supply, our military production would be seriously and dangerously impaired. Our ability to maintain a high level of defense production is directly related to our access to world sources of strategic supplies, as the facts cited by the able Senator from Alabama and the able Senator from Montana prove. Military considerations, therefore, must be given more and more weight in the determination of our foreign trade policies. And our foreign trade policies must be liberalized to preserve our military security.

More and more, our domestic industrial prosperity depends upon access to world resources.

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

Mr. GORE. I yield.

Mr. MANSFIELD. Is it not sound security policy to conserve what resources we have and to bring in as much as we can from the outside, provided our own domestic economy is not interfered with? I raise that question with this thought in mind: At the present time we are dependent upon the Belgian Congo for the importation of uranium. We are going to Labrador and Venezuela for iron. We are going to India for manganese, and we are going to other parts of the world for various other necessary strategic materials. If we continue to deplete our own resources we shall become more and more a "have not" nation. If my information is correct, at the present time we are dependent on outside sources for our strategic materials to the extent of more than 50 percent. As time goes on and as our own resources become depleted, we shall become more and more dependent upon the outside world.

The distinguished Senator from Alabama [Mr. SPARKMAN] raises the question as to how far we can go along this line and live. Can we consider ourselves anywhere near self-sufficiency when we are dependent to so great an extent upon outside sources for things which are needed in our own security?

Mr. GORE. We are not self-sufficient. In this modern day there is no such thing as self-sufficiency for this great Nation.

The Senator has raised a very interesting and important point. Where should we fix the policy with respect to exhaustible resources? I do not claim to have the answer to that question. It seems to me that we could unwisely go to extremes in either direction. What appears to the junior Senator from Tennessee as being a course of wisdom is stockpiling of exhaustible resources here in America from foreign sources in time of peace. I would not eliminate domestic production which is necessary for the employment and prosperity of our people; but I would encourage domestic

production. Also I would encourage the importation of strategic supplies, and build up a safe stockpile.

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

Mr. GORE. I yield.

Mr. SPARKMAN. I noticed in the press this morning a headline—I did not read the article—to the effect that the President had authorized the setting aside of $300 million additional, I believe, for stockpiling purposes. I ask the able Senator from Tennessee if he knows whether or not that is additional money, over and above what had previously been planned, and whether its purpose is to do the very thing the Senator has just mentioned.

Mr. GORE. I, too, noticed the Presidential request for supplemental funds for the stockpiling program. I believe it is in line with the statement I have just made. During the time I was a Member of the other body I served on a subcommittee which handled appropriations for the stockpiling program. I believe the statement which I have made is not very far away from the policy of the Government in that regard.

Experience has taught us that something more than our own economic and military strength is required if our national security is to be preserved. Our fate is inextricably related to the peace and well-being of the nations of the free world.

Furthermore, the economic and military strength of our friends abroad is even more dependent than is our own upon a high level of trade with us and with each other.

Fortunately, the nations of Western Europe have recognized the fact that an expansion of trade which is so essential to their survival will be fostered by the elimination of trade barriers. They have acted to set up the Organization for European Economic Cooperation of which the following nations are members: Iceland, Netherlands, Belgium, Ireland, United Kingdom, Luxembourg, France, Italy, Portugal, Norway, Sweden, Denmark, West Germany, Switzerland, Austria, Triesta, Turkey, Greece.

Together these 18 countries cover an area of 1,345,000 square miles which is less than half that of the United States.

The population of these countries is almost twice as large as that of the United States. This means that whereas there is an average of 53 persons per square mile in the United States, there are 207 persons per square mile in Western Europe.

Today both in agriculture and industry, European production is well above prewar levels. Agricultural production had dropped heavily after the end of the war. And in 1948 was still 7 percent below its prewar level.

Today, however, it is 20 percent above that figure.

Industrial production by 1948 had already been restored to the prewar level. From 1948 to 1953 industrial production increased to 41 percent above that level. Since 1948 European industrial production has increased its output at about the same rate as the United States.

The European nations have made great progress in cooperating with one another, and great progress in building up their production, but certain basic problems have not yet been resolved.

The remarkable increases in European productivity that have been in large measure the product of Marshall plan aid and other such programs, have changed the complexion of Europe's economic problems. With increased productivity and increased output of agricultural and industrial products, Europe must now look for markets for its products. These markets are either here in the United States, in the Soviet bloc, or between themselves and other nations. The Western European countries have made substantial progress through the Organization for European Economic Cooperation in the direction of liberalizing trade within the region. But this is clearly not enough. For Europe as a major industrial power must look outside its own region for the markets for its manufactured commodities and for the sources of its raw materials and foodstuffs.

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

Mr. GORE. I yield to the very distinguished and able senior Senator from Illinois.

Mr. DOUGLAS. Is it not true that prior to 1914 Eastern Europe—Poland and Russia—exported wheat to Western Europe, and Western Europe, in turn, sent manufactured goods to Eastern Europe?

Mr. GORE. That is a historical fact.

Mr. DOUGLAS. While World War I and the Communist rise to power and the decrease in the productivity of the wheat farms of Russia caused a falling off in that trade, it may reassert itself at any time.

Mr. GORE. It has already.

Mr. DOUGLAS. Russian wheat may become a competitor of American wheat, with the result that not only will the export of wheat from the United States be shut off, but, since political ties tend to follow in part economic movement, Western Europe will move from the United States politically and move toward a quasi-alliance with Eastern Europe, unless we expand our trade with Western Europe.

Mr. GORE. I believe the statement of the able Senator from Illinois is correct. Trade between Eastern Europe and Western Europe has followed a historical pattern. It did not end with World War I, although it was disrupted. It resumed after the conclusion of World War I. That east-west trade continued in large volume until the outbreak of World War II. A very determined effort is now being made to resume that trade despite the moral sanctions which the United States has requested against that trade with Iron Curtain countries. I shall make detailed reference to that fact a little later in my address.

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

The PRESIDING OFFICER. Does the Senator from Tennessee yield further to the Senator from Illinois?

Mr. GORE. I yield.

Mr. DOUGLAS. A few days ago the Senator from Tennessee, in the very able address he then made, called attention, as he has done today, to the fact that European prosperity had increased as trade between the Western European countries had increased, with a lightening of trade barriers. Is it not true that the prosperity of the United States is largely based upon the fact that we do not have tariff barriers within this country? If we had tariff barriers between the different sections of the United States we could not have the geographical specialization of labor we now have. Is that not correct?

Mr. GORE. I believe that to be true. I believe it is also true that as each section of the United States has had economic development, all sections of the United States have been benefited thereby.

Mr. DOUGLAS. Is it not extraordinary that our friends on the other side of the aisle never seem to be able to learn that lesson, that the high prosperity of the United States is due to the fact that we have few trade barriers within the country?

Mr. GORE. The able Senator from Illinois is a bit discouraging. I have been thinking that the able junior Senator from Colorado [Mr. MILLIKIN] was undergoing a change of conviction and that I had about persuaded him. Perhaps the Senator from Illinois is correct.

Mr. DOUGLAS. Has the Senator from Tennessee detected any signs pointing in that direction which are not visible to my eyes?

Mr. GORE. Well, it seems that way to me.

Mr. DOUGLAS. The Senator from Colorado is most deceptive in manner.

Mr. MILLIKIN. The Senator should explain that statement.

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

Mr. GORE. I yield to the able Senator from Arkansas.

Mr. FULBRIGHT. With regard to the statement made by the Senator from Illinois, and to make the point even clearer, it should be remembered that the barriers which did exist within the United States were created in the form of freight rate differentials, and when they were recently abolished there occurred a great upsurge in the prosperity of the South, against which that form of trade barrier had been directed.

Therefore it is clear that what the Senator from Illinois [Mr. DOUGLAS] stated in the beginning is generally true, namely, that the prosperity of our country is largely dependent upon the freedom of trade between the States, but I cite a specific instance, such as the situation in the South, where there was a great upsurge of prosperity when the trade barrier in the form of freight rate differentials was removed. Therefore it is clearer than ever before that obstructions to trade hold back the development of the trade of the whole country.

Mr. GORE. Is not the example of the United States the world's outstanding example of economic interchange to the mutual advantage of all?

Mr. FULBRIGHT. Exactly. I wonder why it is so difficult to educate some of our people about the advantages, when they seem so clear, if we look at the subject objectively without any ulterior

motives. All the textbooks confirm that view. I know of no real strong school of thought in the so-called intellectual field—if it is permissible to refer to that field in this body—that would indicate that restrictions on trade are for the benefit of the people generally. What does the Senator from Tennessee believe is the reason that it is so difficult to persuade our friends on the other side of the aisle on this question?

Mr. GORE. They want to study it some more.

Mr. FULBRIGHT. They want to study it some more? Does the Senator not believe that they have had sufficient opportunity to inform themselves on it?

Mr. GORE. I have expressed the opinion already that no other subject in American history has been studied so much as has this subject. I believe ample study has been given to it. Commission after commission, committee after committee, congressional committee after congressional committee, and most recently, the Randall Commission, have submitted their reports. Action has been requested, and now is the time to act. Instead, what do we have? We have procrastination and a request for continuing a do-nothing policy, which I believe is leading us to disastrous results.

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

Mr. GORE. I yield.

Mr. DOUGLAS. Is it not difficult for information and education to pierce through after a century and a quarter of miseducation?

Mr. GORE. The able Senator from Illinois was a distinguished educator, while the junior Senator from Tennessee was a country school teacher. Therefore the Senator from Illinois would be far more able to express an opinion upon the difficulty of intellectual penetration than would the junior Senator from Tennessee. However, I recognize the problem, and I am working hard on it.

Despite the improvement in Europe's economic position, trade relations with the United States remain out of balance. The familiar catch word "dollar shortage" still aptly describes Europe's trading problems. Despite the fact that the dollar shortage has diminished, it should be recognized that in fact it has been concealed by a reduction in United States exports. That is important. We hear it said that the dollar gap is closing and that it is becoming smaller. Why? One reason is that we are losing export markets. Another reason is the extraordinary expenditures for military purposes which we are making in Europe, and yet another important reason is the restriction on imports from the United States by Western European countries. This closing of the dollar gap for a few months can be very deceptive unless it is carefully examined. The dollar shortage is, after all, only a symptom of certain basic economic maladjustments in Europe's trade with us. It reflects the need for the increased stability of our demand for European products. Western European nations will take from us the things which we have in surplus and which we need to sell, and we will take from them the things which we need.

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield at that point?

Mr. GORE. I yield.

Mr. DOUGLAS. The Senator from Tennessee in his very able address yesterday, as well as the Senator from Virginia [Mr. ROBERTSON] and the Senator from Arkansas [Mr. FULBRIGHT], emphasized the fact that 2 or 3 years ago we exported approximately half our wheat, three-eighths of our cotton, and one-fourth of our tobacco. As the Senator from Tennessee pointed out, last year those exports in some cases were cut in half, in other cases seriously decreased, and that this year the situation is even worse. What is that going to do to the problem of disposing of our cotton crop, our tobacco crop, and our wheat crop?

Mr. GORE. I have already indicated what it is doing to tobacco, wheat, and cotton. I should like to bring the question right home to the able senior Senator from Illinois. What is it going to do to our surplus of feed grains? At this time Western Europe is buying 21 percent of its livestock feed grains from Iron Curtain countries. Meanwhile, corn farmers in the State represented so ably by the distinguished Senator from Illinois are faced with restrictions upon their production and with enormous unmanageable surpluses.

Mr. DOUGLAS. Is it not also true that the United States has a positive advantage in the production of farm machinery, earth-moving machinery, computing machinery, and certain forms of electrical equipment, but at the present time the exports of these manufactured articles are in part shut off by the inability of Europe to ship goods to us?

Mr. GORE. That is very true. The able Senator from Illinois, before coming to the Senate, was a distinguished economist. I do not know how long that title will last on the floor of the Senate, but before his arrival here he was recognized as one of the outstanding economists of the United States. Will he not agree that with the loss of approximately $5,500 in export trade, an American job is lost?

Mr. DOUGLAS. That is approximately correct.

Mr. GORE. Before we leave the wheat, tobacco, and corn problem, about which the Senator from Illinois has interrogated me, I wish to point out that wheat exports declined 158 million bushels from 1952 to 1953. This is more than enough to offset the production from the 7-million acre reduction which Secretary Benson announced this week.

The Senator asked me what effect it will have on the American wheat farmer. I say it has already had a disastrous effect. The bins are piled high. It is having a disastrous effect upon the American taxpayer who is having to foot the price-support bill in connection with surplus commodities. Will the Senator agree with that statement?

Mr. DOUGLAS. Yes.

Mr. GORE. The Senator asked about cotton. In 1952 the United States exported 36 percent of its cotton production. In 1953 it exported 20 percent of its cotton production. The outlook for this year is even worse, and it is predicted that within the next few days the Secretary of Agriculture will proclaim even more stringent restrictions upon the production of the American cotton farmer. Does the Senator think the farmer likes to maintain the status quo? We are asked to keep the status quo—to do nothing.

From 1951 to 1953 we exported from 20 to 60 percent of the annual production of the crops I listed above. However, from 1951 to 1953 the percentage of our national agriculture production that we exported dropped 50 percent. In 1951 it amounted to about 4 billion but last year it was only about 2 billion.

Specifically, in 1951 we exported 24 percent of the lard produced in this country, but last year exports fell to 17½ percent of domestic production. In 1952 we exported 39 percent of production of grain sorghum, but last year exports dropped to 12½ percent of production. In 1951 we exported 36 percent of our wheat and in 1952 those exports rose to 48 percent of production, but last year dropped to only 24½ percent of production. Meanwhile, Commodity Credit stores of wheat increased more than 300 percent—from 143 million bushels in June of 1952, to 478 million bushels on April 30 of this year. And remember, wheat is one product the Russians are trying to sell to our customers.

Cotton is another item especially vulnerable to falling exports. In 1951 we exported 42 percent of our crop. Last year only 20 percent moved through export channels. Meanwhile, the amount of cotton in Commodity Credit storage increased from 2,351 bales on June 30 of 1952, to 235,439 bales on April 30 of this year. To keep from piling up an even larger surplus, we had to put on production controls this year. Cotton acreage was cut about 16 percent, or approximately 4 million acres.

I imagine the effects of this cut were reflected in the mail of other Senators from cotton States. I know my mail with complaints about cuts in cotton allotments was heavy. Had we been able to increase our exports to keep pace with our increased production, these acreage cuts would not have been necessary. But now we are faced with still another threat. Soviet Russia is offering cotton to our export markets. Soviet Russia is moving to compete with our cotton farmers of the South and the West for their markets abroad.

Tobacco is another farm product on which our exports have fallen. In 1951 we exported 26 percent of our crop. Last year only 22 percent moved to the export market. Meanwhile, stores of tobacco on hand in Commodity Credit warehouses are increasing. On June 30, 1952, Commodity Credit held 3,756,000 pounds of tobacco. On April 30 of this year CCC had 4,183,000 pounds of tobacco. Meanwhile the Balkan countries stand ready to sell tobacco to Western Germany and other European countries.

Soybean exports also have fallen drastically—from 26½ percent in 1951 to 13.8 percent of production last year.

Mr. DOUGLAS. How does the Senator from Tennessee account for the

fact that the vast proportion of our friends on the other side of the aisle do not see that in order to have exports we must accept imports?

Mr. GORE. I really am unable to understand why they do not see it. I think they must see it, it is so plain. It is as plain as the nose on one's face. How Senators from the great wheat-producing States can refuse to endorse a policy which would open up markets for surplus wheat I cannot understand. In the absence of action we are not even keeping the markets we have. Those markets are steadily being acquired by the countries behind the Iron Curtain.

Mr. KENNEDY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield to my distinguished friend from Massachusetts.

Mr. KENNEDY. I should like to join the other Senators in complimenting the Senator from Tennessee, first, for bringing up this matter, and, second, for the able speech he is making. I should like, however, to ask him a question. As the Senator knows, because of other conditions than the import and export balance, the dollar balances between this country and Europe in the past few years have been affected mostly because of the additional economic and military assistance which we have given to foreign nations.

Mr. GORE. Let me cite two additional reasons: One, the loss of American exports, and, two, the restrictions on imports from the United States within those countries.

Mr. KENNEDY. That is correct. But, nevertheless, there is a balance in payments in dollars in the past 2 years. That being true, it does not seem to me we can expect a very substantial increase in purchases by European countries, as compared with other years, when we consider what they are buying at the present when their dollar payments are in balance.

Mr. GORE. I think the Senator misses a very important factor. The nations of Western Europe are buying from other countries. They are rapidly increasing their purchases of many commodities from the Iron Curtain countries. I cited a number of items. The United States stands ready and able to produce and sell more than the rest of the world can buy from us.

Mr. KENNEDY. That is correct.

Mr. GORE. But the fact remains that the European countries have been cutting down on their imports from us. We have been losing those markets because they did not have the dollars with which to buy our products. As the President said in his message of March 30, it is not because they do not desire our products; it is not because they do not prefer our products; it is because we will not take enough of their products to enable them to buy our products.

Mr. KENNEDY. I think the Senator from Tennessee said yesterday that even if all duties were removed it would mean the elimination of only 200,000 jobs in the United States. Do I correctly quote the Senator?

Mr. GORE. I cited a study which the Randall Commission has made in which an estimate was given that if all import duties were temporarily suspended there would result 202,000 job dislocations.

Mr. KENNEDY. As the Senator knows, even under his amendment the duties will be diminished only by a certain percentage, and therefore the number of jobs lost would never approach that figure.

Mr. GORE. Nor do I so desire.

Mr. KENNEDY. I understand that. However, considering our recent experience, if the Senator's amendment should be agreed to, I do not understand that there would be sufficient increased purchases by foreign countries to offset the economic losses which would be suffered by those whose markets would be lost or diminished by increased imports.

Does the Senator wish to comment on that?

Mr. GORE. To the extent that it would permit two-way trade, the United States would benefit in jobs, in prosperity, and in export markets.

If the Senator takes the reverse proposition, and notes what is happening so long as we do not admit two-way trade, then we go to the other extreme. We continue to lose jobs, we continue to lose markets, we continue to lose exports.

There was a loss last year of $1 billion in export trade. That loss resulted because there was not two-way trade. If healthy, mutually advantageous two-way trade is established between this Nation and any other nation in the world, then both nations benefit thereby. Likewise if a pattern of economic interchange is established between this Nation and several other nations, and by those several other nations among themselves, multiple economic interchange is promoted, which results in greatly magnified prosperity for the whole free world.

If the Senator will bear with me, I believe I shall be able to prove that point conclusively as I proceed.

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

Mr. GORE. I am glad to yield to the Senator from Wisconsin.

Mr. WILEY. I have listened with profit to the discussion this afternoon. I am sorry I could not be here yesterday. it seems to me that, by and large, the Senator's statements are generalities. Let me see if we cannot make the proposition concrete.

The best market in the world is within our boundaries; and 97 percent of our total production is still cosumed within our own boundaries. If we have, for example, a production of $400 billion, 3 percent in foreign trade would be about $12 billion. I do not know whether those figures are correct.

Mr. GORE. May I first correct the figures of the distinguished, able Senator? I believe we export from 7 to 9 percent of our production, including both agricultural and industrial products.

Mr. DOUGLAS. Excluding services.

Mr. GORE. Yes.

Mr. WILEY. If there is a production in this country of $400 billion, what is the percentage exported, as stated by the Senator?

Mr. GORE. On merchandise production, the record shows it is from 7 to 9 percent.

Mr. WILEY. What is the total production?

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield, to permit me to interject a statement?

Mr. GORE. I yield.

Mr. DOUGLAS. I think the Senator from Wisconsin is quoting figures with respect to national income; the Senator from Tennessee is quoting figures on the value of the production of materials. But national income includes, in addition to the production of materials, services which, in the nature of the case, would not be exported. So the figure stated by the Senator from Wisconsin may be correct as to income, but the figure given by the Senator from Tennessee is correct as to the percentage of manufactured, mining, and agricultural products.

Mr. GORE. I appreciate the contribution made by the distinguished Senator from Illinois. I believe the distinguished Senator from Wisconsin has well proved that the Senator from Illinois is still an able economist.

Mr. WILEY. I have never disputed his ability, character, integrity, good looks, or anything else about him.

But let me get to the point. Assume I am correct. I am merely quoting a figure which was used some weeks ago. Trade, as the Senator from Tennessee has stated, must be mutually beneficial. I have had a number of instances called to my attention recently, but before I bring them into consideration, let me say that as I sat here today I listened to the Senator from Tennessee discuss the subject of strategic materials. I can say frankly that former President Herbert Hoover, with whom I was in conversation recently, said he had recommended an accumulation of more strategic materials. But, as I understand, there are no import duties on practically all strategic materals. Is that correct?

Mr. GORE. That is correct.

Mr. WILEY. No one objects to that. We need those commodities. But in order that trade may be mutually beneficial, we must import only those commodities which do not result in cutthroating our own producers; otherwise, if we cutthroat our own producers, we put them out of business and cause sick economic conditions.

There are already several such instances in my own State, to say nothing about the mining industry throughout the Nation. In my own State mines are being closed. We have sought to obtain some kind of relief, on the theory that it is important to keep the mines operating, because if we should get into, shall we say, difficulty, it would not be possible to reopen a mine overnight.

But that is not all. I know of several manufacturing industries which are in economic difficulty. I shall not name them at this time because I am writing for the facts. Competitive commodities are being imported from thousands of miles across the ocean, simply because the manufacturers in the foreign country can sell their products in the United States much more cheaply than they

could be produced in this country. The result is that those who are producing the commodities in this country are thrown out of work; their productive ability stands idle.

In order to bring about a mutually advantageous trade situation, we should buy from foreign countries only the things we need, and they should buy from us the things they need. That creates a mutually beneficial condition. But if we buy from the foreign country materials which we ourselves can produce, it throws our own people out of employment, it shuts down our own industries. We shall not be creating a healthy economic condition or a good moral condition.

Consequently, when we speak of general mutual conditions of reciprocity, they must be reciprocal, they must be mutual, they must be beneficial. Otherwise we shall be destroying our whole home market. The goods we get from overseas should be only those we need. Or let me put it this way, as was said to me recently by a gentleman whose two factories have been shut down. He said, "I would not want an absolute prohibition; I would want a quota, so that my employees would not be thrown out of work."

Such a condition must be watched. We should not simply say that we will discard all tariff regulations. If we do, we shall return to the same situation we have had in the past. I remember, as a boy, living in the days of Grover Cleveland.

The Senator has been analyzing the markets; for instance, the agricultural markets. Do not forget that by means of Marshall-plan aid and mutual aid, the United States has built up the economy of many foreign countries so that now they are in a position to produce the articles which we sold them previously, when we gave them credit.

I cite a specific instance. If we can sell our cotton abroad, that is well and good. Then what shall we buy which will not put some of our citizens out of employment?

If the Senator from Tennessee would discuss those illustrations, I think some real light would be shed on the picture.

Mr. GORE. I am deeply grateful for the contributions made to the discussion by the distinguished senior Senator from Wisconsin, who is chairman of the Committee on Foreign Relations. I do not find myself in very great, if any disagreement with the statement he has just made.

I recall that when the reciprocal trade agreements program was first presented, the authority was requested to enter into reciprocal trade agreement programs by reducing tariffs to the extent of 50 percent. Many dire predictions were made that industry would be destroyed; that certain groups of people would be driven to the poorhouse; that America would be ruined; that our doors would be opened, and that America would be flooded with cheap goods made abroad.

Some of the same persons who are fighting the proposed extension, some of the same Members who voted in the other House against merely a 1-year extension, made some of these predictions.

What have we before us? We have the record of 20 years. During the operations of the mutually advantageous reciprocal trade agreements America has prospered and the friends with whom we have traded have prospered.

Mr. WILEY. Madam President, will the Senator yield?

The PRESIDING OFFICER (Mrs. BOWRING in the chair). Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. GORE. Let me finish and then I shall yield.

The program has been such a success that last year Congress gave it a year's extension, daring not to let the program lapse. Again the act is about to be extended for either 3 years or 1 year; I hope it will be 3 years. What do I propose? What has the President requested? Not authority for another 50-percent reduction in certain import duties, but merely authority for a 15-percent reduction to be spread over a 3-year period, and then only after items have been studied by the Tariff Commission. The peril-point provision of the law and the escape clause will be applicable to all.

The Senator from Wisconsin has cited a situation which he thinks would be advantageous. I cannot exactly quote his words, but he said, "If it should be mutually advantageous, and if we could sell to them something which we had"—I believe he said cotton—"and take from them something which they had, and which we needed and could use, that would be fine."

To the able and distinguished Senator I desire to say that is exactly the authority which the President of the United States requested. That is what I propose. That is the heart of the program.

Mr. WILEY. Madam President, will the Senator yield?

Mr. GORE. I shall yield in a moment. This is not a program which would make mandatory reductions in import duties; indeed, no; it is a program which would give to the President of the United States the authority to enter into reciprocal trade agreements which, in the opinion of the President, would be advantageous to this country and to the trade of the free world.

The Senator from Wisconsin has set forth a fine set of circumstances. I say the bill meets the circumstances which he suggests, and I welcome his remarks. I now yield to the Senator from Wisconsin.

Mr. WILEY. I like the vim and vigor with which the Senator from Tennessee enters into a debate such as this, because when I was as young and as handsome as he is, I did the same.

Mr. GORE. I appreciate the remarks of the distinguished Senator. I am sorry my wife is not in the gallery.

Mr. WILEY. I voted for the Reciprocal Trade Agreements Act. I believe its theory is very good. However, it must be borne in mind that sometimes we deal with persons in other countries who do not reciprocate or play cricket according to the rules. The Senator knows that sometimes happens, and that those persons may have the advantage of subsidies and quotas. We therefore have to be very careful.

I remember speaking on the floor of the Senate in a debate years and years ago, before the Senator from Tennessee was a Member of the Senate. Something was said in the debate about the shrewdness of the Scotchman. In dealing with our international friends, we need true Scotchmen on our side.

Let me illustrate the point I am trying to make. Before I came to the Senate, I was a lawyer in a small country town, but I represented some good clients. I remember at one time representing a manufacturer of shoes whose company was in pretty bad shape financially. As a result of the precarious situation of the firm, it was my privilege to act as adviser. We entered into direct selling, and that industry was built up to such a point that it now does about 9 or 10 million dollars' worth of business a year.

Before I came to the Senate, Czechoslovakia was a great manufacturer and exporter of shoes. American wages were comparatively high during that period of time, which was in 1936 and 1937, which were economically difficult years. Czechoslovakia was flooding the American market with its shoes. We could have bought shoes which were manufactured in Czechoslovakia, and delivered in my hometown, at a price cheaper than the company of which I speak could manufacture shoes. I am frank to say that if it had not been for the real loyalty of the business heads of that concern, they would have closed down, and bought Czechoslovakian shoes and resold them. I use that illustration to point up the problem which faces us when we talk in terms of reciprocity and mutuality.

When I was attending the University of Michigan, a professor once said to me, "Young man, before you prepare on the law, look up the facts. Otherwise, if you look up the law first and try to apply the facts to the law, you may go to jail for subornation of perjury."

The Senator from Tennessee has spoken about the period of the past 20 years. The Senator, I am sure, remembers the conditions which existed in about 1939, which is the year I became a Member of the Senate. World War II soon followed. Then came the postwar conditions. We are not facing conditions which existed at that time; we are facing changed conditions. During the 20 years of which the Senator speaks, the world picture has changed. Time and time again conditions throughout the world and the economic picture have changed in those 20 years. If Europe today, with its population of 300 million whites, would promote the selling of articles between the different countries in Europe, and barriers which exist there were pulled down, and there were put into effect increased wages so that markets would be created for Europe's products, that would solve to a considerable degree the economic problems which exist. Instead, the European countries want to flood this country with products which are manufactured there,

which would result in American labor being put out of work and American factories shutting down.

I am sure the Senator from Tennessee would like to have American cotton disposed of. I would like to see cheese, butter, and other dairy products disposed of. We have plenty of those products in this country; we do not need any imports to add to our surpluses of those commodities. If an arrangement can be entered into which will inure to the mutual benefit, economically and socially, of the people of this country and the people of Europe, then the arrangement should be put into effect. On the other hand, if citizens of some other countries are not going to abide by the rules of the game and play cricket, but seek to use the arrangement for their own benefit only, then the arrangement will not be so good as far as we are concerned.

If the Senator from Tennessee would like to estimate how much his proposal would increase imports and exports, we shall see how much of a prophet he is.

Mr. GORE. I thank the able Senator for his remarks. He has aroused both my sympathy and my curiosity about the fine factory with which he was formerly associated. Did I understand the Senator to say that the factory had gone bankrupt?

Mr. WILEY. No; because fortunately, or, I should say, unfortunately, along came the war, and imports from abroad were greatly reduced. Does the Senator from Tennessee see what I am getting at?

Mr. GORE. Oh, I see.

Mr. WILEY. Those are the changed world conditions about which I have been speaking.

Mr. GORE. I wonder if the Senator from Wisconsin sees what I am getting at. How prosperous is that factory now?

Mr. WILEY. I will say, due to——

Mr. GORE. Not what it is due to, but how prosperous is it?

Mr. WILEY. It is pretty prosperous.

Mr. GORE. Good; and we have had the reciprocal trade program for 20 years.

Mr. WILEY. I know, but some people had measles at one time. That has nothing to do with the factory.

Mr. GORE. Measles has nothing to do with the program. I am talking about products of the factory located in his home State, to which the Senator made reference. The record shows that, after the reciprocal trade program has been in operation 20 years, last year there was an importation of only 1 percent of the boots and shoes purchased in the United States of America. If the factory of the gentleman to which the Senator referred cannot be prosperous, as the Senator attested it is, when it has 99 percent of the great American market, then I think some proof must be had that it is an efficient industry. But the fact remains, as the Senator has stated, that the factory has stood the test and it is prosperous now. I congratulate the Senator and the industry of which he speaks.

Mr. WILEY. Madam President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. WILEY. The fact of the matter is that Wisconsin is prosperous because it has had the American market, not because it has been selling abroad. That is the point, and the Senator from Tennessee has missed it.

Mr. GORE. Madam President, I wish to call the attention of the able Senator from Wisconsin to another figure. In addition to taking 99 percent of the American market, the United States had exports of more than 5 million pairs of shoes, last year.

Mr. WILEY. However, that did not help the State of Wisconsin.

Mr. GORE. Nevertheless, that export trade meant jobs for workers in the State of Wisconsin.

Mr. WILEY. No, it did not.

Mr. GORE. And those who have jobs and earn wages, purchase from the farmers, buy refrigerators, and give jobs to other persons.

Mr. WILEY. Madam President, will the Senator from Tennessee yield further to me?

Mr. GORE. I yield.

Mr. WILEY. I recommend that the Senator from Tennessee follow the advice of the law professor at the University of Michigan, who said, "First, get the facts."

I point out to the Senator from Tennessee that in this situation the facts have changed. The big fact bearing on this situation is that Stalin and his gang took over the Czechoslovakia shoe factories. That has been the big factor in connection with the manufacture and sale of shoes.

Mr. GORE. I concede that changes have occurred. I have been referring to the situation both in the United States and abroad. It is true that the Soviets took over the shoe factories in Czechoslovakia. However, unless we adjust our trade policy, in this time of crisis, so that the countries of Europe can expand their trade with the United States and with the other nations of the free world, and so that the United States can expand her trade with them, the inevitable result will be a deflection of trade into the Soviet bloc—a matter to which the Senator from Wisconsin has referred.

Madam President, I shall continue to talk until we decide to save the jobs of the wheat farmers in Wisconsin.

Mr. WILEY. There are very few wheat farmers in Wisconsin; the Senator from Tennessee is mistaken.

Mr. GORE. And until we are able to save the jobs of the shoe workers in Wisconsin, and also the Wisconsin dairy farmers.

