school's operation. How far will the Supreme Court go? To deny the right of a citizen to will his property to be used for a specific purpose makes one wonder what will come next.

A Norfolk newspaper, the Journal and Guide, on March 30, said I had made an appeal to race hatred. I feel I cannot permit this unfair statement to go unchallenged. The editor of this Norfolk paper was not fair enough to say that as Governor of Virginia I recommended, and the general assembly enacted, the strongest antilynching bill of any State. This was in 1926. In the 31 years intervening not a single lynching has occurred in Virginia.

As Governor, I attempted to serve the Negro citizens of Virginia with the same courtesy and consideration as I did the white. I recall that as Governor, taking a particular interest in the Virginia State College, a Negro institution at Petersburg, as I was convinced this institution was being neglected in appropriations. A Negro president named a building there after me. I have always believed that the Negro had an honorable and most useful position in our Nation. In fact, in my own business operations I employ more Negroes than whites and pay them exactly the same.

We are faced with three Federal actions which, if successful, would destroy the last remnants of local self-government:

First, the Supreme Court decision providing for enforced integration in our local schools.

Second, a companion measure to take away the right of trial by jury in civil-rights litigation and vest tyrannical power in the hands of Federal judges appointed upon the recommendation of the Attorney General of the United States.

Third, a vast Federal-aid local school-construction program which will give still further control to the Federal Government of our local schools.

The South is faced with great decisions and ominous difficulties in meeting these trials. I pray that we will have the same courage and fortitude that lived in the hearts of our forefathers whose sacrifices made possible the freedoms of this, the greatest form of free government ever conceived in the mind of man.

SENATE

WEDNESDAY, MAY 15, 1957

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

Our Father, God, who—amidst the shifting sands of time—standeth sure, like men who turn from dusty toil to crystal streams, so we lift our soiled faces to Thee, from the perplexities and the imperfections which crowd our days and drain our powers of endurance. In conscience, in quiet moments, when above earth's strident voices the still, small voice speaks to our inmost self, in soaring thoughts that will not stay on the ground, in deep needs that drive us to Thee, in the sacrament of human love, in the beauty of nature, and in the spiritual heritage of our race, in seers and prophets, and in Christ, overall, Thou dost stand at the door, and knock. Give us, we pray Thee, the grace of hospitality to the highest and the best. Because there is no solution of the world's ills, save as it springs from the hearts of men, we pray for ourselves: Cleanse Thou our hearts by Thy grace, feed our minds with Thy truth, guide our feet in the paths of righteousness, for Thy name's sake. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 13, 1957, was approved, and its reading was dispensed with.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The following reports of a committee were submitted:

By Mr. JOHNSON of Texas, from the Committee on Appropriations, with amendments:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 303).

By Mr. HOLLAND, from the Committee on Appropriations, with amendments:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 304).

AMENDMENTS TO DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL—NOTICES OF MOTIONS TO SUSPEND THE RULE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957, the following notices of motions to suspend the rule were submitted on May 14, 1957, by Mr. JOHNSON of Texas:

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. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 35, line 11, insert the following: ": *Provided further*, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

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

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. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 24, after line 11, insert the following:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

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

AMENDMENT TO DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL

Mr. HOLLAND, on May 14, 1957, 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. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely, on page 21, after line 21, to insert the following:

"The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed in section 505 of the Classification Act of 1949, as amended, but with regard to the numerical limitations contained therein, to place 1 position in grade GS-18, 3 positions in grade GS-17, and 10 positions in grade GS-16, in the General Schedule established by the Classification Act of 1949, as amended, and such positions shall not be in lieu of any positions in the Department previously allocated under section 505."

Mr. HOLLAND also submitted an amendment intended to be proposed by him to House bill 6700, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

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

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The PRESIDENT pro tempore, on May 14, 1957, signed the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day, which had previously been signed by the Speaker of the House of Representatives.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 14, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

MESSAGE FROM THE HOUSE

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

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; and

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances; to the Committee on Finance.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; and

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; to the Committee on the District of Columbia.