Furthermore, I wish to help the Senator from Wisconsin save the President's program.

Mr. DOUGLAS. Madam President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. DOUGLAS. Is it not an extraordinary spectacle on the floor of the Senate to have the Democratic Senators fighting for the President's program, over the opposition of virtually all the Republican Senators?

Mr. GORE. Madam President, I say that is bipartisanship in its finest terms. [Laughter.]

Mr. MILLIKIN. Madam President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. MILLIKIN. I would say the Senator from Tennessee was incorrect when he used the words "in its finest terms."

We are fighting for the President's program, as set forth in writing.

Mr. DOUGLAS. At what time?

Mr. MILLIKIN. The last time the President spoke.

Mr. DOUGLAS. But what about the time before?

Mr. MILLIKIN. I am not talking about the time before. I am speaking of the time when the President said he wanted a 1-year extension.

Mr. DOUGLAS. After the Republican Senators frightened and intimidated the President in connection with the program, the President said he would rather accept defeat, instead of accept aid from the Democrats.

Mr. MILLIKIN. Madam President, those are fine words, but I wish to state that I have had no conversations at all on this subject with the President.

Mr. WILEY. Madam President, this impresses me as very much like an election brawl. [Laughter.]

Mr. MILLIKIN. Let me say for the benefit of the Senator from Illinois that, so far, the Senator from Tennessee has confined himself fairly well to the facts. So long as that is done, there is less debate and less time lost.

Mr. GORE. Madam President, the colloquy calls for some comment.

The distinguished senior Senator from Wisconsin [Mr. WILEY] said the proceedings sounded like an election brawl. I assure him that I do not think a factual, bipartisan discussion of the foreign-trade policy of the United States bears any resemblance to an election brawl. The importance of the subject is too great; it cannot be, and must not be, considered in connection with the election this year or the preceding election.

The able junior Senator from Colorado has used a term to which I must make reference. He said he is supporting the President's recommendation and the expressed wish of the President, as stated by the President the last time he spoke.

Mr. MILLIKIN. That is correct.

Mr. GORE. I wish the Senator from Colorado to recall that the President spoke last night.

Mr. MILLIKIN. I have not yet read what he said then. I have sent for it, and it is on the way here.

Mr. GORE. I shall be happy to read it to the Senator from Colorado.

Mr. MILLIKIN. Let me suggest that the Senator from Tennessee defer reading the clippings, because I have sent to the White House to obtain the full statement. After I obtain it, we shall know what we are talking about.

Mr. GORE. I dislike to withhold this matter from the Senator from Colorado.

Mr. MILLIKIN. Then let the Senator from Tennessee read it. I do not desire to exercise any restraint upon him.

Mr. GORE. Do I correctly understand that the Senator from Colorado is willing to receive the information?

Mr. MILLIKIN. I am.

Mr. GORE. I thank the distinguished Senator.

I shall read what the President of the United States said when he spoke last evening—which was the last time he spoke. I shall read what he stated, as set forth in the press. Of course, I would not testify that the press has misquoted the President——

Mr. MILLIKIN. I would not allege that, and I have not alleged it.

Mr. GORE. I know the Senator from Colorado has not. I mean to say that I am not undertaking to state that the quotation I shall read is a verbatim quotation. On the other hand, I have not heard its accuracy disputed.

Mr. MILLIKIN. I have not heard it at all, so the Senator from Tennessee has a distinct advantage over me. Let him proceed to read it.

Mr. GORE. I shall read it, and then shall hand it to the Senator from Colorado. I would not take advantage of him. Of course, in colloquy with him I suffer a great disadvantage.

Mr. MILLIKIN. The only thing that aroused me for a moment from my torpor was when the Senator from Illinois [Mr. DOUGLAS] began to introduce into the debate some inaccuracies.

Mr. GORE. I did not recognize any inaccuracies in the statements made by the able Senator from Illinois. However, I am grateful for any legitimate information that will arouse the able Senator from Colorado.

Mr. MILLIKIN. I thank the Senator from Tennessee.

Mr. GORE. The headline of the article which appeared in this morning's paper is: "Ike Calls Aid-Trade Vital To Balk Reds."

I have been trying to say that in a number of ways this afternoon. I am grateful that the President said it. His speech strongly supports the amendment I have submitted.

I now read the article:

If we will not give her—

Meaning Japan—

money, if we will not trade with her, if we do not defend southeast Asia, where Japan has some markets—

The President said—

what is to happen to her?

The President's answer was as follows:

It is going to the Reds.

Mr. MILLIKIN. What has that to do with the amendment of the Senator from Tennessee?

Mr. GORE. It has a great deal to do with it.

Mr. MILLIKIN. That is what I should like to know.

Mr. GORE. I shall come at once to that point.

Mr. MILLIKIN. Very well; I wish the Senator from Tennessee would do so—or I shall wait.

Mr. GORE. I would not have the Senator from Colorado wait. I would not withhold any information from him.

Mr. MILLIKIN. Let me suggest that I, too, believe we shall have a terrific problem in handling our trade relations with Japan. The British will not take Japanese goods in southeast Asia. We do not want Japan to trade with the Communists in China. So I think we shall have to take some Japanese goods. The question is how we shall do it, to what extent we shall do it, and so forth.

So I am glad to hear the Senator from Tennessee state the way in which his amendment relates to that situation.

As a matter of fact, that can be done now, without the amendment of the Senator from Tennessee.

Mr. GORE. I propose to demonstrate that the goals the President spoke for last night cannot be attained by means of the simple 1-year extension the able Senator from Colorado supports. On the other hand, I propose to demonstrate that the goals the President spoke for last night can be attained by means of the amendment I propose.

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

Mr. GORE. I yield.

Mr. MILLIKIN. I am suggesting that under the law as it is right now the President—assuming that he would not require 2 or 3 or 4 years to do it—could conclude a trade agreement with Japan. Japan is not a member of GATT. We have no trade agreement with Japan. In terms of power, I assume that the President could conclude such an agreement.

Mr. GORE. The Senator is slightly incorrect, when he says "right now," because there is no Reciprocal Trade Agreements Act now. That act expired on June 12. The problem is the extension of that law, but that is immaterial.

Mr. MILLIKIN. I suggest to the distinguished Senator that not a single trade agreement expired on June 12, and none will expire until it expires under the terms of the trade agreement itself.

Mr. GORE. I agree; but that has nothing to do with the making of further agreements.

Mr. MILLIKIN. If there were a 1-year extension, the President would be at liberty right now to conclude a trade agreement with Japan. I am not saying what should be done. I want to see how such an agreement can be concluded with Japan. I freely admit that we have a real problem in arriving at some form of agreement. Otherwise, Japan is likely to go Communist. The British are doing a great deal of talking, but they want to keep Japanese products out of southeast Asia, particularly textiles. We do not want Japan to get into China. We do not want Japan to be dumping her goods in America, so somewhere we must find a field in which we can arrive at some agreement which will enable Japan to be reasonably prosperous.

Mr. GORE. I accept the qualification the Senator has made, that if a 1-year extension were granted, the President would have authority to enter into a trade agreement with Japan; but that is only the beginning of the story. He would have such authority for less than 1 year.

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

Mr. GORE. I yield.

Mr. MILLIKIN. If there were a 1-year extension, any trade agreement which might be made would continue, according to its terms, until one party or the other repudiated or renounced it, on 6 months notice. Such an agreement would be like every other trade agreement now in effect. The lapse of the law did not end a single trade agreement. They are all in effect, and they will continue in effect until one party or the other repudiates or renounces them.

Mr. GORE. I agree; but will not the Senator agree that under the pending bill the authority given the President to make reciprocal trade agreements will expire on June 12, 1955?

Mr. MILLIKIN. Yes; and I said so in explicit terms.

Mr. GORE. Then under the pending bill the President would not be given 1 full year in which to negotiate and execute agreements.

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

Mr. GORE. Will the Senator answer that question?

Mr. MILLIKIN. I will answer it.

Mr. GORE. Is not that correct?

Mr. MILLIKIN. Yes. Madam President, I am not in a police court now. Let the Senator hold his horses. I will answer his question.

Mr. GORE. Very well.

Mr. MILLIKIN. I know of my own knowledge that the State Department has been working for a long time on some sort of arrangement with Japan. If we say, "Boys, we will give you a year longer to come up with something," that is not at all unreasonable. It is not as though a virginal approach to the problem were being made tomorrow. The State Department has already been working on it for a long time.

Mr. DOUGLAS. Madam President, will the Senator from Tennessee yield?

Mr. GORE. I desire first to reply to the distinguished Senator from Colorado, and then I shall be glad to yield.

Madam President, if the demeanor of the junior Senator from Tennessee has been such as to suggest in any manner that he considered the junior Senator from Colorado to be in a police court, I apologize. I am sure he has never been in a police court.

Mr. MILLIKIN. I think I was upon one occasion, for a traffic offense. Perhaps I should have been there on other occasions, but I was not.

Mr. GORE. Then we agree that, as of today, the President has no authority to enter into a trade agreement?

Mr. MILLIKIN. We agree.

Mr. GORE. And under the provisions of the pending bill if it should become law such authority would end on June 12, 1955.

Mr. MILLIKIN. We agree. The authority would end 1 year from now.

The Senator from Colorado is also suggesting that, inasmuch as the State Department has already been working on the problem for some considerable time, there would be ample time to make an agreement with Japan.

Mr. GORE. I appreciate the contribution of the able Senator. However, I submit that in addition to the very difficult—if not impossible—task of negotiating a complicated reciprocal trade agreement with Japan in 11 months,

there is the further very important question, which is not spelled out in the pending bill, with respect to the opportunity to facilitate multilateral agreements with other countries.

I wish to point out a third reason why the pending bill would not accomplish the goal stated by the President last evening. It would not operate to facilitate a three-way exchange of goods, but instead, if it were to involve a bilateral agreement, that would mean that we would take the goods of the Japanese, and they would take ours. The natural outlet for the manufactured goods of Japan is in southeast Asia. Japan buys products from us, then manufactures and sells them to the people of southeast Asia. In turn they send to us rubber and tin, strategic supplies which we need. Therefore, I submit to the able Senator from Colorado that the pending bill falls far short of the goal set by the President last evening, which was the last time he spoke.

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

Mr. GORE. I yield.

Mr. MILLIKIN. I suggest that the problem which the Senator has mentioned should be decided in the White House, inasmuch as Mr. Churchill is coming to Washington. If a multilateral agreement on that subject were possible, it might be a very good agreement. It would require the cooperation of the present Prime Minister of Great Britain, who will be in the White House this week. That might be a very good subject for discussion.

Mr. GORE. I agree.

Mr. MILLIKIN. I am not in a position to say that it will be considered, but there will be plenty of time to do it.

Mr. GORE. I am proposing to give the President the tools he needs to enter into such mutual, multilateral, profitable agreements.

Mr. MILLIKIN. The President will not suffer because of lack of any necessary authority to negotiate such agreements within a year. The Congress has never hesitated to grant extensions of the Reciprocal Trade Agreements Act. I venture to suggest that it will continue to do so.

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

Mr. GORE. Let me make one reply, and then I shall be glad to yield.

The able Senator from Colorado has just used another word with respect to which I must raise a question. He has just stated that the Congress has never hesitated to grant extensions of the Reciprocal Trade Agreements Act.

Mr. MILLIKIN. I thought I said the Congress has never failed to do so. At least, that was my intention.

Mr. GORE. Whatever the situation may be, at least we are now considering the question of either a 3-year extension with the liberalizations recommended by the President, or a 1-year extension, which was forced upon him by the high protectionists who are in control of the Congress.

Mr. MILLIKIN. The vote in the House shows that that statement is not correct, as does the vote in the House Ways and Means Committee, which is composed of low protectionists, medium protectionists, and perhaps some high protectionists.

Mr. GORE. Is the Senator from Colorado able to inform the Senate just why the President changed his mind? I do not believe he changed his mind, because in the press conference the other day he said that he still wanted what he recommended on March 30. Why did he write that letter?

Mr. MILLIKIN. I do not know, except that he thought it was the proper thing to do.

Mr. GORE. In what context—for the benefit of the country?

Mr. MILLIKIN. Of course, for the benefit of the country. I read the entire letter the other day. I will not stand here and say that our President is acting against what he thinks is for the benefit of the country.

Mr. GORE. Neither will I.

Mr. MILLIKIN. I did not think the Senator would.

Mr. GORE. When the President wrote his statement in 1951, in my judgment he was recommending and endorsing what he believed was for the benefit of the country. I believe he was actuated by the same motives when he sent his message to Congress on March 30. I believe he was actuated by the same motives last evening. I have a suspicion that the letter which he wrote on May 20 was actuated by a little domestic political pressure.

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

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

Mr. DOUGLAS. Is it not a fact that the Reciprocal Trade Agreements Act was renewed last year only for an additional year, after the Secretary of State, Mr. Dulles, had given solemn assurance to the committee that if it were extended, he would not ask for any further extension of the Reciprocal Trade Agreements Act?

Mr. GORE. It happens that I was present in the committee room of the House Committee on Ways and Means when the distinguished Secretary of State gave that commitment. It was only after that statement was made that Congress consented even to a 1-year extension. I want to ask the Senator if that was not a do-nothing trade policy.

Mr. DOUGLAS. Certainly it was a do-nothing trade policy. It meant that while existing agreements might continue in effect, the Secretary of State, in order to get the extension through, had to conciliate the high protectionist elements in his party by promising he would not negotiate any new agreements.

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

Mr. GORE. I yield.

Mr. MILLIKIN. I was not at the keyhole of the House Ways and Means Committee.

Mr. GORE. I was not at any keyhole, either. It was a public session.

Mr. MILLIKIN. Someone was.

Mr. GORE. It was not the junior Senator from Tennessee.

Mr. MILLIKIN. I admit it was neither the Senator from Tennessee nor the Senator from Illinois. I can assure the Senator that nothing like that was said in the Senate committee. The extension passed the Senate last year by a large voice vote and in 1951 it was 72 to 2, I believe. Therefore any suggestion that the program has not worked out to a point where it is a pretty good bipartisan approach is, as I said before, incorrect, as that vote will show.

Mr. GORE. The 1-year extension was voted by all those who really believed in a progressive and liberalized national trade policy. The administration was new at the time, and with some justification, I believe, asked for the preservation of the program for 1 year, in order to study it. That study has been made. The distinguished and able Senator from Colorado has studied and studied and studied it. Now is the time for action. For 18 months we have done nothing with respect to our foreign trade policy, and our markets are rapidly slipping away from us to the Communist world, and the Communists are taking the customers of American farmers and American factories. Yet the distinguished Senator from Colorado still wants to study some more.

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

Mr. GORE. I yield.

Mr. DOUGLAS. Would it not be interesting to know whether any secret pledges were made this year—not formalized pledges as the pledges were last year—that if an extension is voted for 1 more year, no new agreements will be made?

Mr. MILLIKIN. Was the Senator from Illinois a party to any such agreement?

Mr. DOUGLAS. Certainly not.

Mr. MILLIKIN. Then why does he impute to others something he does not know anything about.

Mr. DOUGLAS. The pledge was given openly last year.

Mr. MILLIKIN. Is it not possible also that those who made such an agreement with the President this year, an agreement the Senator from Illinois does not know anything about, but which he is imputing to others, that they also entered into agreements to break into safes, to kidnap children, and to commit all kinds of crimes?

Mr. GORE. Madam President——

Mr. MILLIKIN. That is just as foolish as the Senator's statement.

Mr. GORE. I am not talking about kidnaping children or peeping through keyholes. I was present at a public session of the Committee on Ways and Means of the House of Representatives when the Secretary of State, under pressure of that committee, gave the pledge that he would not enter into any more agreements during the 1 year, and no agreement has been entered into during that year. I say that is the do-nothing policy which we are asked to continue.

Mr. MILLIKIN. Madam President, I want to say just one more thing. I do not think it is fair procedure for the Senator from the great State of Illinois

to say that someone has been whispering in a secret conference and agreeing to do something. I say to the Senator, "Present your proof."

Mr. DOUGLAS. The pledge was given publicly last year. Apparently that was what induced the high protectionist element in the Republican Party to consent to the extension of the act for 1 year.

Has there been a great increase in the intelligence of the high protectionist element in the Republican Party in the succeeding year? If they exacted a pledge last year, is there not some ground for the presumption that the same pledge has been exacted this year, only this time in the dark secrecy of night?

Mr. MILLIKIN. I suggest the Senator has no way of knowing that, and he has no right to make such a presumption, namely, that some persons were in hiding, at midnight, up an alley and behind an ashcan, whispering to each other. I say it is nonsense.

Mr. GORE. Madam President, I wish to retrieve my speech from the ashcan. The incident to which the senior Senator from Illinois has referred——

Mr. MILLIKIN. Madam President, I should like to say that the Senator from Tennessee is making a very excellent speech.

Mr. GORE. I thank the distinguished Senator from Colorado. The understandings by which the program was extended last year were not surreptitiously reached. I heard them expressed in an open session. I did not understand the senior Senator from Illinois to impugn anyone's patriotism or to allege an activity that was secret. I understood him to refer to the public commitment made by the Secretary of State in open session.

I agreed some time ago to yield to my able friend from Montana.

Mr. MANSFIELD. Did I correctly understand the Senator from Colorado to say something to the effect that Japan was not trading with Communist China?

Mr. MILLIKIN. I did not say that.

Mr. MANSFIELD. What did the Senator say?

Mr. MILLIKIN. I said we wanted to keep Japan from trading with Communist China. Japan at the present time is being foreclosed in southeast Asia because Britain is doing all it can to keep Japan from trading there, particularly in textiles. With the British suppressing Japanese trade in southeast Asia, and with our desire that Japan not trade with Communist China, it is evident that someone must buy something from Japan.

That poses a problem for us. What the solution shall be will not be determined by any Senator's speech. I want to see an agreement. I want to study it.

Mr. MANSFIELD. I am sure the Senator from Colorado is aware of the fact that today Japan is trading with Communist China, and that during the Korean war she traded with Communist China, with the approval of General MacArthur. I can cite chapter and verse to prove that statement, because I asked that question in the Committee on Foreign Relations, and the answer was in the affirmative.

Mr. MILLIKIN. I am talking about what I think is the fact; namely, that this administration does not want Japan to trade with Communist China. I am not now talking about what happened in the past.

Mr. MANSFIELD. I am saying that now and during the Korean war——

Mr. MILLIKIN. What does the Senator wish to ask me?

Mr. MANSFIELD. I wanted to get a statement on that point from the Senator from Colorado.

Mr. MILLIKIN. Have I answered the Senator's question?

Mr. MANSFIELD. No; but I think I have clarified the situation.

Mr. MILLIKIN. I wish the Senator would give me the remaining part of his question.

Mr. MANSFIELD. The question is this: Is Japan trading with Communist China today?

Mr. MILLIKIN. I do not know.

Mr. MANSFIELD. The information in the Committee on Foreign Relations is to the effect that Japan is trading with Communist China today and that she did trade with Communist China during the Korean war, with the approval of General MacArthur. I can find the proof of that statement, because it was given before the Committee on Foreign Relations a few days ago.

Mr. MILLIKIN. I am basing my suggestion on what I think is the policy of the administration, that Japan should not become the captive of Communist China, and that Japanese trade with southeast Asia should not be destroyed. I believe those are worthy objectives of the administration. If I am wrong, I should like to know about it.

Mr. MANSFIELD. There is nothing wrong with that, and I agree. However, I should like to say that President Eisenhower last night did not go quite far enough when he was discussing Japan and its importance to the free world. He did not bring out the fact that during the Korean war this Government subsidized Japan to the extent of $2½ billion, to make war materials for the Korean war, and that Japan today is faced with either further subsidization by us—and it would be in the billions of dollars—or she must find markets somewhere. If neither is to be done, the ultimate answer is that Japan will become Communist. It is an empire which is smaller in area than the State of Montana, and has 87 million people, whereas the United States has 160 million people and far more in the way of natural resources.

What is the answer going to be?

Mr. MILLIKIN. That is what I am waiting for. I am waiting to see what the administration suggests. I stated a while ago that the State Department has been working on the details of some kind of an agreement with Japan.

Mr. GORE. Madam President, I have not discussed in detail the Japanese problem, nor had I reached that portion of my speech dealing with the Far East at the time the Senator referred to the last statement of President Eisenhower. I should like to discuss the details, as I see them, of the very difficult problem of the Japanese economic situation and the need for a 3-year extension of the reciprocal trade program with the liberalizations requested by the President.

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

Mr. GORE. I yield.

Mr. MILLIKIN. I think the Senator will admit that I have been sitting here passively and quietly and was not aroused into action until the Senator from Illinois intruded some statements which I did not think were exactly correct.

Mr. GORE. I know the Senator from Colorado has studied this problem a great deal. My only real difference with him is on two counts, one of which is that he wishes to study the subject longer, and the other one is that he wants to do too little.

Mr. MILLIKIN. I must refer that to the distinguished Senator from Illinois, because he is a deep student and a renowned teacher, and I want to hear him say that a man should not study but should reach his conclusions by some heavenly method of intuition, or something of that kind.

Mr. GORE. I am sure the able Senator from Colorado has all the knowledge and intuition which a fine and worthy man is entitled to have, and having served in the Senate as long as he has, having studied the problems of trade and tariffs as meticulously and thoroughly as he has, and having served on the Randall Commission, he comes here a little short in logic when he says he needs more time. I do not believe the Senator is that slow. I know he is a brilliant man.

Mr. MILLIKIN. If those somewhat complimentary remarks are true, perhaps they lend credence to my view that I need more time in which to study the subject.

Mr. GORE. I thank the able Senator for his contributions.

Madam President, I should now like to discuss the economic problems which beset Japan.

I have confined my discussion of free world trade problems until now to the problems that beset Western Europe and in particular to the choice that faces Western Europe with respect to the markets for its products. No less serious a problem, however, exists in the Far East. Red China, too, has been busy offering tempting trade concessions and applying pressure for stepped-up commerce. Already, Red China has concluded trade agreements with Ceylon, Chile, Finland, France, the United Kingdom, India, Indonesia, Italy, Japan, the Netherlands, Pakistan, Switzerland, and Western Germany. The Chinese Communists, like Russia, are moving relentlessly to broaden the scope and step up the intensity of trade with these nations. Japan is under especially heavy pressure, not only from her own precarious economic position, but also from a concerted Red trade drive, where Japan, the dominant industrial nation of that area, is faced with similar problems of trade. If any-

thing, Japan's problems are more extreme. Where Western Europe has enjoyed a substantial improvement in productivity and output, Japan has lagged behind. Her industrial plant, taxed by years of war and economic isolation, has suffered in terms of modernization and efficiency. Moreover, her dependence on foreign markets both as outlets for her manufactured goods and as sources of supply for her necessary raw materials is, if anything, greater than that of Western Europe. At the same time, our reliance on Japan as the major bastion of free-world strength in the Far East demands our attention and concern. The problem of integrating the Japanese economy into that of the free world and of making Japan economically viable must be regarded as a major test of our economic statesmanship. This problem presents a special challenge to our leadership of the free world. It presents as well a particularly apt example of how our trade policy is necessarily the handmaiden of our foreign policy.

The economic problems that beset Japan are not unfamiliar to the Senate. Japan's very existence depends on its imports of rice and raw materials. The lag which she has experienced in renovating her industrial plant and the difficulties that she has encountered in expanding her trade have resulted in a dollar problem all her own. In recent years, the large commercial trade deficit that has characterized Japan's balance of payments has been covered by extraordinary United States military expenditures that have been in large part associated with the waging of the Korean war. As in the case of Western Europe, these expenditures and these presently available dollars must be regarded as temporary phenomena. The urgency of expanding Japan's exports of manufactured goods, particularly in the Far East region, can not be overemphasized. The benefits of such expanded trade would quite naturally accrue, not only to Japan, but also to the other countries of the region. In particular the underdeveloped countries of south and southeast Asia present a most logical and economical market for Japanese production. These countries—and I include such important rice producers as Indochina, Burma, and Thailand—offer in combination with Japan the prospect of expanding and mutually beneficial trade within the Asian region. The farsighted leadership that the United States has shown in developing mutual security within the free world must now be applied to laying a solid foundation of closer commercial relations with the Far East.

That, I believe, is in accordance with the statement of the able Senator from Colorado [Mr. MILLIKIN]. That, I believe, is the policy of the administration, and that policy I support. I applaud it. I think it is enlightened statesmanship.

It is a remarkable fact that of all our major trading partners, Japan is the only country with which we have not negotiated a trade agreement in the 20 years that we have had a Reciprocal Trade Agreements Act. No more important gap in our foreign trade policy remains to be filled. I believe that, too, is in accordance with the sentiments expressed by the able Senator from Colorado. It is, therefore, with special emphasis that I wish to direct attention to the provision in the amendment which I am offering today, which seeks to remedy this situation.

The so-called Japanese proviso in the amendment gives the President special authority to engage in a trade agreement negotiation with Japan and with the other nations of the free world for the express purpose of promoting the full-fledged membership of Japan in the world community of trading nations. This authority would provide for reduction of duty rates by a maximum of 50 percent of the level obtaining on January 1, 1945. I should point out here that this authority is no more than the authority the President would enjoy under a 1-year extension of the Reciprocal Trade Agreements Act, as amended. We agreed on that, I think, a few moments ago.

I deem it essential, however, that the specific authority be granted to the President, if for no other reason than to recognize explicitly that we alone, by negotiation with Japan on a purely bilateral basis, could not accomplish the results that we so urgently seek. The United States wishes to see increased market opportunities for Japan, but it wants these opportunities spread around the world, not concentrated solely in the United States. It is, therefore, necessary to provide some way in which we can negotiate multilaterally with Japan, in concert with the other nations of the free world, for the mutually beneficial reduction in trade restrictions. The special provision for Japan was written with just that object in mind. In particular, it is my hope that through the use of this special authority we can begin negotiations which will lead to the reduction of duty rates now impeding the access of Japan to the markets of the United Kingdom and the British Commonwealth.

Through such a process of multilateral negotiations, we can allay the fears of Japanese imports which fears, bred in the prewar period, are entertained by so many countries. Through such a process, I believe we can move forward on a multilateral basis which will allow Japan to live and to trade. I think her choice is rather stark. It is either to trade or to starve. The United Kingdom and British Commonwealth Governments are more likely to grant such concession to Japan in an agreement in which they, at the same time, receive concessions from a variety of other countries, including the United States. Only a multilateral negotiation could bring about this result, and there is doubt that multilateral negotiation of this sort could be undertaken without added authority in the hands of the President.

I doubt seriously if it would be at all possible, in an 11-month period.

Unless we can accomplish the ends we seek, Japan will be faced with the same disagreeable alternative which faces Western Europe, namely, trade with the Communist bloc. Do not think that Red China has not been very busy. Not only is she pushing for trade with Japan, but she has entered into trade agreements with 13 of our allies.

The economic compulsion to engage in trade with the Reds will be irresistible. Japan has an arable land area less than California, and on it she must support a population of over 80 million people. She has been able in the past to sustain this population by becoming a major industrial power, but being resource poor, she has had to rely on others for her vital raw materials and foodstuffs, as well as for the markets for her manufactured goods. Under these circumstances, Japan must engage in international trade to live. She must export to buy her vital imports.

Japan's exports have not enjoyed the degree of access to the markets of the free world which is necessary if Japan is to continue to sustain her imports of raw materials and foodstuffs, for Japan must import most of her raw materials and much of her food. At present Japan's imports dangerously outweigh her exports. In 1952 the adverse trade balance reached $759 million. Her trade deficit in 1953 was over a billion dollars, larger by far than for any previous year.

How can a small country with a population of 80 million on barren islands continue to pile up a trade deficit?

Japan's trade with the United States is also sharply out of balance. Remember, Japan is our best customer in many respects. Her trade deficit with us in 1952 was $539 million. Japan is an important customer of ours. Almost one-third of all of her imports come from the United States, and we in turn bought about one-sixth of her total exports. Unless we help her gain markets for her exports, she cannot import from the United States; and we, in turn, are one of her good customers. We bought approximately one-sixth of her exports.

In 1952, for example, Japan was our largest customer for cotton, rice, barley, and soy beans, and our second most important customer for wheat. In the face of declines in the export of our farm products, which in 1953 fell by more than $600 million, it is in our own self-interest and in the interest of the well-being of our farms and factories that Japan shall continue to be a strong and healthy market for our products, and a strong and healthy ally of the free world. But even more important, is the fact that if we and the other nations of the free world do not facilitate the integration of Japan's economy into that of the free world, she will, as a result of the forces of economic necessity, resort to other trading patterns and ultimately resulting political ties. One need only recall that before the war the China mainland supplied Japan with 10 percent of her imports. Trade with Korea and Formosa that before the war supplied 25 percent of Japan's imports, now supplies only 4 percent. Japan must, therefore, if she is to be a strong and secure outpost of the free world in the Far East, develop new trading patterns. This need is an urgent one. I agree with the Senator from Illinois and the Senator from Montana as to that.

The dollars Japan has been earning in recent years, which have sustained her ability to import, cannot be expected to

continue to be available indefinitely. The Korean war, thanks to our Heavenly Father, is not now being waged. The rehabilitation of Japan is well on the way. Economic aid, not only to Japan, but also to Western Europe, is, I hope, coming to an end.

The logical place for an expansion of Japanese trade is in the Far East and the Southeast Asian region where Japan's neighbors live. There are the major rice producing countries—Thailand, Indochina, and Burma. There also are existing and potential sources of industrial raw materials. There, too, are the major underdeveloped countries of the world that seek relief from the burdens of poverty and economic stagnation.

The region of Southeast Asia and the Far East has become, I need not tell you, the arena for the continuing struggle between the free world and Communist slavery. Our economic concern with these countries has been, and must continue to be, great. There, through technical assistance, through grants-in-aid, and through loans, we have tried to aid and speed up the process of economic growth that is so important to the survival of the democratic way of life.

Trade between us and these countries, and between these countries and Japan, can make a substantial and continuing contribution to the resources of those countries for economic development and progress. Here, especially, because our imports from the area consist in the main of industrial raw materials, the stability of United States trade is important—important for us, important for Japan, important for the economies of the peoples of Southeast Asia.

The economy of the United States, as I have said, is very, very large and, in comparison, the economies of free Nations in the Far East are very small. Everything that occurs in this country in the economic sphere, has repercussions on Asian nations in multiplied effect. The slightest economic recession here is feared by them because the backwash upon them, relatively speaking, is a tidal wave; and, of course, the inverse is true as to prosperity here. It creates a tremendous uplift abroad. Let me give a few examples. In 1938 we had a business recession that was I think relatively mild, and there was probably not more than a 5 or 6 percent drop in our national income. The dollar earnings of the area in trade with us declined, not 4 or 5 percent, but 55 percent.

The trade surplus of the Philippines declined 80 percent, that of Malaya by 56 percent, Indonesia 55 percent, India 57 percent, and so on. The area's sales to Europe also declined. In 1949 we had an even milder recession in this country, but the effects on trade balances with the Asian region were even more pronounced. When the Korea struggle broke out and the requirements of war and defense necessitated increased buying of raw materials, both for current use, and for stockpiling purposes, the dollar trade of the region boomed. But such extreme fluctuations in trade are unhealthy. I need only point out that dependability of trade and earnings is vital to the execution of the programs of economic development which so many of the countries of the area have in mind, and to which their democratic governments are committed.

Again I submit that an 11 months' extension does not fit this need.

The instability of foreign exchange earnings has been, and probably is today, the most critical problem of international economic relations facing these countries. From 1951 to 1953 the volume of non-Communist Asia's exports fell by $3 billion, which amounted to a decline in their foreign exchange earnings of 25 percent. The development and expansion of mutually beneficial trade within the Asian economy can hold forth great promise, not only for Japan but also for Japan's neighbors in Asia, and also for the producers of the United States.

The authority that the President would have to negotiate a multilateral network of trade concessions would yield dividends in trade and security throughout the free world. It would permit the integration of Japan into the trading system of the West. The authority which the President would have under my amendment would facilitate the mutual expansion of markets in the region of the Far East.

I do not believe that an 11-months' extension would give to the President the tools necessary to enable him to do what should be done. A 3-year extension would facilitate the mutual extension of markets in the region of the Far East. It would encourage the expansion or production of primary industrial materials in the underdeveloped areas of the world to the advantage, not only of Japan, but of all other nations engaged in the operation of the trade agreements, and I would not except the United States of America.

Madam President, what are the implications of the reduced export trade for the continuing prosperity of our own country and the people of the United States? I have referred in my address to problems in general, to problems in Western Europe specifically, to problems involving farm commodities and industrial workers in the United States specifically, and to the Japanese problem specifically. I now wish to treat of the impact upon this country of the continued loss of our foreign markets. It is obvious that foreign trade means more than the obtaining of vital raw material from other nations for our military security and the prosperity of our country. It means jobs in our industry and prosperity for our farmers and business. It means effectively strengthening our friends in the world at large, as well as strengthening ourselves; strengthening them not only to fortify their economies, not only to make them independent of American financial aid, but also to enable them to buy from us what we must sell to the world. As President Eisenhower has said:

> By making it possible for our friends to sell their products to us, we thus at once help them to be strong and enable them to earn the dollars by which they can, in turn, help our economy to be healthy.

That is a fine statement by the President.

A high level of international trade is essential, as I have said, to continuing United States prosperity. Our Nation now exports annually, as I stated to the distinguished Senator from Wisconsin earlier, from 7 to 9 percent of its total output of movable goods. Imports equal 4 to 6 percent of our total production of goods. This exchange of goods between America and the rest of the world involves our sending abroad those things we produce most efficiently, and receiving in return those things which are more efficiently made abroad and which, in some instances, cannot be made here at all.

Without this trade, some of the most dynamic United States industries would have to reduce production, and the American consumer would be forced to buy high-cost substitutes for foreign goods, resulting in dislocations which create deflationary pressures. Ultimately we would have to adjust to a lower standard of living. The jobs of over 4 million Americans whose employment is dependent on the American export-import market would be in jeopardy.

In addition to permitting a reduction and eventual elimination of foreign aid, a more liberal commercial policy could save many millions of dollars annually to the Federal budget, and again I hope that saving is not far off. For example, if dollar exchange is not available abroad, foreign purchases of United States agricultural commodities would decline sharply—they are already declining sharply—and thus would greatly increase Commodity Credit price support expenditures. This is happening today to a distressing extent. Only this week Secretary Benson announced drastic production limitations to our farmers, to which announcement I have already made reference.

Moreover, a large proportion of our exports of manufactured goods is composed of products manufactured by small- and medium-sized companies. Well over half of the American output of many import-export products, such as flour, machine tools, and agricultural machinery, is manufactured in establishments employing less than 1,000 workers. Many of these companies, which produce vast commodities for export, have less than 100 employees.

A more liberal commercial policy means greater prosperity to the United States. It means more business for big business, and more business for small business. It means more jobs for labor; it means greater income for all. All branches of our economy—industry, farm labor, agriculture—prosper as our trade barriers are lowered. More liberalized trade is fundamental to American economic self-interest.

Mr. KENNEDY. Madam President, will the Senator yield?

Mr. GORE. I yield to the Senator from Massachusetts.

Mr. KENNEDY. If the amendment offered by the Senator from Tennessee is agreed to, how much does the Senator think would be the dollar value of the

imports which would come into the country during the 3-year period? Has the Senator made any study of that factor?

Mr. GORE. No estimate has been made of which I am aware. The volume would depend upon how successfully the administration entered into and obtained reciprocal concessions. Of course, as the Senator from Massachusetts knows, the whole spirit of the law is that the President will undertake to gain concessions for the United States in return for concessions granted other countries, relating to products the importation of which will not result in serious injury to industries in this country. Without knowing the degree of response which other nations would give to the efforts of the President, I do not see how an estimate could be arrived at.

Mr. KENNEDY. Assuming that the program contained in the amendment offered by the Senator from Tennessee were put into effect, I think it would be possible, under the formula suggested by the Senator from Tennessee, to arrive at a maximum estimate. It may not be possible to estimate how far short of the estimate we will fall, but at least we could estimate what the maximum volume could be by ascertaining the percentages of imports for each year.

Mr. GORE. One could arrive at an estimate based on the maximum concessions which the President would be permitted to make in our own import duties. I do not know how one could arrive at an estimate of the maximum concessions which the President could obtain from countries abroad.

Mr. KENNEDY. Even under the figures given by the Senator from Tennessee, it does not seem to me that there would be a very substantial rise in imports from abroad. Considering all the statistics we have and the effect of the amendment of the Senator from Tennessee, it does not seem to me there would be a very substantial increase.

Mr. GORE. If the Senator is saying, by implication, that I am not submitting a radical proposal, I agree with him. If, for example, the import duty on a certain product were 20 cents, and under the limit of the proposed authority the President would have power to reduce the duty on the product only to 19 cents, and he could not do that without submitting his proposal to the Tariff Commission, for advice, and without the application of the peril point and the escape clause provisions. I agree with the Senator that I am offering only some mild steps in the direction of progressive liberalized international trade.

Mr. KENNEDY. In other words, the Senator from Tennessee has not any figures as to what, if his amendment were adopted, would be the maximum amount which could be imported above what would be imported if the existing act were merely extended for a year. He does not have any rough estimate in dollar figures?

Mr. GORE. Mr. President, I have an estimate of the increase under an 11-month or 1-year extension. I think it would be practically nil. I would hope that under a 3-year extension, with these liberalization provisions in the bill, the program would have time to operate, and the Department of State and the President would have time to hold conferences and to negotiate multilateral agreements that would be materially beneficial to the United States and to the other countries of the free world.

Of course, I cannot give the Senator from Massachusetts an ironclad promise that such would be the result; but the President of the United States has said that with these tools, he thinks he can do the job. He has requested these tools, and I am willing to grant them to him.

Mr. KENNEDY. Is it not a fact that if a reduction is made in any of the tariffs, it will remove a certain percentage of the market that is being served by United States companies?

Mr. GORE. I do not believe that is necessarily true, because many imports which can enter the United States would not be competitive—although some of them would be. Many products are not made in the United States.

For instance, the Senator from Wisconsin [Mr. WILEY] has referred to shoes. Last year, 1 percent of our consumption of shoes came from abroad. Obviously, that 1 percent was to a limited extent competitive; but I do not think it was seriously so, because our domestic shoe industry still had 99 percent of the American market, and exported more shoes than were imported, I believe.

Mr. KENNEDY. The only point I am making is that, inasmuch as I in part represent an area that is particularly vulnerable to competition from abroad, I am wondering whether the result of the Senator's amendment would be to increase the competition from imported goods and their impact upon our domestic industries, even though there might be benefit to some of our producers of agricultural commodities, the automobile manufacturers, and others who especially benefit from expanded foreign trade. In other words, would not the additional dollars which would go to exporting industries be obtained at the expense of particular domestic industries?

Mr. GORE. I wish to disabuse my very able friend's mind from one presumption upon which he has predicated his question, namely, that the majority of the benefit from export trade goes to agriculture. That is not the case.

Mr. KENNEDY. I did not mean to suggest that the majority of the benefits would go to agriculture, but agriculture is among the beneficiaries.

Mr. GORE. I believe the Randall Commission estimated that 4,376,000 jobs were involved in our export-import trade. Of that number, less than one-fourth—or 976,000—were the jobs of agricultural workers.

To come specifically to the question the able Senator from Massachusetts has asked, let me say it may be possible that a liberalization of our trade program would cause injury here or there in our country. Of course, the act contains provisions which would apply in case injury occurred, although I doubt that the injury would be great. Nevertheless, it is my sincere conviction that in the Senator's own State of Massachusetts, the benefits accruing from increased export trade would greatly exceed the injuries that might be suffered.

Mr. KENNEDY. Dr. Howard S. Piquet, of the Legislative Reference Service of the Library of Congress, has made a long and detailed study of this matter. In his book entitled "Aid, Trade, and the Tariff," he states that—

> In terms of percentage increases, the most significant changes probably—

That is to say, if all tariffs were removed—

> would be in the textile group, including such items as coarse linen toweling and hemmed linen handkerchiefs (from the United Kingdom), linoleum (from the United Kingdom and the Netherlands), cotton hosiery (from France and the United Kingdom), woolens and worsteds (United Kingdom), and apparel wool (largely from Australia); in the machinery and vehicle group, including full-fashioned hosiery knitting machines (United Kingdom), bicycles (United Kingdom and Germany), and sewing machines (Japan, Germany, and Italy); and in the miscellaneous group, including clocks (France, Switzerland, and Germany), optical instruments (Japan, Germany, and France), and toys and dolls (Japan, the United Kingdom, and Germany).

As the Senator from Tennessee knows, what Dr. Piquet really is reciting is an almost complete list of the basic commodities manufactured in the northeastern section of the United States.

Mr. GORE. However, the Senator from Massachusetts has indulged in a presumption which is not properly to be considered in connection with the amendment I have submitted.

Mr. KENNEDY. I appreciate that fact.

Mr. GORE. The Senator from Massachusetts used the words "if all duties were removed."

Mr. KENNEDY. Yes.

Mr. GORE. I do not propose to have that done, and I would not advocate it.

Mr. KENNEDY. That is correct.

Mr. GORE. I daresay the Senator from Massachusetts is aware of the fact that a few textile industries exist in Tennessee.

Mr. KENNEDY. Yes.

I do not wish to be too local about this matter, but it seems to me there are two points to be considered: first, whether the Senator's amendment would have any effect on trade——

Mr. GORE. I believe it would be immensely beneficial to the State of Massachusetts.

Mr. KENNEDY. Well, let us take a broader view.

Mr. GORE. I believe it would also be immensely beneficial to the United States and to all the rest of the free world. Certainly that is taking a rather broad view.

Mr. KENNEDY. Second, if the Senator's amendment would have an appreciable effect upon our foreign trade—and I am not sure it would—would not it be at the expense of industries which are particularly vulnerable to imports; and would not the amendment benefit domestic industries which benefit particularly from export trade? I am not

thinking only of agriculture; I am thinking also of various industries, particularly those located in the Middle West.

I am sure the Senator from Tennessee understands that this is a matter of great concern to the people of Massachusetts. Before I can vote on this amendment, it is essential that all facts be discussed and that all questions be answered; I should like to have an answer to these two questions.

Mr. GORE. I hope the Senator from Massachusetts will conclude to vote for the amendment. I sincerely believe it will be in the best interests, not only of his State, but also of the United States and the rest of the free world. Obviously there would be injury to some industries if all tariffs were removed. However, I do not propose that that be done.

It may be that even the slight reductions authorized by the amendment I have offered would, if put into effect, injure some. However, protections are provided. The escape-clause provision of the law and the peril-point provision of the law will remain. Furthermore, the proposed decreases would have to be submitted to the Tariff Commission for advice; and even if they were agreed to in the case of every commodity to which they would be applicable, I submit that the concessions would still be rather mild. Let us compare the 5-percent reduction in tariff duties proposed to be authorized for next year with the 50 percent authorized in the original Reciprocal Trade Agreements Act. I know many persons feared then that certain of our industries would be put out of business. But we find that, without one exception, trade between the United States and the countries with which the United States has reciprocal trade agreements and trade within the framework of the most-favored-nation application of those agreements has increased. I believe the test of time proves this to be beneficial to all the States of the Union.

Mr. KENNEDY. The Senator from Tennessee is as able a debater as I have known for a long time.

Mr. GORE. I thank the Senator from Massachusetts.

Mr. KENNEDY. However, it seems to me that he emphasizes how little his amendment will mean, percentagewise, to domestic industries if it is adopted and put into effect.

Therefore, I should like to ask two questions: First, what is the judgment of the Senator from Tennessee as to how important his amendment would be from the point of view of stimulating foreign trade?

It seems to me that, percentagewise, his amendment would not mean very much in respect to our foreign trade. I should like to have the Senator express his opinion on that score.

In the second place, if his amendment will mean a good deal, in terms of dollar volume, in stimulating foreign trade, what effect will the amendment have upon domestic industries that are particularly vulnerable to imports—taking into account the peril-point and escape-clause provisions and the fact that little real relief has resulted from these provisions in the past.

Mr. GORE. In view of the exceptions that are set forth, I believe the able Senator from Massachusetts must bear in mind the difference between the effect of the amendment upon the United States and its effect upon the smaller countries with which we would enter into trade agreements—if such agreements were executed.

A very small concession, a very small increase in their share of the market in the United States might, as a practical matter, be unfelt in this country, but might mean a great deal to a country which is tottering on the brink of accepting the bait offered by Communist Russia.

I believe that these concessions are very small. I should like to go further, I will say frankly to the able Senator, but I have recommended here what has been agreed upon by a bipartisan commission, what has been agreed upon by Republicans and Democrats, what has been requested by the President of the United States. I believe, as the President has said, that it is the minimum that is necessary unless we are to do nothing and shock our friends in the world into the fear that we are going back in the other direction, to the old Smoot-Hawley days. Then perhaps they will throw up their hands in disgust and turn and accept the bait being held out to them.

Mr. President, I think all Senators agree that whenever we consider tariff legislation we hear a great deal more about the possible injury than we do about the benefits. We rarely hear talk about those who will be injured by the falling level of exports.

What are we going to do about injury to the industrial workers of the country? I say that the industrial workers of America are vitally concerned in our foreign markets. I have some very interesting figures on industrial production which I should like to use.

In 1953 we exported 15 percent of our production of turpentine, 21 percent of our production of resin, 23 percent of our lubricating oils, 24 percent of our sulfur, 31 percent of our graders used in construction work, 45 percent of the track-laying tractors produced by our factories, 13 percent of our motortrucks and coaches, and 37 percent of our complete civilian aircraft.

Not only did this mean jobs for the people who worked in the factories making civilian aircraft, motortrucks, coaches, tractors, trailers, and so forth, but it meant jobs for truck drivers driving the trucks hauling these products. It meant jobs for railroad employees. It meant jobs for people at the ports, loading the tractors onto ships, and for the men who manned our merchant marine, plying the oceans of the world.

As I stated earlier in colloquy with the able junior Senator from Massachusetts [Mr. KENNEDY], more than three-fourths of the jobs in export-import trade are in nonagricultural employment.

Are the workers who produce these commodities and the hundreds of other products of our export-dependent factories unimportant or unworthy of our consideration? Of course not. No one takes that position. No Member of the Senate is so cold hearted. Do we consider unimportant the workers engaged in transporting, distributing, and manufacturing products which we import and export? Of course not.

Let us look at some facts. The staff of the Randall Commission made a study of employment factors in a paper titled "Employment Attributable to Foreign Trade, 1952." This paper presented estimates of the number of persons dependent for employment on foreign trade. It was based on testimony of Secretary of Commerce Sinclair Weeks before the House Ways and Means Committee in 1953. The paper states that it is estimated there were 2,150,000 nonagricultural workers and 976,000 agricultural workers dependent upon exports in 1952; 1,250,000 workers were dependent upon imports, either in transportation and distribution or in manufacturing. Thus the total employment attributable to foreign trade is estimated at 4,376,000.

How does this factor compare with the number of workers who might be adversely affected if we enact the President's trade program? The Randall Commission looked into this problem, too. In a paper titled "United States Workers Producing Goods Equivalent to Import Increases in the Case of Temporary Tariff Suspension" it found that it is estimated that if all tariffs were suspended temporarily, not more than 202,000 workers were likely to be affected adversely. Mind you, that is based on the assumption that all tariffs are suspended. The amendment I have offered does not envision so sweeping a change. It proposes only very moderate change. Of course, Mr. President, the figures showing 4,376,000 workers dependent on imports and exports and 202,000 workers vulnerable to increased imports as a result of temporary tariff suspension, are estimates. But they are informed estimates. They place in proper perspective the order of magnitude of the problem we face. Let me emphasize once again, however, that we are not talking at this point about tariff suspension or abolition. The trade program before us is a program for modest adjustments on items to be carefully selected—a carefully thought out conservative program, and, in the President's own words "A minimum essential program for the building of a stronger America as an integral part of a strong and economically free world."

An informed analysis of the factors involved would indicate to a reasonable man that our national interest lies in the direction of increased international trade. Surely the figures I have discussed point to but one conclusion, and that is that our continued prosperity is contingent upon a high level of export trade.

Unless we adjust our trade policy in this time of crisis so that Europe can expand its trade with the United States and the free world, the inevitable result will be a deflection of European trading in the direction of the Soviet bloc. There is a substantial historical connec-

tion between Western Europe and Eastern Europe. Prewar trade relations between the two areas were strong, with Eastern Europe supplying a large portion of the raw materials requirements and foodstuffs for Western Europe. In the postwar period this trade has languished. In part this has been due to the absolute unavailability of Western European products during the period of reconstruction. It has also been due to the policy of economic independence which until recently has been followed by the Soviet Union and its satellites. A third and important factor is the economic sactions imposed against Communist countries.

Following the death of Stalin, a substantial change in Soviet economic policy toward the West was discernible. The Soviet Union, it would appear, has tried to capture the initiative in its global strategy by using economic warfare to split the allies. The economic exigencies that Western Europe faces have made these countries susceptible to the economic blandishments of the Kremlin. If the Soviet Union succeeds in turning our European allies away from the West, that will be a major catastrophe. The only real and lasting solution to these problems is that we stimulate higher and more stable levels of mutually beneficial trade. This is a responsibility which we cannot afford to shirk. Even if these policies implied a burden and a cost to us, we would be wise nonetheless to undertake them. But the simple and elemental fact is that we stand to gain from such increased trade through expanded outlets for our own products.

I do not need to point out to my colleagues that this remarkable recovery thus far made by Western Europe has been due in large measure to the generosity of the American people.

Nor need I point out to my colleagues that the day is approaching when America will no longer make the dollar gifts to our western allies. When this day comes, what will happen to Europe? What will happen to the United States?

The answer is unpleasant to contemplate, unless we realize and act on the necessity for expanding world trade as the substitute for economic aid.

In Western Europe the Communists have lost their propaganda battle against economic recovery in Western Europe. We have put the lie to the Soviet propaganda claims that our Marshall plan aid was American imperialism. The truly cooperative effort for European economic recovery has served to bind the free world together and has resulted in increased mutual regard and consideration which is so essential to unity among free democratic nations.

But we cannot rest on the laurels that we have won. For one reason, the Communists will not let us. The strength and security of the free world alliance must continuously be nourished. If we stop and withdraw, then all that we have done will have been for naught. We are at a particularly crucial point at this time in the development of the free world alliance. The economic recovery of Western Europe that has been so much a product of our efforts, must be preserved so that it can make its maximum contribution to the economic welfare and military security of the free world. We must, by continuous effort, protect our investment, for if we are derelict and lose the initiative in the struggle, our adversaries will be quick to capture it. The boldness of initiative manifested in the Marshall plan and in the other programs of economic and military aid must now be turned to the development of programs of trade within the free world. If we fail to do this, the alternatives are obvious. If we do not trade with the free world, then the free world—East and West alike, will trade with the Soviet bloc. The delays that we have already encountered in putting into effect a more liberal trade program have done the free world alliance considerable harm. The Russians have been quick to take advantage of our errors. In the past 18 months we have seen a new look in Russian strategy. On the economic side—and I need not point out that everything the Russians do has an economic aspect—on the economic side the Russians have been trying to woo Western Europe away from trade with the other countries of the free world and toward increased trade with the Soviet Union and its satellites. Not only would this, if successful, increase the dependence of Western Europe on Soviet sources of supply, but the Kremlin has also much to gain in the form of hard goods and tools to expand its industrial capacity, and of increased consumer goods to satisfy the demands of the peoples in the satellite countries. The East Berlin riots of just a year ago gave evidence of the restiveness of the captive peoples, especially the independent labor movement of Eastern Europe. Demands of their armaments and the accelerated pace of industrialization in the satellites and in the Soviet Union, have undoubtedly placed extreme burdens on the consumers in these countries. Apparently the signal has now been given to go slower and to eliminate the disaffection among the satellite peoples by offering them more bread and goods.

The Kremlin has other objectives in mind, too. One of the most effective ways of undermining the free world blockade on the shipment of strategic war supplies to the Communist world is to slowly chip away at these controls by expanding nonstrategic trade. Earlier in the game the Kremlin gave away its hand by demanding strategic goods in exchange for foodstuffs and raw materials. Now its trade offensive has become less obvious. It no longer demands strategic goods, but is satisfied with ordinary commercial trade. Let us not delude ourselves about the ultimate objective; it is to make Western Europe so dependent on the Soviet bloc that the controls over trade in strategic goods will no longer be effective. For where economic influence is expanded, political influence is increased.

One cannot deny that given the economic circumstances of Western Europe, Russia can make trade with the Soviet bloc appear attractive. In fact, the Red state trading monopolies have made it their business to offer good bargains. With a continued shortage of dollars in Western Europe—and this goes back to the question asked by the able and distinguished Senator from Massachusetts [Mr. KENNEDY]—and with no evidence from us that we are willing to liberalize our trade policy, our friends in Western Europe are faced with the economic necessity of trading with the Reds. We read almost daily of new discussions between East and West on trade. We hear of trade delegations going behind the Iron Curtain to negotiate barter agreements.

Every time we do something foolish, like rejecting a low British bid for power transmission equipment, or turning our back on further reciprocal trade agreements, the Russian propaganda machinery begins to grind, and newer and better trade deals are offered.

What will happen if Russia's trade offensive is successful? It has given considerable evidence that it promises to be successful. The answer to that question is important to the people of every State in the Union, including the people who think they might be injured a little by this program. The answer is of vital concern to the people of New England, the North, the South, and to every citizen of the United States.

First of all, we lose customers to the Russians. We lose markets which are vital to the welfare of our domestic producers. It is plain bad business for us to sit still and do nothing and allow the customers of America to be taken away by anyone else to our disadvantage, but more particularly by those who compose the conspiracy to dominate the world.

Second, the area of Russian economic and political influence is expanded. The net result would be that the unity of the free world is diminished. The tremendous investment that we have in the free world is compromised. We lose by default to the Communist economic offensive that which we have spent billions to protect. By shortsightedness, by vacillation, by doing foolish little things, we are in danger of undoing the tremendous good that we have accomplished with so much care and at such great cost to ourselves.

Indications are that the Communist trade offers are finding plenty of takers. Already Russia has concluded trade agreements with Argentina, Canada, Denmark, Egypt, Finland, France, the United Kingdom, Greece, Iceland, India, Italy, Iran, Norway, Sweden, and West Germany. She has issued invitations to a number of Asiatic and Pacific countries to send trade delegates to a conference in September and October of this year. Countries invited are India, Burma, Indonesia, Ceylon, Afghanistan, Pakistan, Thailand, Japan, the Philippines, Nepal, Malaya, and British Borneo. The delegates are to spend approximately a month studying development of Soviet industry and agriculture. The invitations were issued at the February meeting of the United Nations Economic Commission for Asia and the Far East at Kandy, Ceylon. Then, on April 30, Semyon K. Tsarapkin, Soviet delegate to the United Nations Economic and Social Council, offered all Latin American countries the same kind of invitation for the same month. Both

Asian and Latin American representatives will be guests of the Soviet Government during their entire stay. It is reported that several Middle East countries are also to be invited.

As an additional inducement to underdeveloped nations, the Soviet Bloc, since the beginning of this year, has signed at least 10 new trade agreements with Asian and Latin American countries calling for trade worth more than $100 million in the next 12 months.

Apparently, the Reds really mean business. Asian and Latin American countries have been officially informed that Moscow is ready to grant them substantial commercial credits and, what is more, to accept payment in local currency.

That is a step which we have been debating on the floor of the Senate. We have not proceeded very far with it, but Russia has made the announcement that she is willing to accept local currencies.

Long-term trade agreements are being offered ostentatiously as a means of assuring a raw material supply for Soviet Russia and of stabilizing its export production schedules. At the same time, these agreements guarantee stable revenue to countries which have suffered periodically from sharp price fluctuations for such prices as tin, rubber, copra, tea, and rice. The formula is the same one Nazi Germany used to tie the depression-stricken East and Southeastern European countries to Germany prior to World War II.

Let me point out to my fellow Senators that while Russia is offering this stable market, offering to accept local currencies, offering long-term agreements, what kind of program do we propose? We propose to continue the uncertainty. What foreign country would venture the guess that this 11-months' extension will be in effect 2 years from today? It is an uncertainty which is doing great damage, as is the lack of a positive movement for liberalization.

We must assume that the Soviet Union is technically capable of extending industrial and commercial credits to capital-poor countries. Already, she has made technical assistance agreements with India and Afghanistan, and is negotiating with others.

European imports from the Soviet Bloc have consisted primarily of goods for which Europe would otherwise have spent scarce dollars.

That comes back to the question submitted to me by the able Senator from Massachusetts [Mr. KENNEDY].

It was estimated about a year or so ago by a U. N. survey team that if Western European trade with the Soviet Bloc were to return to the levels of that trade in 1938, Western Europe could save 300 million scarce American dollars a year.

They are moving in that direction. Every time a million dollars' worth of imports in Western Europe is transferred from the United States to iron-curtain countries, we lose customers; we lose jobs. Russia gains influence as well as customers.

Today, Western Europe is buying about 8 percent of all its bread grains from the East and about 21 percent of its livestock grains, while we wrestle with a grain surplus. Timber is another important commodity with one-fourth of all the Western European purchases of sawn woods coming from the East. The U. S. S. R. and the rest of Eastern Europe have been buying relatively more machinery-manufactured goods and transport goods. These products make up almost half of East European imports from the West. In line with the so-called new policy that Malenkov has enunciated, consumer goods imports from the West have increased. We know that in the last 6 months of 1953 and the first month of 1954, the Soviet Government made arrangements to buy food from the free world amounting to about $90 million in value. Butter was the biggest item, having a value of $40 million, with Denmark and the Netherlands as the major suppliers.

In addition to food, the Soviets are stepping up their imports of textiles from Belgium, Netherlands, France, Italy, and the United Kingdom.

In recent contracts with the West, Russia has ordered from Great Britain, machinery, machine equipment, tools, and other hard goods. Argentina has contracted to buy petroleum, coal, machinery, power plants, and drugs in exchange for wool, hides, linseed oil, and meat.

Let me point out that we have petroleum products to sell. We have coal to sell, and we have coal miners who are unemployed. We have machinery to sell.

France has a 3-year agreement by which she will get corn, anthracite coal, chrome, manganese, and asbestos, and will sell linen, silk, lead, and fruits. Meanwhile our coal miners work part-time or lose their jobs and our corn bins are full.

Greece has a $20 million agreement by which she will get crude oil, coal, and timber in exchange largely for tobacco.

Denmark has contracted to supply the Russians five refrigerator ships.

The Soviets have also made smaller arrangements with Egypt to swap wheat for cotton, with Holland to swap automobiles for foodstuff, and with Norway to exchange automobiles for ships.

The Russian satellites have been active as well. Czechoslovakia, for example, has negotiated barter arrangements with a series of western European countries. In the case of Greece, Czechoslovakia has been seeking to sell lumber, sugar, prefabricated houses, and textiles. The Netherlands will export frozen beef. A Czechoslovakian-Brazilian treaty provides for the sale by Brazil of iron ore, hides, copper, and cocoa. It is known that a trade agreement with Bolivia is under consideration through which, if consummated, Bolivia would exchange $4 million worth of tin, lead, sulfur, bismuth, and other products for machinery. I point out that the United States has machinery to sell and has need for tin.

Polish trade agreements with the West are primarily concerned with the exportation of Polish coal. Among the western European countries signing agreements specifying delivery of substantial quantities of Polish coal are Austria, Sweden, France, and Finland. And this has been taking place while United States coal can undersell Polish coal in European markets and our exports of coal fell by almost one-third in 1953 from the 1952 levels.

West Germany has also been susceptible to the trade blandishments of the Soviet bloc. The recovery of German production has been remarkable, and the pressures on Germany for disposing of her production abroad have been great. Her natural inclination is to develop trade with the countries with whom she traded in the prewar period. Then, she was a heavy industrial supplier to what are now the Communist countries of Eastern Europe. Germany then received grain and tobacco from the Balkan countries; she depended upon Hungarian and Polish eggs and meat, Russian timber and oil, and Czech iron. In return, Germany used to send to the East the products of its factories—iron and steel, machinery and chemicals. Today, German trade with the eastern bloc is far below the levels of that trade in the early thirties when 15 percent of German foreign trade was with the East. Today, this trade is no greater than 2 percent of Germany's foreign trade, but the pressures for expanding it are increasing all the time. She has negotiated trade and payments agreements with all the Soviet satellites with the exception of Rumania. One interesting thing is that there is no diplomatic representation between West Germany and the East; but apparently that has not made any difference so far as the negotiation of trade agreements is concerned.

One commodity that figures prominently in this actual and prospective trade with the East is wheat. It would be a very distressing political as well as economic development if West Germany were to switch its purchases of wheat from the United States, Canada, and Australia to the Soviet Union. With our exports of wheat in 1953 having fallen by 33 percent from the levels of 1952, and with our total exports of agricultural products having fallen by almost two-thirds of a billion dollars, further losses to our markets to the Soviet bloc would be disastrous to American agriculture.

Almost one-fourth of all West European imports from the Soviet bloc have consisted of grains and cereal preparations. All in all, foodstuffs make up between one-third and one-half of such imports by the free world. Coal and coke account for $200 million of imports and wood, pulp and manufacturers for over $100 million worth of imports from the Soviet bloc. Even oilseeds and fats and oils which are big export items for us have been displaced by imports from the Red nations. In recent months, the Soviet Union has been expanding its exports of petroleum and petroleum products and of automobiles to Western Europe.

To be sure, the total trade now moving between east and west is not very great. The total of such exports and imports stands at about $3 billion. But for individual countries, the markets in the Soviet bloc make a substantial contri-

bution to their export trade. Austria exported 11 percent of her total exports in 1953 to the bloc, Iceland 20 percent, and Finland 31 percent. For some of the other countries of Western Europe, this trade accounts for 4 percent or more of their total exports. In this category, we find Denmark, Greece, Italy, Norway, Sweden, Switzerland, and Turkey. Even for France and the United Kingdom, markets in the East take substantial percentage of the exports of individual commodities. For France, the Soviet bloc has accounted for 78 percent of France's imports of beef, 21 percent of its pork, 54 percent of its potato starch, 38 percent of its anthracite coal, and 22 percent of its fuel oil, and 24 percent of its print rayon fabrics.

Let me remind the Senate, Mr. President, that United States producers are losing foreign markets.

In 1951 United Kingdom imports from the Soviet bloc amounted to $235 million, of which half were from the Soviet Union. Scandinavia has been the major importer of Polish coal. Italy sends to the bloc sardines, anchovies, citrus fruits, cork, synthetic fibers, and photographic equipment, and imports hogs, grain, timber, coal, fuel oil, soybean, and peanut oil.

One must keep in mind in appraising these developments in east-west trade, that the major reason for the free world's exports to the Soviet bloc is that other markets have not opened up to accept the goods that Western Europe stands ready to export. The imports that they get from the bloc are of less importance than the markets the bloc offers. Western Europe would be willing and eager to buy from the rest of the free world if it felt that it could expand its sales to the free world.

Another characteristic of this trade is that the direct trade between the West and Russia has been increasing. Russia takes a far larger proportion of western trade now than it did before the war when the bulk of Western trade was conducted with what are now the satellite countries. How this development fits the design and strategy of the Soviet trade offensive is apparent. Soviet economic exploitation of the satellite states of Eastern Europe has served to put Russia in a dominant economic position in the bloc and she is using her economic power to wage economic warfare against the free world.