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes; placed on the calendar.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Public Roads Subcommittee of the Committee on Public Works.

The Public Lands Subcommittee of the Committee on Interior and Insular Affairs.

The Minerals, Materials, and Fuels Subcommittee of the Committee on Interior and Insular Affairs.

The Permanent Subcommittee on Investigations, of the Committee on Government Operations.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement, for the information of the Senate. It is the intention of the leadership to have the Senate consider today the State, Justice, Judiciary, and related agencies appropriation bill. There will be a quorum call before the Senate proceeds to the consideration of that bill.

Several bills and other measures have been cleared on both sides of the aisle and will very likely be taken up for consideration either today or tomorrow, unless objection is raised by the leadership on one side or the other. These measures are as follows:

Calendar No. 289, Senate bill 1794, amending the act relating to the admission into the Union of the State of Idaho.

Calendar No. 290, Senate bill 999, relating to the conveyance of certain land to the State of North Dakota.

Calendar No. 291, Senate bill 413, relating to the transfer of title to irrigation distribution systems.

Calendar No. 292, Senate bill 1556, granting the consent of Congress to an interstate compact.

Calendar No. 294, Senate Resolution 136, a printing resolution, and also Calendar No. 296, Senate Resolution 122; Calendar No. 297, Senate Resolution 130; Calendar No. 298, Senate Concurrent Resolution 26; and Calendar No. 299, Senate Resolution 131. All of these are printing resolutions.

Calendar No. 301, Senate bill 864, providing for the transfer of certain lands to the State of Minnesota.

Senators are also aware that House bill 6700, the appropriation bill for the Department of Commerce and related agencies, has been reported. It is Calendar No. 309. The bill itself and the report on it are now available and when the hearings on the bill are available I shall confer with the distinguished minority leader and with Members on my side of the aisle, and I shall ask him to confer with Members on his side, and we shall attempt to set a firm time for the consideration of that bill, so adequate notice can be given to Senators before the bill is taken up by the Senate.

I was not in the Appropriations Committee this morning. Let me inquire whether the supplemental appropriation bill has been reported by the committee.

Mr. RUSSELL. Yes.

Mr. JOHNSON of Texas. I should like to give notice that when the report and hearings on that bill are available, of course, the bill will have the highest priority.

Mr. President——

The VICE PRESIDENT. The Senator from Texas.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED PROVISION PERTAINING TO AN EXISTING APPROPRIATION, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 37)

A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the fiscal year 1957 for the Department of the Interior (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR PAYMENT OF CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. DOC. NO 38)

A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, in the amount of $1,709,157, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORT ON STUDY OF COMPETITIVE CONSEQUENCES OF DEFENSE EXPANSION IN TITANIUM METAL INDUSTRY

A letter from the Attorney General, transmitting pursuant to law, his report relating to a study of the competitive consequences of defense expansion in the titanium metal industry (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting, pursuant to law, a report of that Commission on the educational exchange activities conducted under the United States Information and Educational Exchange Act of 1948, from July 1 through December 31, 1956 (with an accompanying report); to the Committee on Foreign Relations.

AUDIT REPORT ON RECONSTRUCTION FINANCE CORPORATION (IN LIQUIDATION) AND DEFENSE LENDING DIVISION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Treasury Department, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON SETTLEMENT OF CLAIM OF YUCHI (EUCHEE) TRIBE OF INDIANS *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law that proceedings in the case of the *Yuchi (Euchee) Tribe of Indians* v. *The United States of America*, have been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ANTON N. NYERGES

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Anton N. Nyerges (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Delaware; ordered to lie on the table:

"House Resolution 77

"Resolution relative to the death of United States Senator Joseph R. McCarthy

"Whereas the house of representatives has learned with regret of the passing of United States Senator Joseph R. McCarthy of the State of Wisconsin; and

"Whereas Senator Joseph R. McCarthy served his native State of Wisconsin and his country faithfully and diligently as a United States Senator; and