Mr. President, the trade offensive which the Soviet bloc has undertaken is comparable in its significance to the political and military aggression which we have spent billions to counter. We must not sit idly by and allow it to succeed without a struggle. The only effective approach lies in the enactment of an enlightened trade policy of our own. We must let our friends know that we, too, stand ready to cooperate with them in their efforts to develop their markets. Enactment of the pending amendment with its modest authority to negotiate for removal of trade barriers will provide some assurance that we are headed in the right direction. Failure to enact the amendment may force some of our friends to make an agonizing reappraisal of their trade interest.

Mr. President, isolationism in whatever form, political or economic, is no longer a safeguard for the United States, but a menace. We cannot look out upon the world around us and think today that what we do is irrelevant to those who are with us in the great alliance. America's economic position is so preeminent that what we do affects every member of the free alliance. It is no longer possible for us to regard trade policy as solely a matter of domestic politics. And fortunately we are in a position where our own economic interests and our world responsibilities converge in a trade policy which will permit an expansion of international transactions.

This is not a matter which we can put in the context of this year's elections or last year's elections. We must regard it as a reflection of the demands of our world position during every day that passes.

To say that it is sensible to review our international trade policy during the course of a whole year and then, when difficulties arise, to propose a further year of study and consideration is to abdicate our responsibility. Our friends in Europe and throughout the world, those upon whom our security depends, look to us for an initiative.

I do not regard the issue of developing a trade policy as one that we can take or leave alone, but rather as one that presses for our immediate attention. What particularly recommends the trade proposals contained in my amendment is that they are moderate recommendations on which Americans can agree—recommendations which bear a clear relation to our national interest, recommendations already having bipartisan endorsement. But, far more important, at a moment when the stakes of the great alliance are as high as they are today, these trade recommendations are an earnest example of our good intentions as the leader of the free world.

We, of all the free nations, have little reason to postpone a decision in the field of international trade. We must continue to expand our economy. We have demonstrated the ability to expand our production at a rate thought unbelievable only a few years ago. At the same time, the other nations of the world continue to have a pressing requirement for the products of American farms and factories in their drive toward more stable economies. With these forces at work in the world, and with our way of life at issue, the voices of postponement do not ring in my ears with much conviction.

We are being asked to give another year of study to the policies that are before us today. I am not one who counsels precipitate action, and I hardly think it could be said that recommendations which have received the attention of so distinguished a group as the Randall Commission over a period stretching from last summer until this spring, is precipitate action. But if there are those who believe this is hasty consideration, I would point out also that every Department of the executive branch concerned with this problem gave additional months of study to the report of the Randall Commission and still did not find cause to reject its major proposals. What we have before us today embodies the distillation of all of this work. I, for one, find no reason to believe that another week, or another year, of study will add very much to what is before us now.

The recommendations of the Randall Commission are wholly consistent with the trend of trade policy which began 20 years ago with the original Trade Agreements Act. We are not launching into the unknown, but are expanding and deepening our involvement in a trade policy which has served us and the free world well. I would not urge upon this body some radical and untried course. I do urge an acceptance of a well-charted course and a program along a well-known road. These proposals are moderate proposals, aimed at permitting us to continue to deal with the problems of international trade in a sensible, careful, and American way. Without the limited additional authority here provided, the President and our Government will be hamstrung in their efforts to tailor our international relations to our obvious domestic interests and foreign policy goals.

Of the 17 members of the Randall Commission, 10 of whom came from Congress and 7 from the public, all but 3 joined in supporting the recommendations embodied in my amendment. These are the recommendations which I have proposed as an amendment to the act extending the trade-agreements program for 1 year. It is not really conceivable to me that any larger or wider measure of agreement could be secured on any other set of studies, or on any other set of proposals, no matter if we studied the subject another week, another month, or another year.

We have had representatives of agriculture, business, and labor—Republicans and Democrats—working upon these problems with only one guide for their efforts, and that guide was the national interest. We have watched public opinion develop behind these proposals in every area of our national life. There is every indication that the American people support the use of the trade agreements program as a technique for dealing with international trade problems. There is nothing in my amendment which alters this steady and successful method of approach. On the contrary, the recommendations provide a framework in which we can move forward in our quest for an expansion of the free world's trade which will be beneficial to every member of the great alliance. If we act now, we can secure the full advantage of our initiative. If we wait a year, it is difficult to know what we will be able to gain. It is clear that we will have lost the immediacy of the thrust.

In our own enlightened self-interest in its broadest sense, I urge the Senate of the United States to approve this cautious step toward a progressive foreign trade policy.

AUTHORIZATION FOR CERTAIN TRANSACTIONS BY DISBURSING OFFICERS OF UNITED STATES—CONFERENCE REPORT

Mr. CAPEHART. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2844) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes, and I ask unanimous consent for the present consideration of the report.

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

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2844) to amend the Act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, 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 disagreement to the amendment of the House, and agree to the same.

HOMER E. CAPEHART,
WALLACE F. BENNETT,
BARRY GOLDWATER,
BURNET R. MAYBANK,
J. W. FULBRIGHT,
Managers on the Part of the Senate.

CLARE E. HOFFMAN,
JEFFREY P. HILLELSON,
GLENARD P. LIPSCOMB,
WILLIAM L. DAWSON,
JOHN W. MCCORMACK,
Managers on the Part of the House.

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

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

EXTENSION AND IMPROVEMENT OF VOCATION REHABILITATION SERVICES

Mr. LEHMAN. Mr. President, yesterday the distinguished junior Senator from Connecticut [Mr. PURTELL] made a unanimous consent request, which appears on pages 8597, 8598 of the RECORD, as follows:

The Senator from New York [Mr. LEHMAN] wishes to offer supplemental views. I ask unanimous consent that, when they are received, they be made a part of the report.

That statement was slightly in error, although I deeply appreciate the courtesy of the Senator from Connecticut.

The unanimous consent request should have been to grant permission to the Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. NEELY], the Senator from Illinois [Mr. DOUGLAS], and myself to file our views in connection with the report on Senate bill 2759; and I now ask unanimous consent that that may be done.

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

REAPPRAISAL OF FOREIGN POLICY

Mr. HUMPHREY. Mr. President, a very thought-provoking address was given at the Harvard commencement exercises at Cambridge, Mass., on June 17, by John Cowles, president of the Minneapolis Star and Tribune and retiring president of the Harvard Alumni Association.

Neither Mr. Cowles nor his newspapers are political supporters of mine. They are supporters of President Eisenhower.

Yet I want to call the attention of the Senate to Mr. Cowles' address as a constructive contribution to our present thinking in regard to foreign policy—an expression of a responsible citizen who shares the conviction of many of us that the destiny of our western civilization makes it imperative that America assume its role of world leadership on a bipartisan plane—the conviction that the needs of our time call urgently for a reappraisal of our foreign policy that goes beyond narrow partisan lines.

The title of Mr. Cowles' impressive address was: "It's Time We Made a Reappraisal of Our Foreign Policy." It would be well for all Members of this body to read it. I particularly call its attention to members of the Committee on Foreign Relations.

Mr. President, I ask unanimous consent that the text of Mr. Cowles' address be printed in the body of the RECORD.

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

IT'S TIME WE MADE A REAPPRAISAL OF OUR FOREIGN POLICY

(By John Cowles)

We Americans must learn not to fear change solely because it is change. As the geochemist, Harrison Brown, says in his stimulating and important new book, The Challenge of Man's Future, "no matter what happens in the world of the next few decades, change will be the major characteristic."

Let me give one more quotation from Brown's book: "We in the United States are in a position of overwhelming responsibility at the present time, for in a very real sense the destiny of humanity depends upon our decisions and upon our actions. * * * Never before in history has so much responsibility been inherited by a group of human beings. Where in previous times the lives of individual nations and cultures were at stake, today the stake is destiny of all humanity."

I think we can all agree that the maintenance of our freedom, without war, if that is possible, is our prime objective. In addition, we want to keep as much of the rest of the world free as we possibly can, knowing that the more the globe is overrun by the Communist imperialists the smaller is our chance of maintaining our own long-term freedom and security.

The problems confronting us are incredibly complex. Some of them appear insoluble. Any brief discussion of them must necessarily be an oversimplification, but I would like to comment on a few.

"AGONIZING REAPPRAISAL" NECESSARY

I believe that events have made necessary that agonizing reappraisal of our foreign policy to which Secretary Dulles has referred.

In connection with this agonizing reappraisal I hope, first of all, that President Eisenhower and Secretary Dulles will consult with responsible Democratic leaders as full partners along with Republican congressional leaders in the formulation of major foreign policies and make every effort to secure bipartisan agreement.

If, as it now appears, the European defense community is not going to be ratified, alternative measures for keeping western Europe free and secure will have to be devised and adopted.

Not only is the French political situation hopelessly confused, but the recent attacks on Chancellor Adenauer's policy by two of the most influential members of his own party, former chancellors, Bruening and Luther, may be of deep significance in foretelling a major shift of German policy away from integration with the West.

I have no doubt that those critical problems relating to western European defense will receive the full consideration and debate that their high importance merits, and I am not going to take the time to discuss them today. I suggest, however, that there are other phases of our foreign policy that also deserve reappraisal and which over the long run may prove equally important. Moreover, in order to secure agreement on a new plan for the defense of western Europe if EDC is abandoned, we should not lightly make new commitments there that would tie our hands and prevent our pursuing policies that we regard as right in other parts of the world.

COLONIALISM IS DYING

For example, we should recognize that the whole idea of colonialism is dying, and set our future foreign policies within the framework of that emerging fact.

Admittedly many of the still subject peoples are not yet sufficiently educated and trained to be ready for independence and self-government. But the desire for independence in many areas promises to become almost irresistible. Should not the United States, then, in its agonizing reappraisal, adjust its policies so that they will not clash with the aspirations of the people to be free? We simply cannot afford to continue to let the Communists create the false impression that they alone are against colonialism, and that the United States is for it.

I fully realize the short-run, tactical difficulties that might be involved in clarifying our attitude on colonialism. I venture to suggest, however, that part of the reason for the deterioration in the United States' position is because in conducting our foreign policy we have placed altogether too much emphasis on short-run, tactical, and defensive aspects and not enough on an affirmative long-range program.

What would happen to our air bases in Morocco, one may ask, if the Moroccans should become free? But if a free and independent Morocco felt that the United States was genuinely its friend, why should it not be willing to let us keep our air bases there as one way of helping to preserve its own liberty?

The desire for self-determination, for independence, is on the march throughout the globe. The United States must not permit the impression to be created that it resists that trend. Why let Soviet Russia and Red China appear to the natives anywhere to be the only powers sympathetic with their legitimate aspirations for freedom, when we know that Russia and China are imperialistic exploiters bent on subsequently enslaving the people who succumb to their wiles?

NEHRU UNDERESTIMATED IN UNITED STATES

Why should the United States not make crystal clear its sympathy with Nehru in his aspiration to have Portugal give up the three colonies or enclaves that it still holds in India and France give up the four that it holds? If we want to bring Nehru into closer alinement with us, what more effective thing could we do?

We fail to grasp how deeply most Asians, including Nehru, loathe colonialism, and

how instinctively they suspect that the westerner who talks about preventing the spread of communism in Asia may secretly be wanting to exploit the natives, just as the French exploited the Indochinese.

The United States also seems grossly to underestimate both Nehru's prestige throughout Asia and, as the Prime Minister of the most populous member of the British Commonwealth, his influence at 10 Downing Street, London.

In the reappraisal of our overall long-range foreign policies, I suggest also that the United States put much more emphasis on its genuine desire to help raise the standards of living of the underdeveloped areas by aiding in their rapid industrialization. We are already doing some splendid things under the point 4 or technical cooperation administration but not nearly enough.

Tonight, three-fourths of the peoples of Asia and Africa will go to bed hungry, or half hungry and undernourished.

Most people in Asia and Africa are farmers barely able to produce enough food to keep themselves alive. Since almost all of their energy goes into food production there is little surplus available to produce capital goods. As a result they badly need dams and irrigation systems, chemical plants to make fertilizer, factories to make farm equipment and other things which would enable them to increase their total output and so raise their standards of living.

By spending only a fraction of the amount of money that we spent in Western Europe on the Marshall plan, we could help the underdeveloped areas of Asia and Africa enormously.

THERE'S A "POPULATION BOMB," TOO

In our reappraisal of foreign policy we should realize that the problems of getting rid of war and eliminating poverty are inextricably intertwined. We should also understand that starvation can't be overcome unless the underdeveloped nations become industrialized faster than their population grows.

Unless hundreds of millions of people are killed by atomic or hydrogen bombs or die from starvation in the ensuing devastation, at the current birth rate the world's population is going to treble or quadruple within a hundred years.

We should also realize, as someone has wisely said, that while the atom bomb is only being stockpiled, the fuze of the population bomb is already lighted and burning. Every day adds 93,000 more people to this planet.

It is in these underdeveloped areas, areas not yet solidly alined with either the free world or the Soviet bloc, that population growth is the most rapid. Poverty is the soil in which communism breeds fastest. In addition to helping industrialize these underdeveloped areas, wherever the people and their governments want it, we should include education in methods of birth control as a major part of the public-health program. Lowered birth rates will result in better public health and higher standards of living.

Our overall program for these underdeveloped areas should have as its ultimate goal the production of goods sufficient for their needs. In that way everyone would eventually have adequate food and housing, education, medical facilities, and nutrition.

In addition, I believe our long-range foreign policy program should include the advocacy of universal disarmament under effective and continuous international inspection and control. The attainment of this goal may not be possible in our lifetime, but the more we advocate it in the U. N., the more we will convince the other nations that we are not militaristic war mongers, and the sooner we will spike the Communists' principal propaganda guns.

Some people say that universal disarmament under effective international inspection and control is too remote to consider, and an idea too dangerous to discuss. My reply is that timidity is tragic when the free world's future is in balance. Like the elimination of poverty, it may take a long time to accomplish, but let's set our sights high.

And until we do eventually achieve the goal under which we could safely join in universal disarmament, let's build our military defenses and our retaliatory striking power to such a point that there can be no doubt in the minds of the Communist leaders as to what the result would be if they attacked.

NO MONOPOLY ON WISDOM

Again, in reappraising our foreign policy we should recognize that we don't have a monopoly on all wisdom, and we should be less insistent in trying to force our views down the throats of our allies or potential allies, particularly in comparatively unimportant matters.

Since the United States contains only 6 percent of the population of the globe, our foreign policy must rest on a system of alliances. Therefore we should reexamine those of our policies which irritate or alarm our allies. Such policies as reexamination indicates are vital to our security should of course be maintained. But some policies on which we have taken strong positions may seem, after we have reappraised them, less important than we have assumed. In any event, I believe, we should be more flexible and more conciliatory in our efforts to reach complete agreement with our partners, particularly the British.

I favor making every possible effort to persuade Nehru immediately to accept leadership of a movement to organize a defensive alliance of the southeast Asian countries. We should make clear to members of such an alliance that a request to the United Nations to guarantee their independence and help them protect themselves against external aggression would have our hearty support.

I hope this group of Asian countries would include India, Pakistan, Ceylon, Burma, and Indonesia as well as the Philippines and Thailand. And I hope that Great Britain, Canada, Australia, and New Zealand would join the United States in guaranteeing the independence of the still free nations against external aggression, and in sending military contingents to train and equip the armed forces of those nations to defend themselves.

WHY WE HAVE NO PACT NOW

The real reason why we do not already have a united front or a Pacific NATO is, I believe, crystal clear. It is because the British, and the leaders of the Commonwealth, including Nehru, have feared that if it were under American domination it would prove but the opening act of an inexorable three-act tragedy. The first act would be fighting the Viet Minh. The second act would be our blockading and bombing Red China. The final act would be all-out atomic world war III.

Important as Vietnam, or all of Indochina for that matter, may be, particularly since the issue of colonialism is involved, it is not, in my opinion, worth world war III.

In this connection we must recognize that within the Eisenhower administration and within the Congress there are some influential and vocal leaders, only a small minority, but men in key positions, who believe that the Red regime in China must be overthrown at any cost.

I do not share their views. Neither do I believe that Chiang Kai-shek's Nationalist forces on Formosa would, if we went to war with Red China, prove anywhere nearly as valuable and effective allies as some people claim.

I would far rather have us participate in the defense of the rest of southeast Asia, at the invitation of the Asian countries, and with Great Britain and the British Commonwealth as our complete partners and allies, with the limited objective of preventing any further Communist expansion, than have us go it alone, except for Chiang Kai-shek and Syngman Rhee, in launching a war on Red China. Such a conflict, I fear, would almost inevitably produce world war III.

HONEST DISSENT IS HEALTHY

My opinions are based only on the information that anyone can read in the papers. Obviously no man who does not have access to the reports of the Central Intelligence Agency, the State Department, and the Joint Chiefs of Staff should be too dogmatic as to what we should or should not do where questions of our national security are involved.

At the same time we should realize under what frightful strains and incredible pressures our day-by-day foreign policy decisions are being made. We should realize, moreover, that public opinion and discussion do shape and mold those policy decisions. Honest dissent is a healthy thing.

It is a terrible, an awesome decision that destiny is forcing President Eisenhower to make in the days or weeks or months immediately ahead. Whatever his decision proves to be, once it is made I pray that the American people will support it unitedly.

WHAT ARE THE REAL DEFENSE FACTS?

Mr. HUMPHREY. Mr. President, I have in my hands three articles which appeared in the New York Times on 3 recent successive days. I shall ask to have these articles placed in the RECORD at the conclusion of the few comments I wish to make concerning them.

Last Saturday, Assistant Secretary of Defense Donald A. Quarles is quoted as having said:

> We must conclude that on balance our technical position vis-a-vis the Soviets is less favorable than it was a year ago. Our margin of advantage has been narrowed and we must face the sober inferences to be drawn from these facts.

Then, on Sunday, Secretary of Defense Wilson asserted that the United States lead in weapons was still a 2- to 3-year lead. Asked to comment on his subordinate's speech of the day before, Secretary Wilson said:

> I don't know that the gap is narrowing exactly. I would say we have a better understanding of what the gap is.

Tuesday's New York Times carries an article by Harry Schwartz, a recognized expert on Soviet affairs, which describes some of the recent achievements of the Russians in the arms race. Among these achievements are alleged to be a plane which flies faster than any of ours, a rocket which has bettered American records for reaching new heights, and Soviet superiority in knowledge about Arctic flying conditions, the Arctic being the region lying between ourselves and the Russians.

I digress to say that we, in my section of the country, are deeply concerned about this, because Minnesota lies on what is known as the great circle route over the Arctic.

Not too long ago the junior Senator from Missouri [Mr. SYMINGTON] called the attention of the Senate to the rapid new developments in Soviet bombers, shortly after spokesmen of the Defense

Department had confidently stated our lead in that field.

Mr. President, I recall that during last week's debate on the Defense Department appropriations I asked for assurances that the United States was, in fact, ahead of the Soviet Union in research and in actual airpower. I was categorically told that we were.

The question of how far we are ahead, however, is a vitally important one. It has a direct influence on the emphasis that we give to research and to immediate production. It has a direct influence on the types of research and production which we select for emphasis. And it has a direct influence on the balance of power in the world, on the feasibility of United States aims and methods in foreign policy, and on the safety and security of the people of the United States.

The last thing I wish to do is to make statements which are alarmist in tone. We badly need realistic, unemotional consideration of the problems posed by the race for superiority in research and weapons.

I also realize that it is not always easy to tell how far we are ahead of the Soviet Union, and that there are difficulties of both intelligence and evaluation of intelligence in this field.

I wish to say, however, that I think it is absolutely vital that the American people should receive information on this score which is reliable.

This is important to legislators and to all other citizens alike, for we are all involved in making plans for our future and the security of our Nation. We should have available to us the most reliable and authentic information. We cannot afford to guess wrong or content ourselves with pleasant and comforting reassurances.

It is important to get reliable and, I should add, consistent information on our position in comparison with the Soviets in weapons development and military strength, in order that the American people shall have confidence in those who are entrusted with their defense.

There have been numerous instances in the past when our officials have spoken at cross-purposes when speaking of the extent of our preparedness. The present instance is simply one of a series.

I raise this question because I think it is important that, within the limits set by security precautions and the room for interpretation of that "security intelligence," the Defense Department have a policy to guide the statements of those who speak for it. It is dangerous to confuse the people on this issue.

Mr. President, I ask unanimous consent that the three articles be printed in the RECORD at this point.

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

[From the New York Times of June 20, 1954]

LEADERS WARNED OF REDS' WEAPONS—"MARGIN HAS BEEN NARROWED," QUANTICO PARLEY IS TOLD—PRESIDENT CONFERS, GOLFS

(By Elie Abel)

QUANTICO, VA., June 19.—President Eisenhower joined the Quantico conference this morning as his national security planners pondered a warning that Russia was narrowing the United States lead in weapons technology.

Donald A. Quarles, Assistant Secretary of Defense for Research and Development, gave the warning in a panel discussion at the second annual weekend meeting here of the 160 military and civilian officials primarily responsible for the Nation's defenses.

"We must conclude that on balance our technical position vis-a-vis the Soviets is less favorable than it was a year ago," Mr. Quarles said. "Our margin of advantage has been narrowed and we must face the sober inferences to be drawn from these facts."

This is true, Mr. Quarles declared, despite two great achievements by United States scientists in the weapons field since the first Quantico conference last July: the launching of the nuclear-fueled submarine *Nautilus* in January, and the hydrogen-bomb tests in the Marshall Islands in the spring.

On the Soviet side he cited these very significant strides: the first Russian thermonuclear explosion, last August 12, and the May Day air show in which the Soviet Air Force displayed two new jet bomber models more or less comparable with our B-47 and B-52.

Although hundreds of the B-47 medium bombers are in the hands of the Air Force, production of the heavier B-52 is just getting underway.

"Experience has taught us not to rely on too many years' spread between a technical accomplishment here and the appearance of its counterpart behind the Iron Curtain," Mr. Quarles said.

He described the Soviet Union as a worthy competitor in the weapons race, asserting that to remain in first place the United States would have to exploit continuously the newest and best of its scientific resources.

"We must not expect that we can ever make a final, decisive move that will insure our superiority," he told the conference. "There is no end to the moves and countermoves."

President Eisenhower, arriving at this sprawling Marine Corps base after the panel discussion had ended, clearly had golf on his mind. He motored the 35 miles from Washington in a roofless limousine with a new golden-headed putter in his hands.

The club had been presented to him before the Presidential party left the White House by a delegation of Republican recruits from Nassau County, Long Island. President Eisenhower promised the Republicans, all under 21 years of age, that he would try out the gift putter this afternoon and he kept his word.

In high good humor, the President teed off with three old golfing partners: Lt. Gen. Floyd Parks, Second Army commander; Gen. J. Lawton Collins, United States representative on the standing group of the North Atlantic Treaty Organization, and Gen. Nathan F. Twining, Air Force Chief of Staff.

His drive off the first tee was long and true, about 240 yards down the middle of the sloping fairway. When photographers urged him to try another drive the President remarked: "They're determined to prove it was an accident."

So he teed up again and put a second ball within a few feet of the first one. Marine wives and children watching the President from a balcony back of the tee cheered and clapped.

Spurred on by the President's example, Vice President RICHARD M. NIXON, an earnest novice, also sent a long straight drive down the fairway when his turn came. The Vice President played in a fivesome with Charles E. Wilson, the Secretary of Defense; Charles S. Thomas, Secretary of the Navy; Harold E. Talbott, Secretary of the Air Force, and James C. Hagerty, White House press secretary.

Robert T. Stevens, the Army Secretary, went swimming instead of trying the fairways.

As the President and Mr. NIXON arrived at Quantico they were greeted by Secretary Wilson and the base commandant, Gen. Clifton B. Cates.

Before lunching at General Cates' residence, President Eisenhower inspected a regimental honor guard, riding over the parade ground in a "Mighty Mite," the Marines' version of the familiar jeep, so light that it can be transported by helicopter.

The President later delivered a 10-minute off-the-record talk to the conference as the final piece of serious business on today's program.

Earlier in the day the conference heard Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff, give a top-secret briefing on the military outlook around the world with special emphasis on Indochina, Southeast Asia generally, and the Middle East.

It was learned that Admiral Radford, who stood alone among the Joint Chiefs in advocating United States air and naval intervention in Indochina before the fall of Dien Bien Phu, had presented a dark picture of continued Communist gains in Asia if the West failed to take dynamic steps to counter the threat.

An edited statement of his remarks was released. It restated Admiral Radford's belief that the total threat of communism must not be underestimated.

"The Soviet leaders," he said, "can control resources, mobilize manpower, adjust finances, and direct the activities of their associates with a simplicity which other nations cannot achieve.

"They have forces which can attack in any direction. They can create issues which pose to us courses of action, all of which are unpleasant or which have definite disadvantage for us.

"This is not a short-term threat, nor is it exclusively military in nature * * * for they can conduct war by means of diplomacy, money, ideas, sabotage, subversion, and politics, as well as by military force."

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

WILSON SAYS LEAD OF UNITED STATES IN WEAPONS STAYS AT 2-3 YEARS—VOICES BELIEF AS QUANTICO PARLEY CLOSES THAT SOVIET IS NOT NARROWING THE GAP

(By Elie Abel)

QUANTICO, VA., June 20.—Charles E. Wilson, Secretary of Defense, voiced the belief today that the United States still had an overall lead 2 to 3 years over the Soviet Union in weapons technology.

He held a news conference this afternoon as 160 military and civilian officials responsible for national security closed a 3-day work-and-play conference held at this Marine Corps base.

He said that in the closed panels and seminars of the conference there had been no discussion of United States policy on the war, or uprising, in Guatemala. The theme of the conference, he noted, was Effective Defense—Our Common Responsibility, and the sessions dealt chiefly with plans for more efficient management of the United States military establishments in the fields of manpower, money, and materiel.

His views on the relative positions of the United States and the Soviet Union appeared to conflict somewhat with the statement yesterday by Donald A. Quarles, Assistant Secretary of Defense for Research and Development, that the Russians in the past year had narrowed this country's lead in the weapons field.

OFFERS QUALIFICATION

Mr. Quarles said that "on balance our technical position vis-a-vis the Soviet is less favorable than it was a year ago." Asked

whether he agreed with that view, the Defense Secretary replied:

"I don't know that the gap is narrowing exactly. I would say we have a better understanding of what the gap is."

He declared that the United States military planners had come to realize that the Soviet Union, with its satellite nations, possessed an impressive aggregation of scientific and technical skills and that its capacity should not be underestimated.

"We now know," he said, "that Russia has the capacity to do everything we have done here."

This was demonstrated, he added, by Russia's success in setting off a thermonuclear (hydrogen) explosion last summer long before the United States officials were prepared to concede the possibility that such an achievement was within the grasp of Soviet science.

"I still feel we are 2 to 3 years ahead," Mr. Wilson went on, "though not in every field. You must expect them to have enormously capable people in some areas."

He asserted that he saw no immediate need to increase the rate of Government spending on weapons research and development. About half the scientists in the United States already are working, directly or indirectly for the Government, he said.

There is a definite shortage of men with technical training, he declared, and cited that on a recent visit to his alma mater, the Carnegie Institute of Technology, he had been told that there were on the average of three and one-half jobs waiting for every graduate of the 1954 class. He suggested that a little publicity was needed to stimulate more young people into registering for engineering and science courses.

The final speaker at the conference was Rear Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission. In an edited version of his remarks that was released to reporters he said that research to develop a nuclear-powered airplane was going forward as a major effort of the Commission and the Air Force.

"We are spending millions of our appropriation, and the Air Force is doing likewise," he declared. "And Secretary Wilson has said that when the project reaches the stage where a practicable, usable, atom-powered combat plane can be built, the Department of Defense expects to spend money for such planes."

He reported that the submarine *Nautilus*, the world's first nuclear-fueled vessel, was scheduled for shakedown runs this year.

TRIBUTE TO LIAISON HEAD

Admiral Strauss paid high tribute to Robert F. LeBaron, retiring chairman of the Military Liaison Committee, which functions as a middleman between the Atomic Energy Commission and the Pentagon. He described Mr. LeBaron, who is leaving Government service in August to resume his career as an industrial consultant and research chemist, as a man of broad gage, vision, and stature.

Harking back to the recent dispute within the Commission over his powers as Chairman, Admiral Strauss made clear his continued belief that management by an administrator was preferable to rule by committee, although he has conceded in the past that the commission form is necessary for reaching policy decisions.

He pointed out that in the field of power reactors each of the armed services had one officer at the head its development program.

"That is the way to get action," he asserted, "although perhaps at the present time I should be careful about saying so."

[From the New York Times of June 22, 1954]

SOVIET PROGRESS IN ARMS IS HINTED—UNITED STATES OFFICIALS' WARNINGS SEEM TO BE A REACTION AGAINST PREVIOUS UNDERESTIMATES

(By Harry Schwartz)

Soviet spokesmen have been making statements during the last 6 months that, if true, suggest that at best this country has very little lead in military technology and at worst is lagging in some key technological fields.

Last Saturday's speech by Assistant Secretary of Defense Donald A. Quarles made clear that high policy officials no longer felt safe in dismissing Soviet technological capabilities. On Sunday Secretary of Defense Charles E. Wilson said he thought we had an overall lead of 2 to 3 years over the Soviet Union, and added, "We now know that Russia has the capacity to do everything we have done here."

These statements seem to represent some shift of official thinking recently. When a warning somewhat similar to Mr. Quarles' was made 3 months ago by the Director of Classification of the Atomic Energy Commission, Dr. James G. Beckerley, he was the target of sharp criticism from some superiors in the Commission. Dr. Beckerley has since resigned, an event that may not be unrelated to this difference in views.

If the Soviet assertions of technological achievement were merely talk, they would be dismissed as lightly as have been Moscow's claims to priority in all inventions of the past millenium. But last August's Soviet hydrogen bomb explosion and last May 1's display of giant Soviet jet bomber have done much to wipe out foreign skepticism about Soviet achievements.

ROCKET RECORD IMPLIED

The most dramatic Soviet assertion of priority in military technology was made last week by Nikita S. Khrushchev, Communist Party secretary, when he asserted without equivocation that Soviet scientists had invented the hydrogen "weapon," though he did not contend they had set off the first thermonuclear explosion. A similar statement was made last March by Deputy Premier Anastas I. Mikoyan, while the first hint of such a claim can even be traced in a statement by Andrei Y. Vyshinsky, Soviet Delegate to the United Nations, here late last year.

A Soviet scientist several weeks ago asserted that a rocket had been sent more than 250 miles above the earth's surface, implying that the Soviet rocket had bettered the record set by the United States Wac Corporal rocket in early 1949. Other Soviet commentators have hinted strongly at Soviet possession of long-distance rockets, at least near the capabilities of true intercontinental missiles.

Last weekend a Moscow radio commentator said a Soviet plane had flown at the fastest speed, 1,659 miles an hour. The United States X-1A rocket plane was reported last year to have exceeded 1,600 miles an hour.

Articles in the Soviet press in the last 3 months have asserted that the Soviet Union knows more about Arctic flying conditions, meteorology, navigation, and the like, than any other nation. It is across the Arctic regions that the shortest distances for bombing missions from the Soviet Union to the United States or vice versa exist. The Soviet statements in this area are being received with anything but skepticism by those who know the history of Soviet interests in the Arctic.

In electronics technology, particularly the development of "giant brains" or computers and the application of transistors instead of vacuum tubes, both among the most important current areas of scientific advance, Russia is abreast of current developments at least, Soviet commentators have declared. That this is true in the computer field seems borne out by the Soviet atomic- and hydrogen-bomb blasts, all of which require enormous amounts of computation.

The warnings issued recently by Assistant Secretary Quarles and Dr. Beckerley appear to be a reaction against earlier American underestimation of Soviet military scientific capabilities.

One measure of the extent of this underestimation is given in the published hearings of Dr. J. Robert Oppenheimer before an Atomic Energy Commission special personnel security board.

Writing in April 1948, Dr. Oppenheimer had predicted that "for a long time to come" the Soviet Union would not achieve significant atomic armament. He testified this was then the prevailing view. The first Soviet atomic-bomb explosion took place only a little more than a year later, rudely upsetting Washington calculations about our lead and precipitating the American "crash" effort to build the hydrogen bomb.

Mr. HUMPHREY. Mr. President, I conclude by saying that in the area of military strength and security policy, while it is perfectly understandable that many aspects are not open to public discussion, I suggest again, in all humility and in a spirit of cooperation, that the head of the Department of Defense and his associates at least speak in the same vein, or else speak not at all, because the conflict of material and of information, or, better to say, the conflicting information, does not lend to stability, nor does it lend to wise policy.

I am seriously concerned about what I have heard and read over the weekend as to the most vital area of our defense structure, namely, basic research and flight research in planes, in forms of guided missiles, in airpower, and the other developments in modern military strength.

CALL OF THE ROLL

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

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hayden	Martin
Barrett	Hendrickson	McCarran
Beall	Hickenlooper	Millikin
Bricker	Holland	Monroney
Butler, Md.	Humphrey	Morse
Carlson	Jackson	Murray
Cordon	Johnson, Colo.	Payne
Daniel	Johnson, Tex.	Robertson
Dirksen	Johnston, S. C.	Smith, N. J.
Ferguson	Knowland	Sparkman
George	Lehman	Upton
Gillette	Magnuson	Watkins
Gore	Malone	
Green	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from New York [Mr. IVES] is absent by leave of the Senate.

Mr. JOHNSON of Texas. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. KERR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Missouri [Mr. SYMINGTON] is necessarily absent.

The PRESIDING OFFICER (Mr. UPTON in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. AIKEN, Mr. BENNETT, Mrs. BOWRING, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ERVIN, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. HENNINGS, Mr. HILL, Mr. JENNER, Mr. KEFAUVER, Mr. KENNEDY, Mr. KILGORE, Mr. KUCHEL, Mr. LANGER, Mr. LENNON, Mr. LONG, Mr. MUNDT, Mr. NEELY, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. SALTONSTALL, Mr. SCHOEPPEL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. STENNIS, Mr. THYE, Mr. WELKER, Mr. WILEY, Mr. WILLIAMS, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

ARMY CIVIL FUNCTIONS APPROPRIATIONS, 1955—MOTION TO RECONSIDER CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, I have talked with the Senator from Oregon [Mr. MORSE]. I had understood that when the Senator from Tennessee [Mr. GORE] had concluded his remarks the Senator from Oregon would be prepared to pursue the motion to reconsider the vote by which the conference report on the Army civil functions appropriation bill was agreed to yesterday. I assume the Senator from Oregon is prepared to proceed.

Mr. MORSE. Mr. President, the Senator from California is correct. I wish to discuss the conference report on the civil functions bill but before doing so I wish first to outline the parliamentary procedure which I shall seek to follow this afternoon, because it is a complicated procedure. I wish to outline it first, without making any motion, so that my colleagues will know the procedure which I shall propose.

There are, of course, several steps within the procedure with respect to which contrary courses of action may be taken by the Senate; but in due course I shall move to proceed to the consideration of the motion to reconsider the vote by which the Senate agreed to the conference report on House bill 8367, the Army civil functions appropriation bill.

I am advised by the Parliamentarian that that motion is debatable. I shall make my discussion on the merits of my position at the time I make the motion. Then I shall move to reconsider the vote by which the conference report was agreed to.

The majority leader indicated in his speech on the floor of the Senate yesterday afternoon that when that motion is made he will move to lay it on the table. I assume that will be his parliamentary procedure. That, of course, is not debatable.

THE MAGNUSON-JACKSON-MURRAY-MANSFIELD-MORSE AMENDMENT FOR JOHN DAY FUNDS

However, I think it is very important that the Senate understand the merits of the position taken by the junior Senator from Oregon, by the two Senators from Washington, and by the Senators from Montana, because when I talk about the planning funds for John Day Dam, a great multipurpose dam to be built between the States of Oregon and Washington, I am talking about a dam in regard to which the Senators from Washington, the Senators from Montana, and the junior Senator from Oregon offered an amendment on the floor of the Senate providing for $700,000 to be added to the civil functions appropriation bill for planning expenses.

SENATE APPROPRIATIONS COMMITTEE VOTED FUNDS FOR JOHN DAY PLANNING

The Appropriations Committee brought to the floor of the Senate its bill and its report on the civil functions appropriation bill, with a committee amendment. It did not adopt completely the $700,000 in the Magnuson-Jackson-Murray-Mansfield-Morse amendment, but adopted $500,000. That amendment was adopted by the Senate.

CONFERENCE ELIMINATED JOHN DAY FUNDS

The bill went to conference with the $500,000 item in it. That item was eliminated in conference. It is to that point that I now wish to direct a few remarks.

I wish to point out that the John Day Dam is an authorized project for flood control, navigation, and power. The funds which the Senators from Washington and the Senators from Montana, and the junior Senator from Oregon sought were funds needed for the completion of the planning. Of course, it is necessary to have plans before it is possible to proceed with any construction.

TWO YEARS PLANNING NECESSARY TO PREPARE FOR CONSTRUCTION

Two years are required to put the project in shape for construction, and I make that statement based upon information given me by the Army engineers. During the first year it would cost between $500,000 and $700,000. The Army engineers must carry on an investigation for a new site, because the originally proposed site was found to have a pothole in the bed of the river, which would make it impossible to build the dam at that site.

They must acquire title to land. They must make their plans for the relocation of some railroad tracks, as will be seen shortly when I read a letter from the Army engineers bearing upon the problems that confront them in connection with this dam.

Mr. President, let me make it clear that the Secretary of the Interior, in a recent speech in the State of Oregon, and in other pronouncements, has taken the position that a John Day Dam is vitally needed in order to meet the power shortages of the Pacific Northwest.

The Secretary of the Interior and the senior Senator from Oregon disagree with me as to the kind of dam that should be built at this site. The Secretary of the Interior obviously, from his official statements, feels that one of the so-called partnership dams should be built at this site. My senior colleague apparently is of the same opinion, because he has introduced a bill which would provide for the building of a dam under a so-called partnership arrangement. I do not believe this is particularly the time—although it would be all right with me so far as I am concerned—to be debating my objection to my colleague's bill. I am very much opposed to my colleague's so-called John Day bill, because, in my judgment, it is deficient in a great many respects. I particularly do not like it from the standpoint of the reduction in flood control that would be provided by his bill from the flood control that would be provided by the Army engineers' dam as heretofore recommended by the Army engineers.

I do not like it from the standpoint of the allotment of the payment of cost between the Government for flood-control features and those who would be entitled to the electric-power benefits from the dam if they entered into a contract with the Government under a so-called partnership arrangement to pay for the building of part of the electric generating phases of the cost.

That will involve, in my opinion, some extended debate in the Senate, when the John Day bill of my colleague reaches the floor of the Senate, if it ever reaches the floor of the Senate. Certainly it will call for some extended hearings before the Public Works Committee before action is taken upon it in that committee.

I have a great many objections to that bill, but in my opinion that issue is immaterial and irrelevant to the issue before the Senate this afternoon.

The issue before the Senate this afternoon is whether we will finally approve a civil functions appropriation bill which eliminates all funds for going ahead with the planning of the John Day Dam, a dam of vital importance to the Pacific Northwest and of particular importance to the great States of Washington and Oregon.

PACIFIC NORTHWEST NEEDS EARLY JOHN DAY START

It is important because we need power, and we need it very much, and we need it at the earliest possible date that we can get it generated by a John Day Dam.

The John Day Dam as heretofore contemplated and as recommended by the Army engineers would have a power output of 1,100,000 kilowatts. It is a tremendous power source. That 1,100,000 kilowatts is without upstream storage. With upstream storage, the Army engineers report the power potential of this dam would be 1,500,000 kilowatts. That is a great deal of power. It is power which is sorely needed in this area of the country that is today short of power. It is power that is needed in an area that has been confronted with brownouts in recent years, in a section of the country in which the Secretary of the Interior admits it is important that we go forward as rapidly as we can in meeting the power shortage of the Pacific Northwest.

PLANNING FUNDS NEEDED UNDER ANY PROGRAM

Mr. JACKSON. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. JACKSON. Is it not a fact that planning funds are needed regardless of who may build the dam?

Mr. MORSE. That is the point I was about to make. The funds we are talking about today will be needed whether we go ahead with the so-called partnership program of building the dam or if we go forward with the Government building the dam with both flood-control and power-generating facilities under the Army engineers' plan.

LACK OF FUNDS WILL DELAY JOHN DAY CONSTRUCTION

Mr. JACKSON. Failure to provide funds at this time will mean a further delay in the commencement of the construction of the John Day Dam. Is that correct?

Mr. MORSE. Certainly a minimum of 1 year. Certainly it means a minimum of 1 year's delay in proceeding with the development of the John Day Dam.

Mr. JACKSON. Is it not also true that we have been told for a long time that we will have some new starts in the Pacific Northwest, but that as a result of the denial of planning funds for John Day, we are not only not going to get any new starts, but it will be some time before we can get any new start in an area where we have a critical shortage of power.

Mr. MORSE. We can be absolutely certain that the elimination of the $500,000 ends the possibility of any new start in the near future, because this is the only item for new starts in the entire civil-functions appropriation bill.

It is very interesting to note that the only new start the Senate approved—at least so far as planning funds are concerned—and it did not provide for new construction starts in the Northwest—was eliminated in conference.

Mr. JACKSON. I wish to commend the junior Senator from Oregon for his statement, and I wholeheartedly agree with him, as I am sure the people of the Pacific Northwest likewise agree with him, as to the necessity of laying the groundwork now for the kind of planning that will bring about an early start at John Day.

Mr. MORSE. I appreciate the remarks of the junior Senator from Washington. I am not surprised at them, because he and his senior colleague and the Senators from Montana stood with me, and I with them, on this great power issue in the Pacific Northwest, namely, of going forward with new starts that will give to the people of the Pacific Northwest States the power they need in order to meet the tremendous power shortages that now confront them. I now yield to the senior Senator from Washington.

Mr. MAGNUSON. Mr. President, I wish to add my commendation of the Senator from Oregon with reference to this very important matter. What has happened to the conference report I think shows a pattern as against new starts or against this development. We added $3 million to the Chief Joseph Dam, which is about 78 percent complete. That amount was cut out in conference. That, in effect, means a year's delay on a dam which is about ready to come on the line with its generators and to pay back to the Treasury of the United States, with interest, that amount of money. It seems to me that the cutting out of that item is false economy, because I know that a delay of a year on Chief Joseph—and the same would be true as to the John Day Dam—will cost the Treasury $7 million in anticipated revenues which would have been coming in if the $3 million had not been omitted from the bill. So, Mr. President, it seems to me there was sort of a pattern about which the Senator from Oregon and I have complained in the past 18 months.

Mr. MORSE. I agree with the Senator from Washington, and I thank him for his remarks.

ADMINISTRATION WORDS DIFFER FROM DEEDS

What I think we are seeing here is a marked difference between the words of spokesmen for the administration and their deeds, because we cannot reconcile this particular appropriation bill with the statements of the Secretary of the Interior and other spokesmen for the administration regarding their desire to go ahead with new starts, because they are not going ahead with new starts. Furthermore, as the Senator from Washington has pointed out in regard to Chief Joseph Dam, they are actually cutting our funds to put their new generators on the line. They must be on the line before there can be power. So we have a partially completed dam, and there is a cut in the amount needed to put generators on the line.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. MAGNUSON. As the Senator from Oregon well knows, our power needs double themselves every 10 years. We have a rapidly growing population. I think that sometimes people misunderstand our power problem in the Pacific Northwest. I know many persons who supported us for many years in the Congress of the United States on that great development have sometimes looked askance. What they fail to realize is that 42 percent of our power is tied up in the light-metal industry, particularly aluminum. It was tied up for a good purpose, namely, to furnish aluminum during the war. Twenty percent of our power is under a hold order of the Atomic Energy Commission. They do not use it all, but no one can make a firm contract. So that approximately 60 percent of our power can be used only for specific purposes in the whole national interest. It is very necessary that we go on. I agree with the Senator from Oregon that there seems to be little connection between what the representatives of the administration say and what they do.

Mr. MORSE. I think they are demonstrating it by the fact that those funds were eliminated from this particular bill.

Mr. MAGNUSON. It is not a matter which we take lightly. It is not some sort of a pork-barrel matter. It is something that must be kept going. I think people should realize that every dollar that has ever been invested by the Federal Government in a hydroelectric project in the Pacific Northwest has been, dollarwise, the best investment the Government has made in all its history.

Mr. MORSE. We are talking about self-liquidating projects, projects which will create new industries in that they bring in industry which otherwise would not be there. They create new wealth and tax dollars which would not be there if we did not have these projects. They are tax dollars in excess of tax dollars that could be obtained from so-called partnership dams. I am at a loss to understand how anyone who is thinking of increasing Federal revenues can favor that type of dam——

Mr. MAGNUSON. The dams which we favor pay back with interest the cost of the projects.

Mr. MORSE. That is correct.

Mr. President, I shall be very brief in closing my argument in regard to this matter.

In February of this year I urged on the floor of the Senate a John Day Dam start in a speech which I delivered on the economic problems of the Pacific Northwest, which I shall not go into further this afternoon.

In early March I submitted a statement to the Civil Functions Appropriation Subcommittee urging funds for planning this dam as well as funds for The Dalles, Chief Joseph, and other Oregon projects. I claim nothing for that statement. I was joined in similar statements by the Senators from Washington and Montana who sponsored the John Day Dam proposal. I should like to believe that maybe, to some extent, the reason for the Appropriations Committee bringing to the floor of the Senate a bill which had the $500,000 item in it instead of the $700,000 item for which I asked was because, in part, of the arguments which the Senators from the Pacific Northwest presented to the committee. The Senators from Washington, the Senators from Montana, and I submitted in April amendments to increase the Columbia Basin fund authorization to raise the limit to permit appropriations this year. We also submitted amendments to the appropriation bill itself.

As I say, the committee amendment provided $500,000 for the John Day Dam planning. The Senate adopted the amendment. My senior colleague was one of the conferees. I am satisfied that he raised, certainly, no affirmative objections to our amendment, but the fact is that the bill comes back from conference without the funds for John Day Dam in it, and the fact remains that it is the only new multi-purpose-start proposal in the entire bill. The fact remains, also, that the failure to have planning money for John Day Dam in the civil functions appropriation bill means a setback for a minimum of a year for the people of the Pacific Northwest with reference to the John Day Dam. Therefore, Mr. President, I am at a complete loss to understand why this particular item should apparently be selected for elimination when there is over $300 million in the bill for other planning and

construction funds. In fact, there is $300,267,600 in the bill for other planning and construction funds in all parts of the country, but they picked $500,000 out of the Pacific Northwest for the one new multipurpose start and cut it out of the bill.

Mr. President, these are interesting figures that went to the conference. The Senate figure was $322,519,800. The House figure was $278,777,000.

The difference between the amount recommended by the two branches of the Congress was $43,742,800.

I think it is perfectly obvious what happened in conference. They just split the difference in half, which made good trading in the conference, Mr. President, but it does not necessarily make good legislation.

I think compromises in conference ought to have some relationship to the merits of the various items which are included and excluded in the conference.

When only $500,000 would get John Day underway; when it was the only major project start in the bill; when it was the only major project start dropped from the bill; I am at a complete loss, and I am satisfied the people of the Northwest will be at a complete loss, to understand why this particular item should have been selected for elimination from the bill.

I wish to make a few brief observations as to why I think, perhaps, the John Day project was eliminated. I have before me a letter from the Office of the Chief of Engineers, signed by Brigadier General Itschner, in regard to the John Day Dam, which I wish to read as part of my argument on the merits of the dam itself. The letter is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 7, 1954.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Pursuant to telephonic request from Mr. Bernstein of your office on data for the authorized John Day project on the Columbia River, the information in the paragraphs to follow is in confirmation and amplification of that given to him on the telephone by personnel of this office on March 29, 1954.

Fund requirements by years are given in the table below:

Year	Planning and design	Construction
1st year	$700,000	0
2d year	1,300,000	0
3d year	1,500,000	$3,200,000

The use to be made of these funds is discussed in the paragraphs to follow.

Planning funds in the first year would be used for final selection of site, preliminary model study of major features and preparation of general design memorandum. Planning funds in the second year would be used for preparation of additional design memorandum on relocations, cofferdams and diversion, navigation lock and for real estate planning.

This program would allow for complete planning for land acquisition and relocations to be initiated in third year which could be expedited if necessary for initiation of construction late in second year. Construction funds in the third year ($3,200,000) would be used to initiate land acquisition ($500,000) to provide lands on the south shore at the dam site and for lands necessary for part of railway and highways relocations in Oregon; about $1 million would be used to initiate excavation in the north channel for navigation during first step diversion; about $1 million would be used for relocations on Oregon shore; about $500,000 would be used to initiate work on the first step cofferdams; and the balance ($200,000) would be applied to construction of access roads, buildings, and grounds.

It is trusted that the data furnished will meet your present needs, but in the event additional information is required, it will be furnished on your request.

Sincerely yours,

E. C. ITSCHNER,
Brigadier General, United States Army; Assistant Chief of Engineers for Civil Works.

Mr. President, that report from the Army engineers shows how important it is that this matter be proceeded with as quickly as possible because, at best, it will be a long, hard pull to get power flowing from the generators which ultimately will be installed in this particular project. That is why I think it is most unfortunate that we do not have the planning money in the civil functions bill this year, to enable the Army engineers to proceed with the planning. As the distinguished Senator from Washington [Mr. JACKSON] has pointed out, no matter who builds the dam, no matter what arrangements are made concerning payment for the dam, whether a partnership program be adopted, or the program be followed which is outlined in the Army engineers' comprehensive 308 report, which has really been the so-called power bible for most of us in the Pacific Northwest, when it comes to developing the power resources of our area, it will still be necessary to have planning money.

The fact is that the item has been eliminated from the bill, and I cannot reconcile its elimination with at least the administration's pretense that it desires to move forward with a program which will solve the power-shortage problem in the Pacific Northwest.

I know that some of my colleagues in the Senate are concerned about the parliamentary situation, because, after all, the conference report has been agreed to, subject to the motion to reconsider. Let us be frank. Some Senators are concerned as to whether or not the appointment of new conferees might not endanger some projects in their own States because of further consideration of them. So they have good naturedly said to me, "I wonder, WAYNE, if you are not in a position in which you simply did not get the item, in which you are particularly interested, while we are in danger of jeopardizing some of the items we obtained."

I think not, Mr. President, as they will realize if they will follow my statement closely, because if my motion to reconsider is agreed to, I shall then move to send the bill to conference with specific instructions to insist upon Senate amendment No. 4 to the extent of adding $500,000 for planning funds for the John Day project, and for no other purposes. I am advised by the Parliamentarian that this would instruct the Senate conferees not to reopen any other item.

I wish to be perfectly fair. It is true, as the Parliamentarian has pointed out, that no matter what instructions were given to the conferees, they would not need to follow the instructions. If they wished in a new conference to proceed to reopen other matters, they could do so. But I do not believe that any group of conferees would do that, if they were given the limited, specific instructions which I would propose to give, if we reach the last parliamentary step in the matter.

I would then move that the Senate instruct its conferees to insist upon amendment No. 4 to the extent of adding to the amount agreed to in the first conference $500,000 for John Day Dam planning funds, and without reopening any other provision agreed to in the first conference.

The last parliamentary explanation I wish to make is with respect to the nature of the conference which would be held, if my motion to reconsider should be agreed to, and if, then, my motion to reject the conference report should be agreed to. It would mean the appointment of new conferees, not the appointment of the old conferees. The Senate conferees might consist of the same personnel, but they would be acting in an entirely new capacity. Why? Because, Mr. President, the House of Representatives adopted the Civil Functions conference report before action had been taken on the report in the Senate. This meant that the conference automatically was dissolved, so I have been advised by the Parliamentarian. Therefore, what my motion involves, parliamentarily, is a rejection of the conference report which was agreed to yesterday afternoon, and the appointment of entirely new conferees for an entirely new conference, under specific, limited instructions by the Senate.

That is why my motion is not out of order. My motion, parliamentarily, is quite in order, if the Senate understands what the effect of the motion will be.

That being true, it seems to me, my colleagues need have no real fear or justification for entertaining the fear or the belief that the adoption of the parliamentary procedure I have outlined would reopen all of the items in the conference report, because I do not think there is any group of Senators who would proceed to follow that course of action, under the limited instructions my motion seeks to give to the Senate conferees.

DID PARTNERSHIP PROPOSAL CAUSE PLANNING-FUND ELIMINATION?

Lastly, I simply do not want to believe that planning funds for John Day Dam have been eliminated merely because proposals are being made by administration spokesmen that some time in the future there may come before us a so-called partnership plan for the building of a dam at John Day. We will come to that when the bill is before us. We shall do our best then to see that the public interest is protected, and that all the people of the United States are not asked really to pay an undue proportion

of the cost for the development of this dam, only to have private utilities get the lion's share of the benefits of the building of the dam.

But that is a problem for the future. We need the planning now, no matter what procedure may be adopted in the future for the building of the dam.

Furthermore, let me say that I think it is quite unfair to a group of Senators, who have been as fair as they have been in presenting the problem of the people of the Pacific Northwest for quick action in the field of developing our power resources, to have the one item for a new start stricken from the bill. I have spoken with 2 or 3 conferees who have told me that they did not even know about the problem, so that there apparently was not a great deal of discussion of this matter in conference. But, be that as it may, I understand one argument which is used is that there were no hearings on the Senate amendment.

Mr. President, we are dealing with an authorized project. We are dealing with the John Day Dam project, on which there had been extensive hearings preceding the authorization. The record is perfectly clear that we are dealing with an authorized project. The project having been authorized, Mr. President, I respectfully say that I think it is a very weak argument to come forward now and contend that, because there were no hearings on this specific amendment recommended to the Senate by our own committee, it ought to be stricken from the bill.

I do not know, because I have not had the time yet to analyze every other item in the bill, but I should be very much surprised, if in a bill so long and so complicated as this one, it would be found that on every single item added to the appropriation bill, as it came from the House, there were extensive hearings. There were hearings on the dam proper, when it came to authorizing the dam in the first place. That record is perfectly clear. We ought to go forward on the basis of that authorization with an appropriation of funds so that the project itself may be started.

Having said that, Mr. President, I now move to proceed to the consideration of the motion to reconsider the vote by which the Senate adopted the conference report on H. R. 8367, the Army civil functions appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

Mr. KNOWLAND. Mr. President, I intend to make merely a brief statement relative to this situation. In the first place, the Members of the Senate must keep in mind that in the process of legislation it is quite often the case that the two Houses of Congress take different viewpoints on legislative proposals or appropriations. The item of $500,000 was put into the Senate bill, not on motion from the floor of the Senate but by action of the subcommittee of the Committee on Appropriations, later confirmed by the full committee, and came to the floor with the recommendation of the Appropriation Committee. The amendment went to the committee of conference.

There were in conference a number of items with respect to which the Senate figure was larger than that of the House, on which compromises were reached or which were eliminated. I think it is important, however, to keep in mind, as was pointed out in the House of Representatives yesterday, that the amount now appropriated by the bill is roughly between the figures which were contained in the House version of the bill and in the Senate version of the bill.

This amount is $8,088,700 lower than the budget figures submitted by the President and represents very close to an even split between the amount carried in the bill when it passed the House and the amount of the bill as it passed the Senate. Specifically, it is $27,024,-200 beneath the Senate-passed bill and $26,087,600 above the measure which passed the House.

So far as concerns the other project mentioned by the Senator from Oregon, the Chief Joseph Dam, it is correct to say that the Senate had added to the bill $3 million over the amount which had been included in the bill by the House, and the item was eliminated, but not until the Senate conferees had insisted on an understanding, and there had been set forth in the report of the managers on the part of the House of Representatives the fact that the engineers might borrow from available funds to keep the project up to its construction schedule. So it is the judgment of the conferees that, so far as the Chief Joseph and a number of the other dams are concerned, because of the available funds, they will not be affected.

With respect to the John Day Dam itself, meritorious project though it may be, the fact of the matter is that it is a $461 million project. To give my colleagues some comparison, the McNary project is a $286 million project, so in amount the John Day project is almost double, though not quite, the McNary project.

The House of Representatives felt that, under all the circumstances, it was not prepared to appropriate this amount of planning money at this time on a project of that size. The matter was discussed quite fully in conference. In a conference between the Senate and the House, there has to be a give and take between Members of both Houses. Certainly, the members of the conference on the part of the Senate, both Republicans and Democrats alike, attempted to the best of their ability to maintain the position of the Senate. I believe, as a batting average, we did very well so far as the Senate provisions and recommendations were concerned. All of us have had the experience of seeing certain projects eliminated, some of which had been the subjects of budget estimates. As to the particular project to which the junior Senator from Oregon referred, not only does it happen to be a $461 million project, the largest project which the Congress has yet considered among all of the great projects which have been before the Congress over the years, but the fact also remains that as to the proposal there was not, either as to planning or construction, a budget estimate. There was not a recommendation of the project from the Army engineers to the Bureau of the Budget.

There are many great projects in the Pacific Northwest, and certainly some of us who have served on the Committee on Appropriations have taken as much pride as have the Senators from Oregon and Washington in the tremendous development which has taken place in that great area of the country.

In the particular appropriation bill under discussion, of the total appropriations for public works, about 31.5 percent of the construction funds are for projects in the Columbia River Basin and the Pacific Northwest. That is fine, because that area of the country happens to have great natural resources with which to develop power at a relatively low cost. There is no question that over the years the development of those resources will continue.

However, I think the Senate and the House committees, the Congress, and the Government of the United States, are faced with an additional problem. In The Dalles project, to the appropriation for which the Senate added a considerable amount over the budget estimate, although the Senate was not able to hold the entire amount in conference, it was able to get the House of Representatives to go along with it. I desire to give as an example figures relating to that project.

The amount appropriated last year for The Dalles was $32 million. The approved budget estimate this year was $34,100,000. The House allowed $29 million. We in the Senate, both in committee and on the floor, approved the amount of $38 million. In conference we held the appropriation at $36 million.

As such projects get under way, and the development and construction work progresses, it becomes necessary to appropriate funds in order to keep them on schedule. I am quite frank to say that many times I think it is poor economy to permit such projects to get behind schedule. When that is done, it probably means that the next year, instead of the $36 million or $38 million to which I have referred, it will be necessary for the Congress to provide in the neighborhood of $65 million for this one project alone.

Under the circumstances, Mr. President, I do not believe that the conference report should be reconsidered. If it were reconsidered, I do not believe that the House conferees would agree to any amount of the magnitude mentioned for planning the project. In the final analysis, I do not believe that the project, if it is to be ultimately constructed, will be delayed, because the construction is going to depend on the construction funds and the amount of other funds which can be provided from year to year to carry on the construction once it is started.

In view of the very heavy schedule of business which the Senate has, I appeal to this body not to go back over the appropriation bills, reconsider them, and then in what, in my judgment at least, would be an empty gesture, go through the process of another conference.

In the final analysis, I believe the Senate conferees returned from the conference with a very fair report. Under all the circumstances, I think the Senate should sustain their action.

Mr. KILGORE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. KILGORE. Let me ask the distinguished majority leader a question: Is it not a fact that, from the point of view of national defense, the real sinews of national defense are steel, oil, blood, and chemicals? Is not that correct? Are not those the four principal constituents of national defense?

Mr. KNOWLAND. They certainly are very important factors in that respect.

Mr. KILGORE. Therefore, anything that adds to the production of any of them is extremely valuable, regardless of power, irrigation, or other factors.

The conference report happens to include a provision—one which I consider inadequate, but I am going along with it and with the entire report on the bill—for improving a dam on the Ohio River. It will help steel production. The conference report also includes a provision in connection with a dam on the Monongahela, and that dam will aid in steel production. Does not the majority leader think they are of extreme value to the Nation?

Mr. KNOWLAND. Yes; I think so. That is why those provisions were included in the conference report.

Mr. President, the present situation is that the Senator from Oregon [Mr. MORSE] is asking that the Senate reconsider the vote by which the conference report was agreed to.

As Senators know, the House of Representatives has already acted on the report.

Mr. MAGNUSON. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MAGNUSON. I think it should be pointed out—and I believe the Senator from California will agree with me—that although it is correct to say that 31 percent of the appropriations provided by the bill are for construction projects, nevertheless what the Senator from Oregon [Mr. MORSE] and I have in mind is that these appropriations are for projects that are well under way, projects that must be completed, for it would be utterly false economy not to complete them. Let me say that I am informed about this matter, because I serve on the full Appropriations Committee. Let me also say that I believe that the Senators who serve on the committee did a good job.

However, the Senator from Oregon and I are pointing out that no new starts have been made. Perhaps none should be made, for the cost of the John Day Dam is something to be considered. Nevertheless, I think the people of the Northwest should be given an explanation in connection with the statement that 31 percent of the appropriations provided in this measure are for construction projects.

The conference report includes appropriations for Chief Joseph Dam and McNary Dam. In the case of McNary Dam, I think the generators will come on the line in December. In the case of Chief Joseph Dam, I believe the generators will come on the line a year from now.

In this connection, I do not refer to any particular individual or any particular political party; but the truth of the matter is, as I have said time and time again, that for 18 months there has not been a new start, nor has a single item for a new start been included in the budget. At this time I do not wish to argue whether that should or should not be the case; I simply state it as a fact.

In this particular instance, the point the Senator from Oregon and I are making is that apparently this one project was picked out from among all those covered by the entire bill. I do not know why that was done; but I raise the same questions the Senator from Oregon has raised.

Mr. KNOWLAND. Of course, there were other problems before the conferees.

Mr. MAGNUSON. I realize that, for I am familiar with the problems which confront the members of a conference committee, particularly a conference committee on an appropriation bill. The problems are very difficult, of course.

Sometimes we who serve on the Senate Appropriations Committee say facetiously, "The Senate is called the upper House because it ups everything, and thus creates problems which have to be settled in conference."

However, I wish to have the RECORD correctly reflect the situation as regards new starts. I do not know when any new starts will be made; but I point out that whenever it seems that one is to be undertaken, it gets stymied somewhere.

Mr. KNOWLAND. Of course, Mr. President, I also believe in new starts, but I believe it is likewise important that we expedite the projects which already are under construction, and that we provide sufficient funds to have the generating facilities come into production and start providing the Federal Government with a return on what I believe are very sound and worthwhile projects for the development, not only of the Pacific Northwest or any other particular section of the country, but of the entire Nation, for it has always been my belief that what builds up one area, builds up the entire country.

So, Mr. President, I hope the Senate will not vote to reconsider its vote on agreeing to the conference report; and I hope this measure will be allowed to go to the President, for his signature.

Mr. KILGORE. Mr. President, will the Senator from California yield further to me?

Mr. KNOWLAND. I yield.

Mr. KILGORE. In further reference to the upper Monongahela Basin, let me say I think the Senator from California realizes that basin provides coal for the entire Pittsburgh area.

Because of present conditions, we of West Virginia have acceded to the committee's recommendation to proceed with completing the planning; and we are willing to wait, even though we may have to wait 2 or 3 years, to have the necessary locks and dams built. The same may be said regarding the dam at New Cumberland.

Although only a very small part of the appropriations carried in this measure are to be used for that purpose, we think that in that way we are still making progress in behalf of the national defense.

For that reason, I feel impelled to support the conference report, despite the fact that I think the committee did not go far enough, although it did make some progress. We who have to look after the production of steel, coal, and chemicals in the eastern part of the Nation feel that we must go along with the progress that has been made by means of the conference report, as submitted by the conference committee.