"Whereas Senator McCarthy became known internationally for his strong interest in the security of this country and his expression of patriotism; and

"Whereas the members of the house desire to express in this public manner their own feelings and sense of loss which is felt throughout the entire country: Now, therefore, be it

"Resolved by the House of Representatives of the 119th General Assembly of the State of Delaware, That the members wish to give expression to the regret they experienced at the passing of United States Senator Joseph R. McCarthy; and be it further

"Resolved, That the family of the deceased has the full sympathy of the members of the House of Representatives of the 119th General Assembly of the State of Delaware which is extended by sending a copy of this resolution to the members of his immediate family; and be it further

"Resolved, That the text of this resolution be made a part of the journal of the proceedings of the House of Representatives of the 119th General Assembly of the State of Delaware, and that a copy of this resolution be sent to the Presiding Officer of the Senate of the United States."

A resolution adopted by the Breakfast Optimist Club, of Topeka, Kans., relating to flood-control works for the protection of the city of Topeka; to the Committee on Appropriations.

A resolution adopted by the City Council of the City of St. Paul, Minn., protesting against the enactment of House bill 6790, to regulate the control and production of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 23

"Concurrent resolution memorializing the President and Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc

"Whereas imports of glass, lead, and zinc have caused a drastic reduction in market prices of these products; and

"Whereas imports of glass, lead, and zinc have resulted in serious injury to domestic mining operations in that such operations have been forced to be curtailed to an alarming extent due to the economic laws of supply and demand; and

"Whereas while the market prices of such products have steadfastly remained at a low level and at the same time labor costs have risen sharply, with the result that mining operations are not reasonably profitable, and especially is this true in the State of Oklahoma; and

"Whereas this injury to the mining industry is not limited to the owners and operators of the mines, but causes thousands of workers to be out of employment or, at best, to be employed on a part-time basis; and

"Whereas the injury to the industry causes great economic losses to management, labor, the railroad industry, and to communities wherein mines and smelters are situated, and to the economy of the Nation as a whole, including an impairment of the Nation's defense program; and

"Whereas the consequences of the present import program are not only being reflected in economic conditions in the State of Oklahoma, but are being felt in all areas of the Nation wherein these products are produced, and this is both a local and a national problem: Now, therefore, be it

"Resolved by the Senate of the 26th Legislature of the State of Oklahoma (the House of Representatives concurring therein):

"1. That legislation be enacted curtailing imports of glass, lead, and zinc to such a point that domestic markets will recover to a healthy and normal condition; and/or

"2. That legislation be enacted increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"3. That a directive be issued increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"4. That action be taken either pursuant to the May 21, 1954, report of the tariff commission, or under section 7 of the Trade Agreements Extension Act of 1955, or under any other existing authority which will result in relieving this threat to the national security and this crisis of nonproduction and unemployment in mines, smelters, and glass manufacturing plants.

"5. It is ordered that copies of this resolution be sent to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to each of Oklahoma's Representatives and Senators in the Congress of the United States.

"Adopted by the senate the 25th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 21

"Concurrent resolution memorializing the President and the Congress of the United States to grant immediate statehood to the Territories of Alaska and Hawaii

"Whereas the Territories of Alaska and Hawaii are vital to the defense of the United States; and

"Whereas said Territories have greatly contributed to the economic and cultural life of the United States; and

"Whereas the people of said Territories have demonstrated their maturity, responsibility, and willingness to accept in full, and ability to discharge, the responsibilities that accompany citizenship in one of the States of the United States; and

"Whereas not only principles of fairness, but also considerations of mutual benefit to said Territories and the States of the United States demand that said Territories be granted immediate statehood: Now, therefore, be it

"Resolved by the Senate of the 26th Oklahoma Legislature (the House of Representatives concurring therein):

"That the President of the United States and the Congress of the United States are hereby memorialized to grant immediate statehood to the Territories of Alaska and Hawaii.

"That the president of the senate is directed to cause copies of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Governors of Alaska and Hawaii.