Although I have always hesitated to differ with my good friend the Senator from Oregon, in this case I have to go along with the conference committee, despite the fact that I believe it did not go far enough in the case of those two projects. I may also say that the industries concerned likewise do not feel that the conference committee went far enough in that respect. On the other hand, the conference committee did make some progress toward the solution of the otherwise insoluble problem of getting coal—and in that connection, let me say it must be realized that 3 tons of coal are required for the production of 1 ton of steel—to the steel industry, and to distribute coal and steel to the entire Mississippi Basin, covering the whole central area of the United States.

For that reason, Mr. President, I shall have to vote to support the conference report.

Mr. MORSE. Mr. President, I wish to make three points in quick reply to the majority leader, and then I shall be ready to have the Senate vote.

The majority leader has stated that approximately 30 percent of the projects covered by this measure are in the Pacific Northwest. However, Mr. President, 40 percent of the electric-power potential of the entire Nation is in the Pacific Northwest; and much of our present power generation—as has already been brought out by the Senator from Washington [Mr. MAGNUSON]—is really tied up by defense obligations. In fact, 20 percent of our present power production is tied up in that way. Furthermore, Mr. President, we need more power if we are to meet our defense obligations.

ELECTRIC POWER NEEDED FOR DEFENSE

If I am able to make no other point this afternoon, Mr. President, I certainly wish to give warning that we should not take any chances on the development of the power potential of the Nation in the years immediately ahead, from the standpoint of the national defense. In my judgment we should be spending money anywhere in the Nation where we can help develop the country's power potential for defense needs, if for no other needs. Of course, in addition there are the great economic needs.

JOHN DAY DATA AVAILABLE TO COMMITTEE

The second point I wish to make, in reply to the majority leader, is that the figures in regard to the Army engineers'

plans concerning the John Day Dam were known to the Appropriations Committee. If any member of the Appropriations Committee did not know them, it was simply because he did not do his paperwork, for those figures were made available to the Appropriations Committee early this year. They were figures which I included in my statement in April, based upon the information which the Army engineers had given me. They are figures on which the Army engineers have stood in their discussion of the John Day Dam ever since they have been proposing that we go forward with planning for the construction of John Day Dam. They are the figures which I presented here again this afternoon, as to the purposes for which the money is needed for planning during the first 2 years, and for construction beginning the third year.

JOHN DAY BEING DELAYED 3 YEARS

That leads me to the last point. Here is a delay which is really not a delay of only a year, in that now the planning will not get started in less than a year, at the earliest possible date. It is a delay which really adds up to 3 years, from the standpoint of the beginning of construction, because the Army engineers say that construction cannot begin until 2 years after they receive the necessary funds to do the planning. I think that delay is very dangerous, both from the standpoint of the defense needs of the country and from the standpoint of the power needs of the people of the Pacific Northwest, economicwise.

I therefore urge that we go to the assistance of the Pacific Northwest this afternoon by giving the Army engineers the $500,000 needed to begin planning on John Day Dam. I urge a vote on the motion which I send to the desk.

The PRESIDING OFFICER. The question is first on agreeing to the motion of the Senator from Oregon [Mr. MORSE] to proceed to the consideration of the motion to reconsider the vote by which the Senate agreed to the conference report on House bill 8367. [Putting the question.]

Mr. MORSE. A division, Mr. President.

Mr. KNOWLAND. Mr. President, as I understand, the parliamentary situation is as follows: The first motion is to proceed to the consideration of the motion of the Senator from Oregon to reconsider the vote by which the Senate agreed to the conference report. The unfinished business must be displaced. I have no objection to proceeding to the consideration of the Senator's motion.

The next question will be, Shall the motion of the Senator from Oregon to reconsider the vote by which the conference report was agreed to be adopted? On that question I would ask for a nay vote. The Senator from Oregon would ask for a yea vote. The first motion is merely to clear the parliamentary situation, so that his motion to reconsider may be before the Senate.

The PRESIDING OFFICER. The Senator's statement is correct.

The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE] to proceed to the consideration of his motion to reconsider the vote by which the conference report on House bill 8367 was agreed to.

The motion was agreed to.

Mr. MORSE. Mr. President, I move to send the bill to conference with specific instructions——

Mr. KNOWLAND. Mr. President, the Senate has not yet voted to reconsider.

Mr. MORSE. I move that the vote by which the Senate agreed to the conference report on House bill 8367 be reconsidered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the conference report was agreed to.

Mr. DOUGLAS. Mr. President, I suggest a division.

On a division, the motion to reconsider was rejected.

TRADE AGREEMENTS

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of H. R. 9474, the bill to extend the authority of the President to enter into trade agreements.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I hope Senators will remain in the Chamber. We are about to proceed to the consideration of Calendar No. 1623, House bill 7709, a bill to continue the suspension of certain import duties on copper. A number of Senators have spoken about the bill. There is a deadline date, at the end of the month.

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

Mr. KNOWLAND. I yield.

Mr. LEHMAN. I understood that Senate bill 2862 was to be taken up this evening.

Mr. KNOWLAND. The Senator is correct. It is planned to take up that bill as soon as the copper bill is disposed of.

Mr. LEHMAN. I note that the author of the bill is not present.

Mr. KNOWLAND. I think the Senator from Nevada [Mr. MCCARRAN] will be present by the time we reach that stage. I hope the Senators will withhold the placing of material in the RECORD until we can dispose of the copper bill. Then I shall endeavor to keep the Senate in session until all requests can be taken care of.

TRADE AGREEMENTS

The Senate resumed the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 330 of the Tariff Act of 1930, as amended.

Mr. KNOWLAND. Mr. President, on behalf of both the minority leader and myself I send to the desk a proposed unanimous consent agreement relative to the Reciprocal Trade Agreements Act, and ask that it be read for the information of the Senate.

The PRESIDING OFFICER. Without objection, the proposed order will be read.

The proposed order was read, as follows:

Ordered, That following the morning business on Thursday, June 24, during the further consideration of H. R. 9474, to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from Colorado [Mr. MILLIKIN] in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him; *Provided*, that no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding 2 hours, to be equally divided and controlled, respectively, by the Senator from Colorado [Mr. MILLIKIN] and the Senator from Texas [Mr. JOHNSON].

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

Mr. MALONE. Mr. President, am I to understand that the distinguished majority leader is asking for a limitation on debate, when it is generally understood that there are 5 or 6 statements of some length to be made on the other side of the aisle?

Mr. KNOWLAND. I will say to the distinguished Senator from Nevada that we started debate on the bill yesterday, and that considerable debate was had on it yesterday. Most of the day was occupied with that debate. As the Senator knows, on each amendment that would be offered to the bill 1 hour of debate would be available. In addition to that, on the bill itself there would be 2 hours of debate available.

With the very heavy program that confronts us for the remainder of the week, including a Saturday session, it seemed to Senators on both sides of the aisle that it might be helpful and desirable to try to get a unanimous-consent agreement in connection with the debate on the pending legislation.

Mr. MALONE. There is nothing before the Senate which is more important than what the Senator has explained.

Mr. KNOWLAND. As the distinguished Senator from Nevada knows, for every amendment he might offer under the agreement, there would be an hour of debate available. The agreement does not provide for a vote at a certain hour. There would be many hours of debate available, and to all intents and purposes the time for debate would be fairly well open, as I am sure the distinguished Senator realizes.

Mr. MALONE. The junior Senator from Nevada has no intention of offering a great many minor amendments. There is only one principle involved, and he intends to debate that principle. He does object to the limitation proposed.

The PRESIDING OFFICER. Objection to the unanimous-consent agreement is heard.

CONTINUATION OF SUSPENSION OF CERTAIN IMPORT DUTIES ON COPPER

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1623, House bill 7709.

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

The LEGISLATIVE CLERK. A bill (H. R. 7709) to continue until the close of June 30, 1956, the suspension of certain import duties on copper.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment, in line 7, after "June 30", to strike out "1956" and insert "1955."

Mr. MILLIKIN. Mr. President, the pending bill, H. R. 7709, would extend for 1 year the present law which suspends the 2-cents-a-pound import tax on copper under the circumstances provided in the existing law.

The point I wish to call to the attention of the Senate is that if the price of copper falls below 24 cents a pound the President is required at once to put on the 2-cent duty, which is the regular duty, if not suspended.

The bill would suspend the duty on copper for another year, unless it falls below 24 cents a pound.

I should like to say that the United States production of copper for 1953 was 1,366,000 tons, that the imports for 1953 were 673,000 tons, that the exports for 1953 were 144,000 tons, that the consumption was 1,895,000 tons, and that the present imports amount to 35 percent of consumption.

In other words, we are not producing nearly enough copper to supply our domestic needs. That is the real basis for this kind of legislation.

I urge that the suspension be continued for another year.

COPPER IMPORT POLICY

Mr. MALONE. Mr. President, I have listened to the distinguished Senator from Colorado explain that we do not produce as much copper as we consume.

I would point out to the distinguished Senator from Colorado that we do not produce as much as we consume of about 33 minerals, including zinc and lead, which are normally produced in his State. Such mines, however, have been shut down under the very policy now under discussion, the difference being that the general policy under the 1934 Trade Agreements Act—so-called reciprocal trade—is administered by the State Department.

Mr. President, the longer we continue free trade the less we will produce. I merely wish to point out that there has been a reduction over the years in the production of most of these materials because Congress continues to extend the power of the State Department to juggle the duty or tariff protection of industries. In this case—the difference is the tariff on copper—that the Senate itself continues to extend the free-trade privilege.

It is the desire of the junior Senator from Nevada again to point out the effect of this policy.

Under a special contract we have just paid 30 cents to Chile for copper, which is 6 cents more than the amount mentioned in this bill as the point where the duty or tariff would again be applied. The 2 cents a pound is no protection. No principle is involved. The Congress should revert to the principle of fair and reasonable competition. The duty or tariff would then represent the difference in the wages and taxes. It would take the profit out of the low-cost foreign labor.

Mr. President, the duty or excise tax was 4 cents a pound, but it was cut to 2 cents a pound by the State Department in an agreement under the 1934 Trade Agreement Act. If the law is not extended, then the 2 cents will immediately apply. The President could then serve notice of cancellation of the trade agreement. The 4 cents a pound would then apply—and the Tariff Commission, as an agent of Congress, could then adjust the amount of the protection on the basis of fair and reasonable competition operating within the 50-percent leeway granted under the Tariff Act.

I have a table before me which shows wages paid in Chile. It points out that the average day's wage is 194.72 pesos. With bonuses and other emoluments, according to the table, it adds up to a wage of 488.44 pesos a day.

Today the curb rate for pesos in Chile is 350 pesos per dollar. That means that the wages in Chile are about $1.40 a day, counting emoluments, such as housing and various other bonuses that are paid when the wage earner spends his money with the merchants of his city or country.

Mr. President, I ask unanimous consent that the table be printed in the RECORD as a part of my remarks. It is found in the CONGRESSIONAL RECORD, volume 99, part 1, page 1006. I ask that the table be printed in the RECORD, with the corrections.

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

TABLE II.—*Chilean exchange quotations, yearly averages, 1930–53*

[Pesos per United States dollar]

Year	Special (ex-official)	Official	Provisional	Free banking rate	Free rate (curb)
1930	8.26				
1931	8.26				
1932	14.05				
1933	13.34			34.02	
1934	9.64			24.74	
1935	19.33			25.07	
1936	19.38			27.85	
1937	19.37	28.02		26.11	
1938	19.37	28.27		27.14	
1939	19.37	30.93		32.03	
1940	19.37	30.92		32.82	
1941	19.37	30.90		31.54	
1942	19.37	31.00		31.63	
1943	19.37	31.00		32.16	
1944	19.37	31.00		31.53	
1945	19.37	31.00		32.05	
1946	19.37	31.00		34.42	

TABLE II.—*Chilean exchange quotations, yearly averages, 1930–53*—Continued

[Pesos per United States dollar]

Year	Special (ex-official)	Official	Provisional	Free banking rate	Free rate (curb)
1947	19.37	31.00		47.15	
1948	19.37	31.00		59.82	
1949	19.37	31.00		77.74	
1950	19.37	31.00	60.00	89.88	
1951	19.37	31.00	60.00		85.48
1952	19.37	31.00	60.00	114.00	122.27
1953 (Jan. 31)	19.37	31.00	60.00	110.00	127.00
1954	19.39	110.00	77.00	110.00	350.00

Mr. MALONE. Mr. President, the table shows the various multiple rates that Chile adopts for trade advantage. It also shows the free rate governing purchases in the nation of Chile.

At that time they had 7 different rates. In the years 1948 to 1953, there was a special commercial rate of 19.37 pesos to the dollar, having to do with certain exchanges applying to the copper companies in the payment of wages.

The export tariff rate was 25 pesos. It has now been abolished, I am given to understand.

The official rate in 1953 was 31 pesos to the dollar, and had been at that figure since 1952. Before that it was as low as 28.02 pesos to the dollar. It is now 110.

The bank rate has been abolished. In 1953 it was 43 pesos to the dollar.

The special commercial rate was 50 pesos to the dollar. It has now been abolished.

The provisional rate was 60 pesos to the dollar in 1953, and is now 77 pesos to the dollar.

The free bank rate was 110 pesos to the dollar in 1953, and has continued at that amount.

The free rate was 127 pesos in 1953, on July 31. It is now 350 pesos to the dollar.

The manipulation or multiple exchange rates are for trade advantage—under one transaction a certain exchange applies—under a different situation another rate applies—the country of Chile controls these exchanges—and can create new exchanges when they so desire.

Mr. President, without going into further detail, I ask unanimous consent to have printed in the RECORD the marked excerpts in my February 10, 1953 address to the Senate, in the CONGRESSIONAL RECORD, volume 99, part 1, pages 1007–1010.

There being no objection, the marked excerpts were ordered to be printed in the RECORD, as follows:

CONGRESS DISCOURAGES PRIVATE INVESTMENTS

I might say that Congress, to the extent of its machinations in the copper field and other entries into this field has encouraged that feeling. Congress has in its power to lay down the principle upon which the protection of the workingmen and investors will be based that will encourage the investment of venture capital.

Venture capital is the only kind of capital that goes into a mining business until the soundness is proved in that particular mine. In other words, it is just like a wildcatter in the oil field, the prospector and the explorer.

Unless they have reasonable assurance that over the long years stretching ahead of them, where they have been spending money without return, that when they find this

ore there will be an adequate return, then the money will not be spent.

* * * * *

OBJECTIVES—CONGRESS

The objective, Mr. Chairman, then of the Congress would be to maintain our own economic integrity and encourage the domestic production of strategic minerals and materials in the interests of national defense and our national economy.

My concern, Mr. Chairman, is to develop new copper supplies in the United States. In the mining industry you must have prospectors. You must have investors who are willing to put up their money for exploration. To keep these men in the field at their own expense they must have reasonable assurance that they are not going to be destroyed from Washington, either by the legislative or the executive department.

* * * * *

PROSPECTOR—SMALL MINE—LARGE MINE

I would say over 35 years of observation and experience, perhaps 500 prospects may yield a small mine. Every one of those prospects represents the buried hopes of some prospector. Perhaps he goes on, gets another stake and goes to another prospect. While he is digging in that prospect and until it pinches out on him or until someone convinces him it is hopeless, his full hope is buried in that one prospect. Five hundred of them would be a minimum for a small mine.

Perhaps 100 small mines—a prospect where some engineer might come in and recommend to a company with whom he has connections or an individual would spend $500 or $1,000 or $5,000 or whatever it would take—take 100 of those small mines and it would produce a larger mine. I expect if the record were searched, it would be nearer 200 or 300. All along are strewn the hopes of these men who are trying to do this. Why do they stay with it? They do it because prospecting, exploration, and mining gets to be a disease once they are in it and they have that bag of gold or they think they have it at the end of the rainbow. That is what keeps them going. Lately we have not been developing many of those men because for 20 years there has been no hope because we removed the bag of gold at the end of the rainbow. Instead, what you do is move into Washington and try to get next to some Government department to loan you the money and guarantee a unit price and a short amortization period and maybe other emoluments so that what you are doing is furnishing the know-how—if in fact you have it and a lot of them get the money who do not have it. The result is that the taxpayers of the United States are in the business whether they like it or not. That, of course, we have all kicked about, and that is one of the reasons why taxes are too high and appropriations are too high.

* * * * *

NEED CONSISTENT CONGRESSIONAL POLICY

Of course, the point is continually made and has been made before this committee this time, and it was made 2 years ago when this matter was up for extension, by the advocates of free trade on a certain product, that since we do not currently produce enough copper for our own use, we must eliminate the protection to the domestic producer. In fact, concerning any product which is in short supply, free trade should be the rule.

The point is further made that when we reach the point of full and adequate domestic production for the domestic market, then such product or industry must have protection.

The utter fallacy and futility of such a policy is fortunately readily apparent. The argument falls of its own weight. The conclusion is inescapable, if you take that philosophy, then, that if they believe that in the fields of minerals, precision instruments, crockery, and dozens of other essential products and industries, such industries must prove their ability to produce to the saturation point of the American market in competition with the products of low-wage foreign labor before protection will be afforded them.

CHURCHILL CLAIMED THE "TRADE, NOT AID" SLOGAN

It is a preposterous statement. They are selling it to the country through such slogans as reciprocal trade, trade not aid, and all the preposterous slogans that, in the first place, Americans rarely invent. The last one, trade, not aid, is the only one recently that I have seen Mr. Churchill claim. He said when he landed in America that what they meant by trade, not aid, was lower American tariffs. I quoted him in a release.

* * * * *

They (the State Department) do have a right under the so-called Reciprocal Trade Act, which is not reciprocal at all, and the two words do not occur in the act, to manipulate tariffs. The act is a 1934 Trade Agreements Act and it is simply an act that transferred from the long experienced Tariff Commission, the responsibility of fixing tariffs to a State Department that has no interest in, or knowledge of, industry.

They have some foreign policy where they think they can trade certain industries to foreign nations to bring about free trade.

STATE DEPARTMENT ESTABLISHED FREE TRADE

Congress did not set this free-trade policy. The executive department set it through the State Department. In other words, the mere transfer of the responsibility of setting these tariffs did not establish a free-trade policy. However, Congress made the mistake of bestowing that power on a State Department that had free-trade ideas. Therefore they were free to carry them out.

They proceeded, of course, to lower practically all tariffs below that point of the differential of cost of production here and abroad due to the differences in the wage standards of living. That has the effect of free trade, even if it is only a few percentage points below that differential.

CONGRESS MUST REGAIN ITS RESPONSIBILITY

Now, Congress, in my humble opinion, must take cognizance of the effect of transferring its constitutional responsibility to the State Department and regain and accept its responsibility. It must return that responsibility to its own agent, the Tariff Commission. If they want to change the Tariff Commission in any respect, they have full power to do it, and lay down the policy which it is to follow, just as it did in the case of the ICC.

NO QUESTION OF HIGH OR LOW TARIFF

Now, Mr. Chairman, there has never been any question in the minds of the people who want to protect the investor and the workingmen, of a high or a low tariff. You have that thrown at you from every side—that you want to put a fence around the United States; that you want to preclude the entry of all products. Nothing of the kind is contemplated. Of course, an industry may have that wish at times, but no one who is charged with the responsibility of such a policy wants to do it. What they want is a tariff or import fee, or whatever you choose to call that differential, to be based on a fair and reasonable competitive basis where the foreign countries have equal access to our markets but no advantage.

Congress must return the responsibility to its own agent, the Tariff Commission, or whatever we choose to call its own agent.

The policy laid down should be that of a flexible tariff or import fee, and be continuously adjusted upon the basis of fair and reasonable competition. When foreign wage-living standards approached our own then free trade would be almost automatic. Most other countries have this system, but we do not.

There is no tariff on products which we cannot produce or do not produce in sufficient quantities for competition, such as tin, nickel, natural rubber, spices, hemp, and so forth. No one has ever contemplated such a thing. That would simply be a tariff for revenue only.

However, we are past the point of sharpshooting. You cannot say to the zinc and lead and copper producers that you must have free trade because there is short supply.

You cannot say to the textile industry that you will lower the tariff to allow England and Scotland and other competitors to come in with their low-cost labor, making it profitable for those countries to hold their labor costs down.

In other words, if they paid the difference of the wage-living standards into the United States Treasury a while it would not be long until the wages and the standard of living would go up and create a market in their own country.

Mr. MALONE. Mr. President, I wish to say for the RECORD that there will probably never be an independent commercial producer of copper in the United States until Congress again regulates foreign trade as the Constitution directs. There are three major copper companies in the United States and they are really well-run, efficient companies. The Anaconda Copper Co. is doing business in Montana and Nevada. The Kennecott Copper Co. is doing business in Nevada and Utah, and the Phelps-Dodge Co. is doing business principally in Arizona. All of these companies have other interests and are doing business in many States.

The three copper companies which I have mentioned are examples of reliable, dependable companies. They pay good wages. The Phelps-Dodge Co. has no outside interests of which I am aware, so far as copper mines are concerned. The Chile mines are entirely controlled by the Anaconda Copper Co. and the Kennecott Copper Co. If they operate their mines there as well as they do in Nevada, they are doing a wonderful job.

But so long as we have no tariff or duty, with reference to the difference between the wages paid here and the wages paid in Chile or in South Africa—South Africa is in production now, and will finally influence the world production and market—then no new producers will be successful in this Nation.

It has been said for many years that there were no other copper deposits in the United States to develop, so why not have free trade? I know personally of more than 500 copper deposits.

I do not know how good they are. No one can tell that until they are fully prospected and explored. But the incentive for exploration is not present so long as we extend free trade on copper from low-wage nations.

For many years free-trade converts would say: "Show me a copper deposit." I used to say: "There is a copper deposit about 100 miles southeast of Reno that is as good as any in operation at the present time."

It would be denied with the statement that if there were such a deposit, it would be worked.

Mr. President, in 1921 I was a United States mineral surveyor, making independent surveys for mining claim owners along with my regular engineering practice. I made the patent survey for a prospector called Three-Fingered Jack.

Jack Hamlin was his name. He was a prospector. We have just about run all of the prospectors out of the hills because we made it unprofitable to prospect.

Unless there is an incentive, so that a prospector can sell a good prospect when he finds one we will have no prospectors. We have taken them out of the hills simply because we have eliminated the protection between the 50-cents-a-day or $2 or $3 per day labor, and the $15 a day labor, the duty or tariff making up the difference in the United States. There was a smelter about that time at Thompson, which was not very far away from the claims. But there was a manipulation of freight rates from Feather River Canyon to the west to the Salt Lake City smelter. It was about one half as far from the copper mine to the Thompson smelter as to the Salt Lake smelter, but the manipulation of freight rates made it less expensive to send the ore from Feather River Canyon to Salt Lake City than to send it to Thompson, therefore the Thompson smelter failed.

The Anaconda Copper Co. was given a guaranteed unit price of 24 cents per pound and a short amortization period, and that, of course, makes it possible for them to operate the property under a free trade condition. But so long as the Senate extends free trade on copper, we shall have three copper companies in the business, and no more since any new operator can be crossfired between imports and local production.

We need more protection for the workingmen and investors in this Nation; not a high tariff or a low tariff but a flexible tariff on the basis of fair and reasonable competition.

Take the profit out of low cost labor. Give American workingmen and investors equal access to their own American markets.

I wish to close by saying that if the profit is taken out of the sweatshop labor, so that the crossfiring cannot happen, and so that an individual could go into business with a reasonable chance of success—I am not only talking about copper, the principle applies to minerals generally, to textiles, crockery, watches, machine tools and about 500 other industries——

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

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

Mr. LANGER. In view of what the distinguished Senator from Nevada has said about the freight haul in Utah, how does he account for the fact that the development of the Anaconda Copper Co. in Alaska took almost $200 million worth of copper out of that Territory?

Mr. MALONE. And transported it to the Utah smelter?

Mr. LANGER. Yes. The Senator mentioned the fact that a little mine near Reno could not be developed because of the change in freight rates. He said there was discrimination in the freight rates. Yet $200 million worth of copper was brought from Alaska. I am very curious to know how the distinguished Senator from Nevada accounts for that.

Mr. MALONE. I do not account for it. It depends on the price of copper, and how the price is fixed. The freight rate often determines where the copper is smelted.

I should like to see copper operations developed in Alaska. But that cannot be done with the continual free trade with the low-cost labor areas. We ourselves are seeing to that.

Mr. President, I had not intended to speak as long as I have. I wish to be on record against the extension, because it is wrong in principle, and will not develop the supplies which are needed at home. To say that a duty or a tariff is not needed on a product of which a sufficient amount for our needs is not produced here is the last word in a fallacy. A tariff is to equalize the wages and taxes here and abroad.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. MALONE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nevada will state it.

Mr. MALONE. What does the amendment mean?

Mr. MILLIKIN. The bill as it came from the House provided for a 2-year extension; the amendment provides for a 1-year extension.

Mr. MALONE. I thank the Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

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

The bill was read the third time and passed.

The title was amended, so as to read: "An act to continue until the close of June 30, 1955, the suspension of certain import taxes on copper."

RELIEF FOR SHEEP-RAISING INDUSTRY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1612, Senate bill 2862, to provide for relief for the sheep-raising industry. The bill was discussed on the floor yesterday by the senior Senator from Nevada [Mr. McCARRAN], but at the request of the junior Senator from New York [Mr. LEHMAN] it was temporarily deferred. The Senator from New York is now present and has had advance notice that the bill would be called up.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2862) to provide relief for the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders.

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

There being no objection, the Senate proceeded to consider the bill (S. 2862) to provide relief for the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders, which had been reported from the Committee on the Judiciary with amendments.

Mr. LEHMAN. Mr. President, the Senator from Montana [Mr. MURRAY] has advised me that he has a speech which will take only 5 or 6 minutes to deliver. I ask unanimous consent that, without losing my right to the floor, I might yield to him for that length of time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Montana is recognized.

CENSORSHIP IN THE VETERANS' ADMINISTRATION

Mr. MURRAY. Mr. President, the matter I wish to refer to has been commented upon in the press services by various Members of the Senate earlier in the day. To me, however, it is sufficiently disquieting to warrant a statement, and I hope a reply, on the floor of the Senate.

I refer, Mr. President, to the outcropping of political censorship in the Veterans' Administration. I have before me a press release published by the VA, which reached my desk last Friday morning. I think it is an excellent job of its kind. It sets forth, and sets forth very well, the tremendous advantages which have accrued to the Nation as a whole because of the expenditures which were made during the first 10 years of experience under the GI bill of rights. It points out that World War II veterans who have received training under this law have raised their income level to a point where they are now paying an extra billion dollars a year in income taxes to Uncle Sam alone—I repeat, an extra billion dollars a year. It points out, too, how with the help of GI loans they have become America's largest single group of home owners and that, therefore, they pay more real-estate taxes to States, cities, and counties than any other group of equal size. It goes on to report that veterans who receive loans under this law have an unmatched record of repayment. And so on. In short, Mr. President, the press release constituted an excellent report on the value of the program which Congress enacted in 1944.

Mr. President, the press release struck me as being of so great interest and of such potential value in explaining the program itself and why it should receive our continued support that I had my staff call the Veterans' Administration and request additional copies. Those copies were received on Monday morning. Glancing over one of them I discovered, to my great surprise and com-

plete incredulity, that the first page of the release had been rewritten. It differed in two respects from the original release which had been sent me. The original release contained a sentence beginning with the phrase:

The law—signed by President Franklin D. Roosevelt on June 22, 1944—

The copy had been altered to read:

The bill, signed into law June 22, 1944—

On another line in the original release it read:

On signing the GI bill in 1944, the President said—

The reprint used instead the phrase:

The White House said—

Now, Mr. President, I ask what is this all about? What kind of pettifoggery is this administration engaged in? What sort of censorship is being imposed on publications put out by the executive department? For what reason and at what cost? Is this the beginning, Mr. President, of what George Orwell has written about in his book "1984," the rewriting of history by a particular government in its own interests? The record of Soviet Russian publications is replete with instances where history is, in effect, rewritten in subsequent editions of the same book through the dropping of names of individuals out of favor with the current dictatorship. Is this what we are to watch occur here in the United States?

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

Mr. MURRAY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. If everything to which the Senator refers is utilized by those who prepare the history of our times, they will be referring to the Declaration of Independence as some sort of innocuous document which was conceived and prepared in Independence Hall in Philadelphia. I would suggest we might still put up a fight for the authorship of that memorable document and say it was Thomas Jefferson.

Likewise, would it not be fair to say that if the history of our times is to be rewritten along the lines of the press release there might be some doubt as to who was the author of the Emancipation Proclamation? However, I think the record ought to read that it was Abraham Lincoln.

We could go down the line and say that other great pieces of legislation were named after their sponsors. We might further point out that such memorable charters as the Atlantic Charter were authored by such distinguished statesmen of the free world as Churchill and Roosevelt.

This process of rewriting history seems to be out of place. I have read newspaper reports of how the Soviet Union and its stooges rewrite the history books of our times. They even claim as their own all the inventions which have been perfected and all the great technological advances which society has made. But it is not within the American pattern to deny authorship, nor is it within the American pattern to fail to give responsible credit to those who have achieved such noble accomplishments for the people.

The Republican National Committee may rewrite the Veterans' Administration release from now to doomsday, but every veteran knows that the GI bill of rights was passed under the Franklin D. Roosevelt administration. I care not what kind of authors or pettifogging propagandists are hired, the truth is that more than 18 million young men and women know that the GI bill of rights was suggested under the administration of Franklin D. Roosevelt, the Republican National Committee notwithstanding.

I thank the Senator from Montana for yielding.

Mr. MURRAY. Mr. President, the observations of the Senator from Minnesota are very appropriate.

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

Mr. MURRAY. I yield to the Senator from North Dakota.

Mr. LANGER. I might suggest that they could change the name of the Taft-Hartley bill to the Murray-Humphrey bill.

Mr. HUMPHREY. May I rise to protest?

Mr. MURRAY. I should like to continue in order to complete my remarks, because I promised the Senator from New York that I would not take much time.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MURRAY. This particular instance, Mr. President, may not seem serious. It may be perhaps just distasteful. It could be serious, however, if it were to prove the precursor of other such attempts at censorship. That is why I want to call it to the attention of the Senate. A few weeks ago a great many people in the country developed an apparently transitory interest in the question, "Who cut the colonel out of the picture?" I think it much more important that we inquire into and find the answer to the question, "Who cut the reference to President Franklin Delano Roosevelt out of this press release?"

I hope that at the appropriate time members of the Appropriations Committee will ask how many copies of the original release were destroyed, and at what cost. What did it cost to cut a new stencil and to run a second edition of this press release? How many people found it necessary to spend time, at the taxpayers' expense, discussing the great question of whether or not a mistake had been made in referring in that release to President Franklin Delano Roosevelt? Who made the final decision and how much a year do we pay such a man for spending his time on matters such as this?

I had inquiries made of the Veterans' Administration regarding this question. They were asked, first, whether it had been a mistake to refer to President Roosevelt in the initial release. They replied, "Of course not." The law had been signed by him. I would add to that the statement that this inspired program for the benefit of our World War II veterans was advanced by the administration of President Franklin Delano Roosevelt. And while, of course, it won support on both sides of the aisle, it was nonetheless the proposal of a great American President and a great Democratic administration. Certainly, no such proposal was made by either the Harding, the Coolidge, or the Hoover administration regarding World War I veterans.

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

Mr. MURRAY. I yield.

Mr. HUMPHREY. Possibly there is a design in this new history-rewriting project. Perhaps the Senator from Montana would be interested in the names of the authors of other legislation. For example, there is the Eisenhower-Benson flexible price-support bill. Maybe certain persons want to forget those authors and the title of the bill, and merely call it an agricultural bill. I do not think we should deny them the opportunity to claim full credit for reducing farm income. I think they should have that honor, if they want to call it an honor.

Mr. MURRAY. I agree with the statement of the Senator from Minnesota with respect to that.

Mr. HUMPHREY. Would the Senator suggest that we might even reach the day when we might be unable to identify the authorship of the Monroe Doctrine?

Mr. MURRAY. That may happen.

Mr. HUMPHREY. What will happen on the day we have an anniversary of the Monroe Doctrine? Will we say this was a great foreign policy program inaugurated by an administration which had a passion for anonymity and that its authorship was anonymous, or are we going to state quite candidly that it was a doctrine prepared under the administration of President Monroe? I am perfectly willing to give due credit to another great American by the name of John Quincy Adams, who was Secretary of State at that time. Let us not be "gobbledegooked" by this political propaganda. When the authorship of a particular piece of legislation is known, let the record read clearly as to who was responsible for it.

Mr. MURRAY. I thank the Senator for his very wise suggestions.

I had inquiries made as to how the change had come about. I was told that protests had been received from people whose names were not given, people who apparently believe that Americans no longer should be reminded of the name Franklin Delano Roosevelt. Do these people, Mr. President, believe that the veterans will ever forget that it was President Roosevelt and a Democratic administration that brought this legislation into being? Of course not. No more than will the farmers of America forget that it was under that same Democratic President and under the same Democratic administration that we rescued American agriculture from the economic swamp into which it had been plunged by previous Republican administrations, and into which this current one threatens to plunge them again.

I was told that several high officials in the Veterans' Administration, in response to those petty complaints, had discussed the matter, and that a decision had been reached to eliminate all

reference to President Roosevelt from reissues of the release. I was not told which high officials or how many. I cannot find out, but I do hope that members of the Appropriations Committee will find out how many individuals who are drawing, I assume, anywhere from 8 to 14 thousand dollars a year of the taxpayers' money, to administer the GI bill, found it necessary to spend time conferring as to whether it was proper or not to mention President Franklin Delano Roosevelt in a press release. I hope, too, that they will discover who made the final determination, and how much the American taxpayers are paying for this political censor, acting, apparently, solely in the interests of the Republican Party.

Whatever they may find, Mr. President, I think this is a rather shocking spectacle. I think, and I believe, that many members of the Republican side of the Senate will agree with me that it is not the sort of thing which should go on. I can recall at least a score of publications put out under Democratic administrations, particularly those publications concerning our great reclamation and conservation programs, which referred over and over again to the truly great role that a truly great Republican President, Teddy Roosevelt, had played in bringing about the conservation and development of our national resources. I plead with our Republican friends not to attempt to rewrite the recent history of the United States by striking from it all reference to another great American President, Franklin Delano Roosevelt.

Ordinarily, in this country decent people follow with great care the old Latin rule, "De mortuis nil nisi bonum"—speak nothing but good of the dead. Apparently in this administration there are those who would change the rule to "Numquam bonum de mortuis"—speak no good of the dead—particularly if the dead happen to be Democrats. I ask you, Mr. President, how petty can people get?

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the Veterans' Administration release.

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

The GI bill, a law that has left its lasting imprint on the lives of millions of veterans and on America itself, reached its 10th anniversary today.

The law—signed by President Franklin D. Roosevelt on June 22, 1944, contained 3 major benefits to help veterans in readjustment to civilian life.

One was a program of guaranteed loans for homes, farms, and businesses. It still is in force. Another, education and training at Government expense, is approaching its end. The third, readjustment allowances for periods of unemployment, already has faded into history.

On signing the GI bill in 1944, the President said, "this law gives emphatic notice to the men and women of our Armed Forces that the American people do not intend to let them down."

But veterans have not let down the American people either, according to statistics released today by the Veterans' Administration.

Through the GI bill, World War II veterans have become the best educated group of people in the history of the United States.

Because of their training, they have raised their income level to the point where they now are paying an extra billion dollars a year in income taxes to Uncle Sam.

At this rate, GI bill-trained veterans alone will pay off the entire $15 billion cost of the GI education and training program within the next 15 years.

Through the GI loan program, veterans have proved themselves to be among the best financial risks in the country.

With the help of GI loans, they have become America's largest single group of homeowners. Therefore, they pay more real estate taxes to States, cities and counties than any other group of equal size.

During the past 10 years, a total of 3,600,000 veterans—one out of every five men and women who served in World War II—obtained VA-guaranteed and insured loans valued at $23.5 billion.

The United States Government stands behind $12 billion of the amount, in the form of VA guarantees and insurance.

Home loans accounted for the 90 percent of all GI bill loans obtained by veterans—or 3,300,000 for $22.8 billion. Farm loans numbered 66,000 for $256 million; business loans, 213,000 for $575 million.

The average veteran used his GI loan to buy a substantial, middle-priced home—neither a "cracker box" nor a mansion.

A recent VA survey disclosed that 60 percent of GI home-buyers paid between $10,000 and $15,000 for their homes. Thirty percent paid under $10,000; eight percent, between $15,000 and $20,000, and two percent, over $20,000.

Veterans' record of repayment is unmatched, VA said.

Over the past decade, 650,000 GI loans, amounting to $3 billion, have been repaid in full.

Defaulted loans—on which VA has made good the guaranteed portions to private lenders—numbers only 32,000, or less than one percent of all loans received by veterans.

Turning to GI bill, education and training, VA revealed that more than 7,800,000 World War II veterans—half of all who served during the war—trained under the GI bill over the past 10 years.

Of the total, 2,200,000 attended colleges and universities; 3,500,000 went to schools below the college level; 1,400,000 took on-the-job training, and 700,000 enrolled in institutional on-farm training, a combination of classroom work and practical experience on the farm.

Included in the below-college total are 150,000 veterans who were given the chance to learn to read and write in accelerated grade-school classes for adults.

America's veterans have trained for nearly every occupation at which man earns his living. As a result, VA said, the GI bill has helped fill the Nation's reservoirs of trained manpower, dangerously depleted right after the war.

Among the veterans trained were 450,000 engineers, 180,000 doctors and nurses, 113,000 scientists, 243,000 accountants, 107,000 lawyers, 36,000 ministers representing all major religious faiths, 17,000 writers and journalists.

Also, 438,000 television and radio repairmen, 711,000 mechanics, 383,000 construction workers, 288,000 metalworkers, 138,000 electricians, 83,000 barbers and beauty culturists, 83,000 policemen and firemen, 45,000 bakers and meatcutters, 61,000 printers and typesetters, 76,000 dressmakers and tailors, and hundreds of thousands of others in many fields.

The VA cited a number of studies indicating that the GI bill has helped raise both the educational and income levels of veterans, as well as those of the Nation.

According to a Census Bureau study, the average male veteran today has completed high school and has gone ahead for some college. On the other hand, the average male nonveteran, in the same age bracket, has been able to finish just a little more than 2 years of high school.

One reason for the difference in educational achievement, the Census Bureau states, has been "the advantage of educational privileges under the GI bill."

Another survey, also conducted by the Census Bureau, showed that in 1947 the median income of male veterans between 25 and 34 years of age was only $2,401. That same year, the median income of nonveterans in the same age group was higher.

* * * * *

In Stephens, Ark., Floyd T. Bryan, ex-Navy veteran, obtained a GI business loan from a bank so that he could buy a bank in a small community where oil had just been struck. Since that time, Bryan's bank has made loans to hundreds of other veterans. "They're the best business on my books," he says.

In Topeka, Kans., Douglas K. Counsellor, former Army Air Force corporal, used two GI bill benefits—on-the-job training and a business loan—to establish a successful auto fabric business. After completing his training, he decided to buy out the firm in which he had trained. He did so with a $4,000 GI business loan.

In New York City, an Army veteran, Floyd T. Gould, is now at work at Brookhaven National Laboratories, performing vital basic research in atomic energy.

Coming out of service in 1946, Gould tried working in a laundry; then selling soap from laundry to laundry; then studying typing so that he could try for a job as a clerk; then television repair. None of these was successful.

He came to the VA and applied for vocational counseling, in preparation for enrolling in training under the GI bill. Counseling tests and interviews revealed that Gould was excellent college material; furthermore, that he had a natural bent for science. So he entered college. He won his master's degree and is about to acquire his Ph. D. in atomic physics, with brilliant grades. Also, because of his scholastic record, he was able to obtain the important research post at Brookhaven.

VA said the 10-year-old GI bill has been a program for World War II veterans only. Its achievements belong entirely to America's generation of World War II veterans—now averaging the middle thirties, with memories of wartime years growing a little dimmer as each year goes by.

A new GI bill was enacted in 1952 for veterans on active duty after June 27, 1950, the date of the outbreak of hostilities in Korea. This law, too, provides benefits similar to those which were contained in the original GI bill—education and training, GI loans, unemployment pay.

But it's too early to measure the accomplishments of this new GI bill, VA said. More time must elapse before its full impact on veterans, and on the Nation, can be evaluated.

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

Mr. MURRAY. I yield.

Mr. HUMPHREY. First of all, I wish to commend the distinguished Senator from Montana for his remarks, and his very pointed challenge to those who would deny the authenticity of history. I think the RECORD should further show that the Senator from Montana has been one of the most steadfast, persistent, and courageous supporters of the GI bill of rights and other legislation which affects the welfare of our veterans. If my memory is correct, the Senator from Montana was serving in the Senate at the time when the GI bill of rights was

passed, and he took a very prominent role in its passage.

Mr. MURRAY. That is correct.

Mr. HUMPHREY. Therefore, it is only fitting and appropriate that today, when the very unhappy and I would almost say unusual and incredible performance of changing the press release of the Veterans' Administration was discovered, the Senator from Montana called public attention to it. I desire to congratulate him.

Mr. MURRAY. I thank the Senator from Minnesota.

Mr. LANGER. Mr. President, will the Senator from Montana yield to me?

Mr. MURRAY. I yield.

Mr. LANGER. Is it not true that a Democratic administration changed the name of the Hoover Dam to Boulder Dam?

Mr. MURRAY. It was a Democratic administration, but a number of Republicans participated in the maneuvering in such a way that the change was made. However, it cannot be said it was the act of a Democratic administration.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield to me?

Mr. MURRAY. I yield.

Mr. HUMPHREY. Is it not true that at one time that great reclamation and flood-control project was known as Boulder Dam?

Mr. MURRAY. Yes.

Mr. HUMPHREY. In view of the fact that the authorization for its construction was made during the administration of President Hoover, the Democrats did not act in a petty manner about it, but, instead, were willing to relinquish the name Boulder and substitute the name Hoover for the dam, in testimony to and in proper recognition of a President of the United States?

Mr. MURRAY. That is correct.

Mr. HUMPHREY. My point is that any President is deserving of the respect of the Congress and of the citizenry for his accomplishments. That can properly be said of every President in our history.

Since the Senator from North Dakota has engaged in this colloquy, let me say that when we travel in North Dakota, we find there is no doubt where the farmers and the independent businessmen and the working people of that State stand regarding the Senator from North Dakota.

Mr. MURRAY. That is correct.

Mr. HUMPHREY. They know he was the first to favor, for instance, rural telephones. When I returned from my trip, I heard that proposal referred to as the Langer bill; and my comment was, "Well said," because when a man has the foresight to envision something that is worthwhile for the people, he is indeed deserving of having his name attached to its title.

I make this statement in connection with my point that we should not do anything to prevent the giving of all proper and due credit to those who have borne heavy responsibilities, particularly Presidents of the United States who have served during war years.

Mr. LANGER. I thank the Senator from Minnesota.

Mr. President, I have referred to this matter solely in order to show how magnanimous the Democrats were in being willing to have the name of the dam changed from Boulder to Hoover. I think that was one of the finest things ever done in the Congress.

Mr. GOLDWATER. Mr. President, I should like to correct the RECORD, because an error has been made. I happen to have the honor of representing, along with my distinguished senior colleague [Mr. HAYDEN], the State that has ownership of the south buttress of Hoover Dam. If my memory serves me correctly—and I am sure it does—it was under a Democratic Secretary of the Interior that the name of the dam was changed from Hoover to Boulder; and it took a Republican Congress to restore to the dam the name that belonged to it.

EXTENSION OF TRADE AGREEMENTS ACT—UNANIMOUS-CONSENT AGREEMENT

Mr. LEHMAN obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New York yield to me?

Mr. LEHMAN. Yes, I am glad to yield.

Mr. JOHNSON of Texas. If the Senator from New York will yield for that purpose, let me say there is a proposed unanimous-consent agreement that we should like to have stated. It is submitted on behalf of the majority leader and myself.

Mr. LEHMAN. Very well.

Mr. KNOWLAND. Mr. President, I send to the desk the proposed unanimous-consent agreement, which I ask to have stated.

The PRESIDING OFFICER. The proposed agreement will be read.

The legislative clerk read as follows:

Ordered, That following the morning business on Thursday, June 24, and after a 2-hour speech by the Senator from Nevada [Mr. MALONE], during the further consideration of H. R. 9474, to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from Colorado [Mr. MILLIKIN], in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided*, that no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding 4 hours, to be equally divided and controlled, respectively, by the Senator from Colorado [Mr. MILLIKIN] and the Senator from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. As I understand the proposed agreement, it provides that the minority leader shall control 2 hours of the time on the bill.

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. I further understand that in that event the minority leader will be able to yield as much of the 2 hours as he may desire to yield at the time. For instance, let us say he desired to yield 1 hour to the Senator from Nevada, while speaking in his original 2 hours, as provided. That could be done, could it not?

The PRESIDING OFFICER. That is correct.

Mr. LANGER. Mr. President, at this time I object to the proposed agreement. If the proposal is submitted tomorrow, after the Senate meets, I do not think I shall object. However, one Senator who is not present at this time has mentioned the matter to me.

The PRESIDING OFFICER. The Chair understands——

Mr. LANGER. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

RELIEF OF SHEEP-RAISING INDUSTRY

The Senate resumed the consideration of the bill (S. 2862) to provide relief for the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders.

Mr. LEHMAN. Mr. President, I am very sorry that I am compelled to speak at so late an hour on this bill. I wish to make it very clear that I did not request that the bill be considered at this time in the evening. So far as I myself am concerned, I would be very happy indeed to have the further consideration of the bill postponed until tomorrow. However, it is at the insistence of the distinguished majority leader that the bill has been called up for further consideration at this time.

I am surprised and deeply disappointed that the Senator who introduced the bill is not on the floor at this time, inasmuch as in the course of my remarks I wish to address myself to him and to seek from him answers to certain inquiries.

Mr. President, yesterday I objected to a request for consideration during the call of the Unanimous-Consent Calendar, of Senate bill 2862, the pending bill, which provides for the admission of a nonquota basis of 385 Basque sheepherders who are needed, I assume, in the sheep-raising industry of Nevada, and of the neighboring States, and who cannot otherwise be recruited from the available labor supply already in the United States.

I have no information whatever with regard to the needs of Nevada or the requirements of the sheep-raising industry in the Far West, for more sheepherders. I take it for granted that the distinguished senior Senator from Nevada has introduced this bill and is pushing it because there is a need, and because in the United States there is no alternative source of supply of qualified labor for this industry.

I do not wish to be in the position of opposing the legitimate needs of the sovereign State of Nevada, or of sister States in that region, or of the important sheep-raising industry in the United States. I have always felt that what is good for one region of our country is good for all, unless it specifically harms other regions or results in advantage to one at the direct expense of another.

Yet, Mr. President, I cannot refrain from raising basic policy questions which are inevitably involved in this bill. The Senate should know, and the public should understand, the significance of what we are proposing to do by means of the bill.

We have on our statute books an immigration law whose author and chief defender is the senior Senator from Nevada. The heart and soul of that law is the national origins quota system.

That system presupposes as a first and immutable principle that qualification for admission into this country must be based on the national origin of the alien in question. Our total annual immigration quota is broken down into rigid, iron-clad subquotas. There are thousands and thousands of cases of human tragedy and human heartbeak occurring constantly because of the inflexible, discriminatory nature of the quota system. Worthy and deserving persons—parents and grandparents and brothers and sisters of American citizens—are denied admission into this country because they happened to have been born in a country whose quota is oversubscribed.

Today there are 30,000 on the waiting list in Greece, most of whom have been on that waiting list since 1945. This is just one illustration. The example can be duplicated on an even larger scale in many other countries.

Now we are being asked to set that quota system aside, and to give nonquota status to 385 Basque sheepherders who are needed in Nevada. The annual quota for Spain is 250. There is a long waiting list under the Spanish quota. So we are asked to pass a special bill to give nonquota status to these 385 Spanish sheepherders.

Mr. President, I sympathize with the sheep-raising industry and with the sheep, too. But what about the American citizens who have mothers and fathers, grandparents, brothers and sisters, foster-parents or foster-children in Italy, Greece, Norway, Portugal, Turkey, Hungary, and Czechoslovakia? Are they not deserving of the same consideration as the sheep of Nevada?

And in my State, Mr. President, the great Empire State, we have economic needs, too—needs for skilled and unskilled men and women. We need expert tailors, expert shoemakers, and expert capmakers. We need engineers and scientists—oh, how desperately we need them. We need tool and die makers in certain categories. We need watchmakers. We need diamond cutters. Our vegetable growers on Long Island need farmhands.

We have unemployment in New York, too—bad unemployment. But we need certain special skills and certain nonskilled labor, none of which can be readily found in the present unemployment pool.

I repeat that I am sorry the Senator from Nevada [Mr. McCARRAN] is not in the Chamber. Will the Senator from Nevada, as ranking member of the Judiciary Committee and of the Immigration Subcommittee, as the most powerful and eloquent voice in this Chamber on immigration matters—usually in opposition to immigration—raise his voice in behalf of special bills to admit some Swiss watchmakers, some Czech tailors, some Greek goatherders, some Italian farmers, and some Polish bootmakers, in a nonquota status?

Mr. President, there is a vast need for farmhands in the south and southwest of our country. That need is now being met by illegal immigration from Mexico. There is a need for lumberjacks in the northwest and northeast. That need is being met by illegal immigration from Canada. Will the distinguished and able senior Senator from Nevada support special bills to establish nonquota admissions for farmers and lumberjacks from Cyprus, Malta, Norway, Jamaica, Trinidad, and the Philippines?

Again, let me say how sorry I am that the senior Senator from Nevada is not in the Chamber to make reply to these inquiries.

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

Mr. LEHMAN. I am glad to yield.

Mr. WATKINS. The Senator from New York is aware of the fact that there is no immigration law which bars Mexicans from coming into the United States to work.

Mr. LEHMAN. There certainly is not.

Mr. WATKINS. Anyone can come into the United States from Mexico by obtaining a passport from his own country and a visa from this country to permit him to enter.

Mr. LEHMAN. That is one of the things that most deeply concern me. I shall refer to it a little later in my remarks. Millions of people are coming into this country illegally from Mexico, without the slightest examination or scrutiny.

We know nothing about them. We are doing nothing effective to screen or control them. Today we have 700 inspectors along the entire boundary of nearly 2,000 miles between Mexico and this country.

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

Mr. LEHMAN. Until a few weeks ago we had less than 300 patrolmen on this border. Millions of people are being permitted to come into this country illegally every year from Mexico.

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

Mr. LEHMAN. I am glad to yield.

Mr. WATKINS. I note that the Senator stated that millions of people are being "permitted" to come into this country. Does the Senator mean permitted by the officials of this Government? Does the Senator mean that officials of this Government are permitting them to come into the United States illegally? That is a serious charge.

Mr. LEHMAN. Wait a moment. If the Senator will permit me to make reply, under the terms of a bill which I have introduced, and on which there are a number of cosponsors—I think my distinguished colleague from Minnesota [Mr. HUMPHREY] is a cosponsor—every man and woman who comes into this country under a limited total quota of 250,000 for the world will have to be scrutinized.

There will no longer be any free entry from South America, Central America, or Canada, or from any other part of this hemisphere. They will all be subject to the same immigration laws as are now enforced with respect to people who come to the United States from Europe.

Mr. WATKINS. I understand that under the present law they must pass the same tests.

Mr. LEHMAN. Yes; but there is no quota whatsoever.

Mr. WATKINS. That is true. There is no quota for the people of the Western Hemisphere, but on entering the United States they must pass the same tests that anyone else must pass.

Mr. LEHMAN. They are supposed to pass the same tests, but we are not making much of an attempt to apply those tests. Time after time I have presented evidence that several million people are coming across the Mexican border into this country illegally without scrutiny of any kind. They are not being examined. They are not being scrutinized. They are not being screened. They are called "wetbacks," but they do not even have to wet their boots, much less their backs. All they have to do is to cross the border, and come into this country.

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

Mr. LEHMAN. I yield.

Mr. WATKINS. I deplore the illegal entry of those people as much as does the Senator from New York. I think they are coming in illegally. Under the circumstances which now exist it would require almost an army to keep them from coming across the border. I intend to introduce tomorrow a bill which I think would be effective, if it were enacted, to stop the illegal entry of so-called wetbacks from Mexico, or illegal entry from any other country in the Western Hemisphere. I do not know that there is any considerable number of illegal entries from Canada. I have not heard of it. However, we are receiving many thousands of so-called wetbacks from Mexico. We are seriously concerned over it. The Department of Justice has been working on the problem, and I think a program has been evolved which would effectively stop the illegal entry. I hope to introduce the bill to which I have referred tomorrow.

Mr. LEHMAN. I point out to my distinguished colleague that this year the Appropriations Committee, in spite of evidence that the swarm of illegal immigrants from Mexico is steadily increasing, cut the appropriation for the Immigration and Naturalization Service by $3¼ million.

Mr. WATKINS. The Senator does not——

Mr. LEHMAN. Let me reply. Instead of cutting the appropriation, the committee should have increased it. I

offered an amendment to the appropriation bill which would have provided an additional $6 million for the Immigration and Naturalization Service, for the purpose of enforcing laws of this kind. That amendment was defeated in the Senate by a large vote. I then offered another amendment to increase the appropriation by $3 million. That $3 million, if it had been appropriated, would still have been slightly less than what was appropriated last year for the Immigration and Naturalization Service.

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

Mr. LEHMAN. The Senate, led, I believe, by some men who have a selfish interest in illegal immigration into this country for the purpose of obtaining cheap labor, refused even to consider it, and refused even to permit me to have a yea-and-nay vote.

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

Mr. LEHMAN. I am glad to yield further.

Mr. WATKINS. I believe that in the judgment of many of those who have studied the problem of the illegal entry across the border between the United States and Mexico, it is not possible to enforce the law effectively by hiring guards. It would take an army to keep illegal entrants out. We believe there is another way of getting at the root of the problem, as will be explained when the bill I have mentioned is introduced. We are in earnest about this matter. I believe it is a measure that will be very effective in getting at the root of the trouble. I believe it would be a waste of money and would not be practicable at all to hire guards to keep all the illegal entrants from crossing the border under the circumstances that now exist. It is a long border, as the Senator knows.

Mr. LEHMAN. I know that.

Mr. WATKINS. The administration is in dead earnest in its effort to have these illegal entries stopped. I believe the measure I have in mind will do the job, and I hope the Senator will be willing to vote for it and to support it when it is introduced.

Mr. LEHMAN. I may say to the Senator from Utah that I very much hope that whatever measure may be introduced it will be effective if enacted into law. I point out that the Senator from Illinois [Mr. DOUGLAS] and I introduced a bill 2 years ago, I believe, which would certainly have been very substantially effective. That bill would have made it a felony or a misdemeanor for anyone knowingly to employ anyone who was illegally in this country. That would have stopped the farmers of the South and Southwest and Southeast from employing aliens who they know were illegally in this country, but whom they were willing to hire because they could hire them at a fraction of what American labor would have to be paid. Those illegal entrants gradually work their way north and compete with American labor in the factories of this country. That bill did not even get to first base. It was beaten down as decisively as the other bills.

Mr. WATKINS. I believe there was a reason why that kind of stringent penalty probably would not get through Congress. In the second place it would be very difficult to enforce such a law, because there would be so many excuses made in connection with a law of that kind.

We found in many cases that great difficulty was encountered in the enforcement of stringent laws. Juries would not convict. As a former prosecutor, I know that I found that to be true where heavy penalties were placed on violations. I believe there is another method of accomplishing the same result. I hope, as I have said, that the measure I intend to introduce will reach the heart of the trouble.

Mr. LEHMAN. I certainly hope so.

Mr. WATKINS. I believe it will be one that can be enforced and one that can be passed by Congress.

Mr. LEHMAN. Would it not be better, Mr. President, to arrange for a suitable number of legal immigrants to meet this need than to wink the eye and permit this vast, uncontrolled illegal immigration which occurs daily, weekly, and monthly across the Canadian and Mexican borders? Just think of it—according to official estimates—almost 4 million illegal border crossings on the Mexican border alone. And yet we strain and stretch over the admission of another hundred thousand legal immigrants—carefully screened, selected and qualified immigrants, who could help our entire economy, in the same way as Senator MCCARRAN proposes that we help the sheep-raising industry of Nevada.

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

Mr. LEHMAN. I yield.

Mr. WATKINS. I heard the Senator mention that the number of crossings were in the millions. Is it not true that some of those people cross back and forth, time and time again, and that is what builds up the totals? There is no means of knowing the exact number.

Mr. LEHMAN. I realize that.

Mr. WATKINS. Because if the number were known, efforts would be made to stop the illegal entrants.

Mr. LEHMAN. I have been quoting from an official statement made by the Justice Department in a letter to the Senator from Illinois [Mr. DOUGLAS] to the effect that about 1 million illegal immigrants have been apprehended in a year, and that it is fair to assume that for every illegal immigrant apprehended there are 3 more who were not apprehended, and the Department of Justice specifically used the figure of 4 million illegal entries.

Mr. WATKINS. I have heard that statement made.

Mr. LEHMAN. Of course I can not say whether it is 4 million, or less, or more.

Mr. WATKINS. However, there are too many. I realize that to be so. I agree with the Senator that we should stop it.

Mr. LEHMAN. I am glad the Senator agrees with me that we should stop it.

Mr. WATKINS. I want to stop it.

Mr. LEHMAN. If the Senator from Nevada [Mr. MCCARRAN] is in favor of this special bill for the sheep-raising industry, why is he not also in favor of analogous bills for other industries, and for other States of the Union?

Actually, I do not expect the Senator from Nevada to support such bills. Obviously such bills would defeat the purposes of the national origins quota system.

The point I wish to make is I do not believe it is any secret to my colleagues or to many other people that I am personally strongly opposed to the national origins system and to many other provisions of the McCarran-Walter Act.

I believe that the national origins quota system is evil because it is discriminatory; it is unjust, unreasonable, unrealistic, and impractical. It doesn't work as it was originally intended to work, and it was originally intended to work in a way violently contrary to the ideals, principles, and traditions of the United States.

Although the pending bill does nothing at all about these basic defects in our immigration law and, indeed, merely evades them for the benefit of one small group and one region of our country, I shall not vote against the pending bill.

I am in favor of adapting our immigration policies to meet our needs. I am in favor of admitting more worthy and useful people into the United States, including sheepherders, although they are already a uniquely favored group.

Fortunately for the sheep-raising industry, it has long had a strong advocate for its special needs in the person of the senior Senator of Nevada and, therefore, over the years has been able to obtain on several occasions special legislation to alleviate its need.

Other industries and groups in the United States, including educational institutions, hospitals, and research organizations have not been so fortunate, and their needs for immigrant engineers, diemakers, scientists, doctors, nurses, and teachers have had to conform to the restrictive and harsh provisions of the national origins quota system.

Over the past several years the Congress has been called upon several times to go around the immigration quota laws and to enact legislation admitting Basque sheepherders. To list three specific occasions on which this has happened I cite Private Law 13, of the 81st Congress, Public Law 587 of the 81st Congress, Public Law 307 of the 82d Congress, and yesterday S. 2074 was passed. Now in the 83d Congress we have before us S. 2862. I have no doubt that it, too, will be passed. In all, there will have been at least five occasions when we will have bypassed the immigration quota laws by enacting special legislation admitting Basque sheepherders.

In spite of that fact I shall not cast my vote against S. 2862. However, I should like to ask the distinguished Senator from Nevada, before casting my vote—and I again want to say how disappointed I am that he is not in the Chamber—whether he does not agree with me that the pending bill illustrates again the need for reviewing the act, and, in my judgment, revising the national origins quota system.

One of the reasons I insisted on this opportunity, Mr. President, to debate this

bill, or at least to discuss it, is that I am very much afraid that the opportunity to debate immigration legislation of any kind is to be drastically limited in this session of Congress.

Although some of us had had some hopes, based on President Eisenhower's campaign pledges, and based on his message on the state of the Union in 1953, that revision of the McCarran-Walter Act would be considered during this Congress, those hopes are now doomed to frustration and extinction.

The administration has made no move in this session to bring up, or to urge the consideration of, this vital subject, of this all-important subject.

The only legislation we have had bearing on immigration was, in the last session, the Refugee Relief Act. I shall take occasion within the next week or two, to discuss in detail before the Senate our experience with this law. Let it be sufficient for the moment to say that after almost a year under this major piece of emergency immigration legislation, we had admitted to our country, as of a fortnight ago, 48 individuals—48 out of an authorized total of 209,000.

Mr. President, we are going to admit into this country, under the terms of the pending bill, S. 2862, more Spanish sheepherders than we have to date admitted under the entire Refugee Relief Act in nearly a year.

And this is another reason why I am going to vote for the pending bill. It may well turn out that the McCarran sheepherder bill now before us will be a more practical and effective piece of immigration legislation than the Refugee Relief Act. It may be that more aliens will come in under the pending special bill for the relief of the Nevada sheep-raising industry than under the administration's bill for the relief of all the refugees, escapees, persecutees, orphans, and surplus population in Europe and Asia.

Mr. President, that is not an idle statement. This bill provides special legislation to enable 385 Basque sheepherders to come into the United States, and that is in very vivid contrast to the fact that only 48 individuals of the 209,000 who were authorized nearly a year ago have been permitted to come into this country.

Mr. WATKINS. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. WATKINS. I do not have the exact figures at hand, but I am sure that more than 48 individuals have been admitted to this country or have been given visas to come here under the operation of the act. Within a few days there will be a report from the Administrator, and I think it will show a much greater progress than has been indicated by the Senator in his statement today. I am not in position to give exact figures.

Mr. LEHMAN. The figures I quoted were those of 2 weeks ago. Possibly a change has taken place, but I doubt it.

Mr. WATKINS. I was assured a few days ago that the report will be available within a few days. Personally, I am disappointed in the number who have come into the United States under the act.

One of the difficulties in getting a program of this kind operating is the recruitment of people to carry out the provisions of the act. Some progress has been made in that direction, but one of the reasons why we cannot get full-swing immigration is that not enough assurances are being received from the people who, the Senator says, want employees. All they have to do is to send in their assurances, and I am sure they can find plenty of people in Germany who are escapees or expellees and who are qualified workers. The opportunity is there. It is not difficult for assurances to be given, if the need really exists.

Mr. LEHMAN. Mr. President, one reason why there have not been more assurances given is because both the law and the regulations are so rigid and so restrictive that it is difficult—almost impossible—to supply the assurances required under the provisions of the law.

Mr. WATKINS. I have been working with a group to try to get the regulations liberalized as much as is possible, but I think there are now regulations providing that if anyone honestly intends to give work to immigrants and is really sincere about it, he can do so. I do not believe there is any real roadblock to giving assurances.

Mr. LEHMAN. I am sure the Senator is a little optimistic, because I know there is a very definite legislative provision——

Mr. WATKINS. Our own people have been listening to a lot of propaganda which has been going on in Congress with reference to a depression and unemployment. The assurance which is required is that the immigrant will have a home and a job and will not displace some other person. Under those circumstances, if American citizens have the jobs which the Senator has been mentioning, let them come forward and give such assurance. If they will do that, we will get the program rolling. The regulations are not so difficult that any man who is sincere cannot meet them.