"Adopted by the senate the 4th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 30th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 2797. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes (Rept. No. 306).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 5832. A bill to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School (Rept. No. 305).

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

S. 358. A bill to authorize the conveyance to the State of Wyoming of about 37 75/100 acres of land comprising a part of Francis E. Warren Air Force Base (Rept. No. 307);

H. R. 2781. A bill to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area," approved October 11, 1951 (Rept. No. 308); and

H. R. 4285. A bill to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry (Rept. No. 309).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 916. A bill to provide for the issuance of checks and continuation of accounts when there is a vacancy in the office of disbursing officer for the Post Office Department, and for other purposes (Rept. No. 311);

S. 1169. A bill for the relief of Herbert C. Heller (Rept. No. 312);

S. 1740. A bill to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations (Rept. No. 313); and

S. 1884. A bill to amend section 505 of the Classification Act of 1949, as amended (Rept. No. 314).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 105. A bill to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia (Rept. No. 315);

S. 768. A bill to designate the east 14th Street highway bridge over the Potomac Riv-

er at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge (Rept. No. 316);

S. 1576. A bill to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act (Rept. No. 317);

S. 1586. A bill to eliminate the financial limitation on real and personal estate holdings of the American Historical Association and to exempt from taxation certain property of such association in the District of Columbia (Rept. No. 318); and

H. R. 2018. A bill to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes (Rept. No. 319).

By Mr. BIBLE, from the Committee on the District of Columbia, with an amendment:

H. R. 6258. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended (Rept. No. 320).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S. 923. A bill to amend the act for the retirement of public school teachers in the District of Columbia (Rept. No. 321);

S. 1264. A bill to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia (Rept. No. 322); and

S. 1770. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes (Rept. No. 323).

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. HAYDEN. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, and I submit a report (No. 310) thereon. I ask that the bill be placed on the calendar. I shall consult with the leadership and see when the bill can be brought up for consideration by the Senate.

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

CONSTRUCTION, OPERATION, AND MAINTENANCE OF FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. CARROLL. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 60) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, and I submit a report (No. 325) thereon. I ask unanimous consent that the minority views of the Senator from California [Mr. KUCHEL] be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Colorado.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF HELLS CANYON DAM ON THE SNAKE RIVER, IDAHO AND OREGON

Mr. CARROLL. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], from the Committee on Interior and Insular Affairs, I report favorably, without amendment, the bill (S. 555) to authorize the construction, operation, and maintenance of the Hells Canyon Dam on the Snake River between Idaho and Oregon, and for related purposes, and I submit a report (No. 324) thereon.

I ask unanimous consent that the individual views of the Senator from Oregon [Mr. NEUBERGER] and the minority views of the Senator from Utah [Mr. WATKINS], and other Senators, be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Colorado.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

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

Two hundred and thirty-five postmaster nominations.

By Mr. CASE of South Dakota, from the Committee on Armed Services:

Vice Adm. Maurice E. Curts, United States Navy, for commands and other duties designated by the President, in the grade, rank, pay, and allowances of admiral while so serving; and

Clarence Fong, and sundry other persons, for appointment in the United States Navy.

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior, vice Olin Hatfield Chilson, elevated; and

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska, vice B. Frank Heintzleman, resigned.

By Mr. BIBLE (for Mr. NEELY), from the Committee on the District of Columbia:

Andrew Parker, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1962.

BILLS INTRODUCED

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

By Mr. HILL:

S. 2073. A bill to authorize an extension of letters patent to Price Chrenleigh McLemore; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 2074. A bill for the relief of Anita Agnew; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2075. A bill to amend the act of August 20, 1954, establishing a Commission for the Celebration of the 200th Anniversary of the Birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania (by request):

S. 2076. A bill to extend and improve the unemployment-compensation program; to the Committee on Finance.

By Mr. TALMADGE (for himself, Mr. RUSSELL, Mr. THURMOND, Mr. JOHNSTON of South Carolina, Mr. SPARKMAN, Mr. HILL, Mr. KEFAUVER, Mr. ERVIN, and Mr. SCOTT):

S. 2077. A bill to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachian area; to the Committee on Interior and Insular Affairs.

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

By Mr. TALMADGE (for himself and Mr. RUSSELL):

S. 2078. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2079. A bill for the relief of Edward W. Mundie; to the Committee on the Judiciary.

By Mr. LONG:

S. 2080. A bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases; to the Committee on Finance.

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

By Mr. JAVITS (for himself and Mr. CLARK):

S. 2081. A bill to establish the United States Arts Foundation; to the Committee on Labor and Public Welfare.

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

By Mr. ALLOTT (for himself, Mr. EASTLAND, Mr. IVES, Mr. CHAVEZ, Mr. BRICKER, Mr. BEALL, and Mr. BIBLE):

S. 2082. A bill to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. KEFAUVER:

S. 2083. A bill to amend the Pay Readjustment Act of 1942, as amended; to the Committee on Armed Services.

S. 2084. A bill to amend sections 2311, 2312, and 2313 of title 18, United States Code, so as to extend the punishment for the transportation of stolen motor vehicles in interstate or foreign commerce to tractors, commercial truck trailers, and truck semitrailers, and for other purposes; and

S. 2085. A bill for the relief of the estate of Gerald A. Orken; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2086. A bill to amend the act of June 20, 1910, relating to the admission of New Mexico into the Union, to permit the State of New Mexico to achieve greater diversity in the prudent investment of moneys from lands held in trust; to the Committee on Interior and Insular Affairs.

By Mr. DIRKSEN (by request):

S. 2087. A bill for the relief of Eva Lichtfuss; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2088. A bill to amend section 4233 of the Internal Revenue Code of 1954 so as to exempt from the cabaret tax certain amounts paid for admission, refreshment, etc., by or for the benefit of certain tax-exempt organizations and institutions; to the Committee on Finance.

By Mr. CHURCH:

S. 2089. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. DOUGLAS:

S. 2090. A bill for the relief of Marie Elena Vega de Alcala;

S. 2091. A bill for the relief of Theodore Michael Lewis;

S. 2092. A bill for the relief of Chao-Ling Wang; and

S. 2093. A bill for the relief of Tam Ying Yee; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2094. A bill to permit Cheddar cheese imported from foreign countries for the purpose of exhibition at the International Cheddar Cheese Scoring Contest, to be held at Fond du Lac, Wis., to be admitted without payment of tariff, or subject to quota limitations, and for other purposes; to the Committee on Finance.

S. 2095. A bill for the relief of certain aliens; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2096. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

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

FULFILLMENT OF PROGRAM RECOMMENDED BY NATIONAL HISTORICAL PUBLICATIONS COMMISSION FOR PUBLICATION OF CERTAIN DOCUMENTS

Mr. BENNETT submitted the following concurrent resolution, which was referred to the Committee on Rules and Administration:

Senate Concurrent Resolution 31

Whereas the National Historical Publications Commission is charged by the Congress with responsibility for cooperating with and encouraging "Federal, State, and local agencies and nongovernmental institutions, societies, and individuals" in collecting, preserving, and publishing documents that are important for understanding the history of the United States; and

Whereas the said Commission in the discharge of these responsibilities has recommended a national program to encourage the publication of the basic source materials of American history through the cooperative efforts of both public and private organizations; and

Whereas the President of the United States has approved the national program for the publication of historical documents, as set forth in the Commission's published report to him (and summarized in the Appendix of the CONGRESSIONAL RECORD for July 22, 1955); and

Whereas it is important that the people of the United States understand the history of their country and of its relationship to the rest of the world; and

Whereas the publication of such source materials as letters, diaries, journals, sermons, speeches, reports, and other documents—the firsthand evidence of the initiative, courage, and spiritual qualities of the men and women who have helped to shape our country's destiny—would contribute to a better understanding of the history of the United States in all of its manifold aspects, and would thereby strengthen the defense of our country against its enemies: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the fulfillment of the program recommended by the National Historical Publications Commission in its report entitled "A National Program for the Publication of Historical Documents" would be of lasting benefit to the Government and citizens of the United States; and be it further

Resolved, That the Congress of the United States respectfully urges the governors and legislatures of the several States and the State historical commissions and archival agencies, as well as appropriate libraries, historical societies, colleges and universities, business corporations, foundations, civic and other nonprofit organizations, and individuals to cooperate with the National Historical Publications Commission in the fulfillment of the said program.

SURVEY TO ASSIST IN PROMOTION OF PRODUCTION OF CONCENTRATED IRON ORE AND STEEL

Mr. TALMADGE. Mr. President, a continuously plentiful supply of steel is essential not only to the defense but also to the sustained economic growth of this Nation.

For some years now our economists, industrialists and defense planners have been concerned about the rapid depletion of the country's traditional sources of iron ore. Already many users have been forced to turn to other sources of supply, notably those in South America.

As a matter of prudence and preparedness, this situation should behoove us as a Nation to search out all sources of ore here at home. This should be done as insurance against any unhappy circumstances which in the future might deny us our foreign supplies, as well as to assure readily available reserves which might be tapped immediately in any emergency.

It is well known among geologists that there is an abundance of iron ore in the Southern Appalachians, particularly in the area known as the Clinton sedimentary beds occurring in the States of Georgia, Alabama, Tennessee, and the Carolinas. Dr. Merle C. Prunty, head of the department of geography and geology at the University of Georgia, and one of the Nation's most knowledgeable geologists, is convinced that these deposits—while not so rich as those of the Mesabi Range—are of commercial value. This is borne out by extensive studies made by the Georgia State Department of Geology.

This value is enhanced by the facts that adjacent to these iron ore deposits are extensive deposits of bituminous fuels essential to the production of steel and that abundant transportation facilities are afforded by the Tennessee River Waterway, the Coosa-Warrior River Waterway, the Alabama-Tombigbee River Waterway, the Apalachicola-Chattahoochee-Flint River Waterway, the Savannah River Waterway, and the contiguous railways of the area.

In order that these ore deposits might be effectively utilized when needed, I introduce, for appropriate reference, a bill to direct the Department of the Interior to undertake a survey to determine their extent and the means through which they can be effectively utilized for the production of steel. The measure provides for a report of findings within 180 days of its enactment.

In this survey the full resources of the Georgia State Department of Geology and the Department of Geography and Geology at the University of Georgia will be available to the Interior Department. Capt. Garland Peyton and Dr. A. S. Furcron, of the State Geology Department, and Dr. Prunty, of the university, have graciously volunteered their services and access to their files if they are desired.

In preparing this bill, I have sought the advice of my colleagues from the States affected, and all of them concur in its objectives. I am pleased that the Senator from Georgia [Mr. RUSSELL], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senators from North Carolina [Mr. SCOTT and Mr. ERVIN], and the Senators from South Carolina [Mr. JOHNSTON and Mr. THURMOND] have agreed to join me as cosponsors.

Mr. President, I hope, in the interest of the national welfare, that this measure will be given speedy approval. I ask unanimous consent that the bill be printed in the RECORD as a part of my remarks.

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

The bill (S. 2077) to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachians area, introduced by Mr. TALMADGE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the production of steel and related products are, and will be, essential to the defense and the economy of our Nation; and

Whereas there is an abundance of iron ore in the southern Appalachians, particularly in the beds known as the Clinton sedimentary iron-ore beds occurring in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina and in associated deposits; and

Whereas there are extensive deposits of bituminous fuels in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina adjacent to the Clinton beds, which are essential not only to the future recovery and concentration of low-grade steel in such States, and possibly elsewhere, but also for other purposes related to the defense and economy of the Nation; and

Whereas the transportation facilities afforded by the Tennessee River waterway, the Coosa-Warrior River waterway, the Alabama-Tombigbee River waterway, the Apalachicola-