Mr. LEHMAN. Mr. President, because of the limited opportunity that will be available to debate immigration legislation at this session, I hope that the Senate Judiciary Committee, of which the Senator from Nevada is a distinguished member, will agree to hold hearings during the recess on all pending proposals to revise the McCarran-Walter Act.

I make that personal appeal on the floor of the Senate to the distinguished chairman of the Judiciary Committee and to the distinguished chairman of the immigration subcommittee, who are here on the floor, to arrange for the holding of such hearings.

The people of the United States, the various public interest groups, and the Members of the Congress are entitled, at least, to present their views to the distinguished and accredited committee of which the Senator from North Dakota [Mr. LANGER] and the Senator from Utah [Mr. WATKINS] are leading members—the chairman of the full committee and the chairman of the immigration subcommittee.

I very much hope, Mr. President, that hearings will be held during the recess of the Congress. I suppose it cannot be done at this late date before we adjourn, but it can be done during the recess, when Senators will not be so busy.

Mr. President, what I am finally about to say is, of course, futile, because the Senator from Nevada [Mr. MCCARRAN] is not on the floor, but I shall say it, anyway, so that the record may be complete.

I wanted to ask the distinguished Senator from Nevada whether he would give me any comfort, any expression of view, that he would agree to lend his influence for the holding of hearings during the recess on amendments to the immigration laws. I am sure that if he would say the word, such hearings could be held.

Since I cannot obtain an expression of view from the Senator from Nevada, I should be very glad, if it is agreeable, to hear an expression from the chairman of the Judiciary Committee and the chairman of the immigration subcommittee as to whether such hearings can and will be held.

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

Mr. LEHMAN. I yield for a question.

Mr. HUMPHREY. First, I wish to commend the Senator from New York for his very restrained and also very provocative remarks. As I understand, the Senator from New York is not opposing the bill which would admit additional sheepherders. I think the record should be made clear that those who have been admitted have made good citizens and have performed their jobs as they were scheduled to do under the terms of entry. In other words, the Basque citizen, or the man of Spanish or Basque background or ancestry, has made a very good, substantial citizen and a hard worker.

The point of the Senator from New York is that proposed legislation is pending which deals in a much broader sense with the same principle toward which the pending bill sets its sights. In other words, this is a nonquota program. It does not involve the national origins principle. It is a program which meets a specific need. The Senator from New York is saying there are other specific needs which ought to be met.

In reply, the Senator from Utah [Mr. WATKINS] points out that one of the reasons why more persons have not entered the United States is due to the propaganda which comes from the floor of the Senate or the floor of the House to the effect that there is a depression. I should like to tell my friend, the Senator from Utah, that what has been said is not propaganda. If the Senator from Utah desires to make a little study as to what is the truth, he will find that approximately 3,100,000 unemployed persons are claiming compensation benefits under the Unemployment Compensation Act. This is the most accurate means we have by which to measure the number of unemployed. Furthermore, I may say to the Senator from Utah that undoubtedly there are a number of what might be called underemployed.

The fact that this condition exists is not because of the immigration legisla-

tion or because of the failure of the immigration legislation. The Senator from New York is simply saying that there are some specific needs which are not being met.

For example, to be specific, there is a need for nurses in hospitals. I have had requests from my own State for additional entrants of nonquota immigrants for the purpose of attending to hospitals operated by some of the religious orders; but such persons cannot enter the United States. There is no room for them under the immigration laws. This is what the Senator from New York is saying. He is saying there may be a need for some specific persons of unusual skill. Surely they can be admitted. That is a very definite possibility.

What is more, an attempt has been made, under the Refugee Act, to alleviate some of the problems in Germany. I want the record to be clear that regulations were not even promulgated to carry out the Refugee Act until December of 1953, despite the passage of the act in August.

Eliminate all the other countries for a moment, so far as the problem of expellees, economic refugees, and political refugees is concerned. The problem in Germany is acute. Believe me, there is no finer citizen to be found than a German citizen. We have many of them in Minnesota, and we can use more of them.

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

Mr. LEHMAN. I yield.

Mr. WATKINS. In the first place, if there is an acute need for nurses in the United States, and the Senator from Minnesota, or any other Senator, knows where nurses can be obtained in Europe who would be willing to come to the United States, the Senator can do exactly what the Senator from Nevada [Mr. McCARRAN] has done in this case; he can introduce a private bill to bring those people into the United States, and I do not think he will have any trouble in having the bill passed.

Second, if there is such a need, I suggest to those who have that need that they promptly advise the Administrator of the Refugee Act, so that he can immediately let the fact be known in the countries of Europe. Then those countries can send their expellees, refugees, and others, to the United States. If people of the type to which the Senator has referred are available, the Government will be only too happy to try to expedite that particular phase of the program and to bring such people here.

Mr. LEHMAN. I might explain to the Senator from Utah that the very provisions of the bill under consideration demonstrate that people of this kind could not be admitted under the Refugee Relief Act in combination with the McCarran-Walter Act.

Mr. WATKINS. Mr. President, will the Senator indulge me for a moment?

Mr. LEHMAN. Certainly.

Mr. WATKINS. Does the Senator from New York realize that the sheep raisers of Utah, Nevada, and other States have large flocks of sheep which require attention by herders on the range in summer and winter? They have tried to find persons in many other countries, including refugees, who would be willing to come to the United States and herd the sheep, but it has not been possible to obtain them. The only ones whom they have been able to find, who are willing to come to the United States to do this work, are the Basques from Spain.

Unemployed persons in the United States—and I say this advisedly—are unwilling to take jobs as sheepherders. It is isolated work. The herders are required to be in the mountains and on the deserts in summer and winter. The local unemployed do not want such jobs. So the sheep raisers face a very special and serious situation. That is why I favor the bill.

Mr. LEHMAN. I realize that, but I may point to something which my colleague from Utah does not, I think, fully appreciate. If there was not the evil national origins quota system, legislation of this sort, special legislation which has already been enacted 5, 6, or 7 times for the benefit of merely one group, would not be necessary.

Under the bill which has been introduced, S. 2585, on which I hope there will be hearings, together with other bills which have been introduced, persons would be admitted on their merits because of their skills, because of the need of reuniting families, because they were escapees or persecutees, and because they could make contributions to the economic, political, and social life of the United States.

Under that kind of bill, legislation of the type now being considered would not be necessary; but it is needed so long as national origins quotas are in existence.

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

Mr. LEHMAN. I yield.

Mr. WATKINS. I may say that the so-called McCarran-Walter Act was passed over the veto of the President.

Mr. LEHMAN. It was passed over the veto by a margin of 2 votes.

Mr. WATKINS. But it was passed by two-thirds of the Members who were present and voting to override the veto.

Mr. LEHMAN. I realize that.

Mr. WATKINS. The act has been in effect only about 18 months. After a record of that kind, and while the operation of the measure is under study by a committee which has been appointed, the Joint Committee on Immigration and Naturalization, to determine how the bill is going to operate, does not the Senator from New York feel that it would be futile to ask Congress, which is made up largely of the same Members who overrode the veto of the President, to turn around now and begin to amend or repeal the act which was passed a short time ago?

With reference to what the Senator has said about studies, and that sort of thing, they have been going on for years and years. The Senator and his colleagues who were opposed to the McCarran-Walter bill presented their views at great length. During the campaign of 1952, the President of the United States appointed a commission to examine into the question all over again.

Mr. LEHMAN. It would be well if the recommendations of that commission appointed by the President were followed. That is what I would like to see. That is what we propose.

Mr. WATKINS. That is correct; but they are contrary to the views of two-thirds of the Members of Congress. It seems to me that it would now be futile to begin to hold hearings on a subject of this kind until the law has had at least an opportunity to operate, so that it will be possible to know what its defects are.

It seems to me that it would be absolutely useless to hold hearings, in view of the fact that under the refugee law openings have been made to relieve some of the great population pressures in countries such as Italy, Germany, Holland, and Greece.

Does not the Senator think it would be rather unwise to spend much time on the question until the law has been permitted to operate a little longer? If I have anything to do with the question later, and it is found that the law is not operating as it should operate, I shall be only too glad to set a time for hearings and to move in the direction of drafting amendments.

I went to Europe last summer to study the operations of the McCarran-Walter Act. The Senator may be surprised to know that our consular agents who operate under that law have said that from the standpoint of procedure and operation it is the best law which has ever been on the books. Many of the consular agents are veterans in the field of immigration.

I did not find any great pressure in Europe for amendment of the act. Some nations would have desired a somewhat more liberal act, but they were accustomed to the national origins quota system, and did not make any great protest against it.

I have found in the United States more opposition to the act, and more clamor for changes in it, than I heard in Europe, and largely from States where there were large numbers of so-called hyphenated votes. To me that smacks of clear politics.

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

Mr. LEHMAN. I yield.

Mr. HUMPHREY. It seems to me the point should be made that the bill introduced by the Senator from New York had many cosponsors, as did the short bill introduced by the Senator from Minnesota, with the cosponsorship of the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York, and other Senators. Hearings on the bill were never had. The bills are getting whiskers waiting for somebody to take a look at them to ascertain whether or not there might be just a little merit in some of the suggestions which have been made.

I want the record clear, as far as the junior Senator from Minnesota is concerned, that I am supporting what President Eisenhower said he was for, what President Truman said he was for, what Adlai Stevenson said he was for, what the President's Commission on Immigration said it was for, and what practically every religious group in America is for. I consider myself in good company, but I am becoming weary of trying to carry

the load of the Eisenhower program. The refugee bill was a part of the Eisenhower program. It was passed. As has been truly said, the best law is no better than its administration. The Refugee Act almost died from lack of use. It started to wither on the vine until the regulations were promulgated. I agree with what has been said on the floor of the Senate, that the truth is that the Refugee Act, a good act, permitting 209,000 refugees to come to this country over a 3-year period, I believe, did not go into full force and effect for months. I think I am correct when I state that a certain number of refugees are supposed to be admitted into this country each year.

Mr. WATKINS. No; there is no definite time set within which a certain number of refugees is supposed to enter this country, so long as the full number is allowed to enter in the period specified.

Mr. HUMPHREY. I had understood that a certain number was to be admitted in the first, second, and third years.

Mr. WATKINS. That is not correct.

Mr. HUMPHREY. I am glad to hear that. I was so informed.

All the Senator from New York has said is that it does take a long time to get competent viewpoints with regard to the question of immigration. It is a complicated subject. The Senator has stated that he would like to see hearings held on proposals which have the backing of large numbers of people. Perhaps the proposals are not as meritorious as those of us who are the sponsors think they are; but we would like to have a chance to state our arguments and present our witnesses. I should like to have the opportunity of presenting one of the leading churchmen of my State before committees of Congress, so he can be heard.

Mr. WATKINS. Was he not heard previously?

Mr. HUMPHREY. No; he was not. I should like to have a chance to present witnesses. Many prominent representatives of business, labor, and professional organizations say they are in favor of the bill. There is not any doubt that the bill before the Senate is a meritorious one. I am for the Basques. They are hard workers, and they become good Americans and citizens. There are different points of view, and one holds onto his point of view rather strongly, but I am sure there are some Members of Congress who feel that the present administration of the immigration law is unworthy of the traditions of the United States. We felt that way at an earlier time; we feel that way now.

I am happy to see we are joined in that opinion by the President, who made statement after statement, in State after State, that he was going to ask for drastic changes in the immigration law. We are joined by a former President of the United States, by the unsuccessful candidate for the Presidency of the United States, and by one organization after another. I cannot remember all of them now, but they include Catholic, Protestant, and Jewish groups. I may say that I am in pretty good company; I am kind of happy in that company.

Mr. WATKINS. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. WATKINS. I do not wish to prolong the debate, which I had not expected to take place. I think it is unfair, however, to let some of these statements go unanswered. Far too many have gone into the record which should have been answered and could have been answered at the time they were made.

When we get into the question of immigration, I think it should be remembered that it is difficult to get regulations respecting laws on the subject worked out. With regard to the law under discussion, voluntary organizations entered the picture. I am advised by members of the administration that their objections to the law held up its operation for 60 days.

Mr. HUMPHREY. Perhaps there were good reasons for such objections.

Mr. WATKINS. Perhaps so, but I am trying to say that the voluntary organizations objected and held up the regulations for 60 days.

The groups were not satisfied with the regulations finally promulgated. The regulations are still in the process of revision. Work is still going on. A handicap was caused by the regulations as to loyalty checks. All workers had to be checked to determine whether they were good security risks. All of that work has been going on. I have been assured by the State Department and others in the administration that they are going to do the best they can to speed up the operation of the law. That is all I can say.

Mr. LEHMAN. Mr. President, the hour is late, and I am not going to continue the debate on the bill. However, I wish to end the discussion on this note. The Senator from Minnesota has referred to the fact that in this matter the President of the United States is on our side, and that what the President has said coincides with what we have been advocating. I emphasize the fact that President Eisenhower made the statement with regard to the need of the revision of the McCarran-Walter Act not only during the campaign, when he was running for the Presidency, but also included it in his state of the Union message after he became President.

The Senator from Utah has stated his impression that the McCarran-Walter Act is working well. My impression is just the contrary—completely the contrary. I am supported in that point of view by observations which I, too, have made in Europe, and by reports which have come to me from great social agencies, great religious bodies, and great labor organizations, such as the American Federation of Labor and the CIO. They all have reported that the law is working unusually severe hardships on a great number of people.

However, I do not wish to try to impose my personal point of view in the matter. What I propose is that Congress study the facts and learn what the situation is. Let us have hearings. Let us have hearings now in order to see how the law is operating. Let the people of the United States know how the law is working.

I am perfectly willing to abide by the judgment of the people after they hear the facts and after the facts are disclosed at public hearings before the Committee on the Judiciary, on which committee my distinguished colleague from Utah holds such an important post.

Mr. WATKINS. Mr. President, I should like to make just one further observation, if I may be permitted to do so. I think it is only fair to the President to say that I called his attention to the matter shortly after his state of the Union address, after he took office in 1953, and the President wrote me a letter in which he suggested ten different points to be studied. Those points have been under study. One of the reasons why I went to Europe was to make some of those studies. We have been studying the subject. The refugee bill which I introduced was an administration bill. The President, in a practical way, was trying to carry out what he said he would do about the problem. Not only has the President a record to maintain, but the Members of the Congress have records to maintain. We had studied the question. The bill was passed over a former President's veto. In spite of the fact that I voted for the bill, I won the election in my State by a very handsome majority. Nearly every candidate who took that stand was sustained by the vote of the people. So, as a matter of fact, the people have had an opportunity to speak on the question.

All the possible witnesses mentioned in the debate had an opportunity to appear when the hearings were held, in order that they might present their views, and many did present their views at great length. There was much discussion in the committee, as well as on the floor, when the bill was first presented, as well as in the debate prior to overriding the veto. An opportunity was afforded to all to present their views and make their arguments.

It should not be implied in the record that it was President Eisenhower who appointed the commission; it was President Truman who did that, before the bill went into effect, in order that the commission might make recommendations on the question. The commission did make recommendations. The position of two-thirds of the Congress in overriding the veto was sustained. That is all I have to say tonight.

Mr. LEHMAN. Mr. President, I have just a little more to say. The Senator from Utah has given the impression that the McCarran-Walter bill was debated on the floor. I deny that categorically. It was not debated. The opponents of the McCarran-Walter bill did not even receive the courtesy of attendance on the floor of the Senate on the part of the supporters of the bill. I feel rather safe in saying that the distinguished Senator

from Utah [Mr. WATKINS] did not raise his voice in support of the bill; and I do not believe that the author of the bill, the Senator from Nevada [Mr. MCCARRAN], said more than a relatively few words about it.

We who opposed the bill spoke on it day after day, but we spoke to empty seats, despite the fact that we tried to join the issue. But we were unsuccessful in our attempts to do so.

Mr. WATKINS. Does the Senator from New York recall that when the vote on the bill was taken I voted "yea"? That is the strongest support I could give the bill.

Mr. LEHMAN. But that is not debate.

Mr. WATKINS. Well, Mr. President, the Senator from New York debated the bill. If we had thought there was anything that needed reply, we would have replied to it. However, we did not think that anything that needed reply had been said. The Senator from New York was in the committee time and time again, in connection with that measure; and the committee was thoroughly familiar with his views regarding the bill.

Mr. LEHMAN. Mr. President, I express the strong hope that during the recess or adjournment of Congress the Judiciary Committee will hold hearings on all pending immigration legislation.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The amendments of the Committee on the Judiciary were, at the top of page 2, to strike out:

(2) no immigration quota number of the country of which such skilled alien sheepherder is a national is then available, a special nonquota immigration visa may be issued to such skilled alien sheepherder as provided in this act: *Provided*, That such skilled alien sheepherder is otherwise admissible into the United States for permanent residence.

And insert:

(2) no immigration quota number of the quota to which such skilled alien sheepherder is chargeable under section 202 of the Immigration and Nationality Act is then available, a special nonquota immigrant visa may be issued to such skilled alien sheepherder as provided in this act: *Provided*, That such skilled alien sheepherder is otherwise eligible to receive an immigrant visa under the immigration laws.

In line 21, after the word "nonquota", to strike out "immigration" and insert "immigrant"; in line 24, after the word "nonquota", to strike out "immigration" and insert "immigrant"; on page 3, after line 4, to strike out:

SEC. 4. The provision in Public Law 307 of the 82d Congress which provides for the deduction of a number from the appropriate quota for each visa issued thereunder is hereby repealed.

And in lieu thereof to insert:

SEC. 4. The quota numbers deducted from the appropriate quotas on account of Public Law 587 (81st Cong.) and Public Law 307 (82d Cong.), to the extent that they reduce the immigration quota of any country subsequent to July 1, 1954, are hereby canceled.

So as to make the bill read:

Be it enacted, etc., That, for a period of 1 year after the effective date of this act, in any case in which the Attorney General, under the authority of section 204 of the Immigration and Nationality Act, grants permission for the importation of a skilled alien sheepherder into the United States and the investigation of the application for such importation discloses that—

(1) the employment offered such skilled alien sheepherder is permanent; and

(2) no immigration quota number of the quota to which such skilled alien sheepherder is chargeable under section 202 of the Immigration and Nationality Act is then available, a special nonquota immigrant visa may be issued to such skilled alien sheepherder as provided in this act: *Provided*, That such skilled alien sheepherder is otherwise eligible to receive an immigrant visa under the immigration laws.

SEC. 2. The Attorney General shall certify to the Secretary of State the name and address of every skilled alien sheepherder for which an application for importation under section 204 has been approved. If a quota number is not then available for such skilled alien sheepherder, the proper consular officer may issue a special nonquota immigrant visa to such skilled alien sheepherder.

SEC. 3. (a) There shall not be issued more than 385 special nonquota immigrant visas under this act.

(b) Nothing contained in this act shall be construed as increasing the immigration quota of any country or of altering the requirements for admission of aliens into the United States.

SEC. 4. The quota numbers deducted from the appropriate quotas on account of Public Law 587 (81st Cong.) and Public Law 307 (82d Cong.), to the extent that they reduce the immigration quota of any country subsequent to July 1, 1954, are hereby canceled.

The amendments were agreed to.

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

The title was amended so as to read: "A bill to provide relief for the sheep-raising industry by making special nonquota immigrant visas available to certain skilled alien sheepherders."

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GOLDWATER, and by unanimous consent, the Committee on Labor and Public Welfare was authorized to meet tomorrow, during the session of the Senate.

TRADE AGREEMENTS

The Senate resumed the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

RECESS

Mr. GOLDWATER. Mr. President, with the understanding of the distinguished minority leader, I now move that the Senate stand in recess until tomorrow morning, at 11 o'clock.

The motion was agreed to; and (at 8 o'clock and 13 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 24, 1954, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23 (legislative day of June 22), 1954:

POSTMASTERS

COLORADO

Della M. Svoboda, Agate.
Ray E. Snyder, Limon.
Lynne Taylor, Jr., Milliken.

CONNECTICUT

August F. Benvenuti, Torrington.

ILLINOIS

Ivan M. Prather, Charleston.
Charles H. Redebaugh, Dixon.
Theodore J. Keil, Jr., Dubois.
William R. Laur, Ina.
Miles L. Ward, Lexington.
Jack L. Schaub, Olney.
Howard C. Marshall, Orion.
Chester J. Steel, Sigel.
Walter Beinke, Staunton.

IOWA

Russell L. Jackson, College Springs.
Donald J. McGonigle, Odebolt.
William H. Rogers, Princeton.
Gilbert R. Dickinson, Richland.

KANSAS

Bion J. Reynolds, St. Francis.

MAINE

Edward P. Rand, Clinton.
Bernard A. Larlee, East Millinocket.
Gabriel O. Dumont, Skowhegan.
Joe P. Davis, South Berwick.

MARYLAND

Willard S. Nagle, Forest Hill.
Thomas C. Groton, Glencoe.

MICHIGAN

Sylvia I. Seppi, Chatham.
John E. Burling, Crystal Falls.
Lillian K. Kersten, Fulton.
Ivan G. Burnett, Luther.
Milford E. Reeder, Olivet.
Howard E. Augspurger, Sturgis.
George J. Danneffel, Whitmore Lake.

OREGON

Ruth E. Piquet, Long Creek.

PENNSYLVANIA

William N. Olson, Black Lick.
Louis H. Wilt, Breezewood.
Warren A. Putt, Camp Hill.
Robert F. Aucker, Jr., Freeburg.
Robert G. Kronk, Freedom.
Leslie Ditty, Karthaus.
Charles M. Hambright, McVeytown.
William Clark McNeal, Mifflin.
Russell S. Basler, Narberth.
Francis R. Murphy, Swedeland.

SOUTH DAKOTA

Helen D. Krebs, Raymond.

VERMONT

Frederick H. Grout, East Arlington.

VIRGINIA

John C. Tomko, Disputanta.
Barbara C. S. Gentry, Flint Hill.
Angier S. Conklin, Gordonsville.
William R. Berry, Jr., Meherrin.
Robert H. Stallard, Norton.
Jordan E. Wood, Prince George.
Ruby R. North, Tye River.
Julia P. Tyrrell, Woodbridge.

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.

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

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[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.

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[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.

Should social security be broadened to include groups not now covered?

Ohio	Yes	No	Qualified
Small towns	53.2	30.6	16.2
Metropolitan areas	55.6	32.7	11.7
Out of State	63.6	14.6	21.8

Two other questions were asked of the Ohio society members which present problems of classification in the three general groups, enumerated previously. These questions are of national and international importance. The outgrowth of such legislation affects our relations with the rest of the world and our internal security. The member opinion was sought on the controversial Bricker amendment and the McCarran-Walters Immigration Act. A majority of the members favored the proposed Bricker amendment, which is designed to protect the constitutional rights of American citizens, 86.6 percent to 11.1 percent.

On the McCarran-Walters Act, 74.8 percent of the members polled opposed a more liberal admission of immigrants and only 16.2 percent favor any changes in the restrictive nature of the Immigration Act.

Statement of Principle Made by Hon. Gardner R. Withrow, of Wisconsin

EXTENSION OF REMARKS

OF

HON. GARDNER R. WITHROW

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 1954

Mr. WITHROW. Mr. Speaker, inasmuch as I have announced my candidacy for renomination and election to Congress on the Republican ticket, I want to take this opportunity to make a brief but formal statement as to principles, which is as follows:

In my judgment, the American people voted for a change in 1952. I regarded my own reelection to Congress as a mandate to help give them that change. I have worked toward that end.

Insofar as I have felt that the policies of the Eisenhower administration contributed to this much-needed change, I have supported them—and will continue to do so.

I have supported the administration economy measures and tax program as the basis of sound national prosperity. I have supported administration efforts to strengthen American military defenses, particularly through airpower and improved weapons. I have supported and voted for the St. Lawrence Seaway project, which, under President Eisenhower's leadership, has finally become an assured reality. I have supported any move which gave promise of a firmer and more realistic foreign policy and have especially commended the President's pledge to recognize the congressional authority to declare war.

On the other hand, insofar as I have felt that administration policies have failed to accomplish the much-needed change or have continued the discredited Truman-Acheson foreign program, I have opposed those policies and will continue to do so. What I believed to be wrong in 1952, I still believe to be wrong in 1954.

I have opposed, and will continue to oppose, the giveaway of American resources, tax funds, and manpower to unreliable, fair-weather allies who seek continued handouts from Uncle Sam but direct their policy of appeasement only to America's enemies.

I have supported, insofar as opportunity has afforded—and will continue to support—the Bricker amendment. I believe it is absolutely necessary to have a constitutional guaranty that the Constitution cannot be nullified by treaty provisions or executive agreements.

I have opposed, and will continue to oppose, subjecting American servicemen to the courts and judicial processes of foreign countries, where rights guaranteed all Americans by the Constitution are jeopardized or destroyed.

I have supported, and will continue to support, congressional investigations of Communist subversion and infiltration. Whatever improvements may be possible in such investigative procedures should be made. These Congressional investigations are the one safeguard available against Executive indifference to this Communist peril and the one principal means of public knowledge and understanding of this threat.

We all recognize agriculture as being basic—the prosperity of the entire Nation is dependent upon it—and that dairying comprises an important segment of agriculture. I firmly believe that dairy products should be supported under the same system as basic commodities. In the next few weeks we will know definitely the manner in which dairying and associated activities will be handled by the Congress.

It is necessary for the prosperity of the Nation that labor-management relations shall be harmonious in that each should recognize the rights of the other. I have always worked toward that end.

My office has always rendered service to the public of this district without regard to their political affiliations. That policy will be continued.

Alarm Sounded Against Onassis-Saudi Arabian Oil Monopoly

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 1954

Mr. CELLER. Mr. Speaker, at long last I am glad to see that widespread notice is being taken of the monopolistic oil agreement entered into between Mr. Aristotle S. Onassis and the Saudi Arabian Government. After a great deal of prodding, the terms of this far-reaching contract have now been made public. What is reputed to be the complete text of this oil-tanker agreement has been published in an article in the New York Journal of Commerce, dated June 22, 1954, and clearly establishes the existence of an unfair monopolistic contract in violation of normal trade procedures. A New York Times story of June 23 corroborates and emphasizes the untenable aspects of this agreement which militates against American interests.

In identical letters which I directed to the Secretary of State and Foreign Operations Administrator on May 18, 1954, I called attention to a situation involving a monopolistic oil tanker agreement between Mr. A. S. Onassis and the Saudi Arabian Government which had come to my attention. I stated that operations under this agreement might seriously damage American interests and I requested their views on this subject. With reference to any funds to be requested by the administration for Saudi Arabia and other Arab states in the mutual security bill, I asked whether the monopolistic concessions granted under this agreement should in any way affect the administration's request for funds.

Under date of June 3, 1954, I received a response from Assistant Secretary of State Thruston B. Morton, which, in summary, indicated that the Department had not been able to obtain an authentic text of the agreement but had expressed to the Saudi Arabian Government this country's concern over an agreement which appears to constitute unwarranted discrimination against American shipping interests. Mr. Morton advised that the whole matter is receiving most careful study and that every effort would be made to protect the legitimate interests of American enterprise which may be affected by the agreement. With respect to the mutual security bill and funds which may be requested under it, Mr. Morton added that the amount of funds contemplated for Saudi Arabia is of extremely modest proportions and, in view of our close relations with Saudi Arabia, the financial assistance is consistent with and in support of United States policy objectives in the Middle East.

Under date of June 9, 1954, Foreign Operations Administrator Stassen replied to my letter and reported that full discussion had been held with the State Department. His expressed position was consistent with that of the State Department and he stated his belief that any withholding of the small amount of aid for Saudi Arabia would hinder rather than further American interests.

Following the protest which I issued publicly on May 18, 1954, and the identical letters which I directed to the Secretary of State and the Foreign Operations Administrator on that date, I note that the United States Government has filed a formal protest with the Saudi Arabian Government, according to the Journal of Commerce article. The protest reportedly points out that the exclusive agreement between Mr. Onassis and the Saudi Arabian Government is in violation of concessions that the Arabian American Oil Co.—known as Aramco and consisting of four major American

oil companies—has with the Saudi Arabian Government. Also this contract may be violative of international law, particularly since the agreement contains terms of boycott against a friendly nation, the Republic of Israel.

Under the terms of the agreement, all oil companies presently having concessions in Saudi Arabia will be required to carry their exportable petroleum and petroleum products from Saudi Arabia to foreign countries by the Saudi Arabian Maritime Co., Ltd., which is owned exclusively by A. S. Onassis and his associates. The only exception, apparently, is that the Arabian American Oil Co., which now holds a huge petroleum concession, could continue to use those of its tankers which were engaged in carrying Saudi Arabian petroleum prior to December 31, 1953. Moreover, the monopolistic agreement permits Mr. Onassis to charge freight rates well above the current market for long-term tanker charters. Doubtless, American consumers will pay the added charges.

The original monopolistic agreement, reportedly concluded at Jedda on January 20, was amended on April 7 by a secret addendum in which Onassis reputedly pledged that no Jew should have any interest in any of these companies, directly or indirectly, and assumed an obligation that his company would have no dealings with the Republic of Israel.

The result of this negotiation is expected to assure King Saud—who is in effect "Mr. Saudi Arabia" and who is actually in tyrannical control of that country—of a new annual revenue reported to be $50 million a year. As a result of this pact and its potentialities, King Saud is reported to have assumed new financial obligations in the Arab world and has projected plans to bolster the general Arab League campaign against Israel.

Undoubtedly Onassis will try to extricate himself from his difficulties with the American Government by offering to make deals of various sorts. He may agree to modify his monopoly for the benefit of certain countries or companies on the principle of divide and conquer. He may even graciously allow the American oil companies to keep their present share of tonnage in return for their complaisance with respect to the rest of this pernicious agreement. I hardly think it is necessary to warn the American oil companies against entering into any such agreement with a man whose conspiracies are adverse to the freedom of international trade and to the foreign policy of the United States. I urge once again that the United States State Department and the Foreign Operations Administration actively and vigorously review this unpalatable and monopolistic agreement. It militates against the best interests of our national security, our traditions of free trade and fair play, and our time-honored guaranties of justice and equity to friendly countries and the American consuming public.

SENATE

THURSDAY, JUNE 24, 1954

(Legislative day of Tuesday, June 22, 1954)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

O Thou God of grace and glory, in hours of confusion and commotion we are sure of no light but Thine, no refuge but in Thee, who art from everlasting to everlasting. We Thy creatures have but a little span on this mortal sphere, yet Thou hast set our lives upon an earth vastly changed and different from what our fathers knew: Seas and plains and towering mountains are but stepping-stones to a neighbor's door though it be half a world away.

Especially we beseech Thy enabling grace upon those who, in this momentous hour, stand and speak for our dear land. In union with those of other lands who love freedom more than life, may there be laid the foundation of a new home for all humanity, a refuge from hate and strife for all nations, a linked and leagued world in which individual human lives shall be reverenced and in which power shall be administered as a sacred trust dedicated to the common good. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 23, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed 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, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4854. An act 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;

H. R. 9315. An act to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States; and

H. R. 9505. An act 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.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

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

S. 2844. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes;

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

H. R. 724. An act for the relief of Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett;

H. R. 848. An act for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Josephine Katem;

H. R. 1364. An act for the relief of Richard A. Kurth;

H. R. 2421. An act for the relief of Frank L. McCartha;

H. R. 2678. An act for the relief of Carl A. Annis, Wayne C. Cranney, and Leslie O. Yarwood;

H. R. 2848. An act to amend section 89 of the Hawaiian Organic Act, as amended;

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. 3623. An act for the relief of Willard Chester Cauley;

H. R. 4030. An act to repeal section 4 of the act of March 2, 1954, creating the Model Housing Board of Puerto Rico;

H. R. 4919. An act for the relief of Ralph S. Pearman and others;

H. R. 5025. An act for the relief of Paul G. Kendall;

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

H. R. 6196. An act for the relief of Duncan M. Chalmers, and certain other persons;

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. 8367. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, 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. 8779. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes;

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;

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

H. J. Res. 458. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes.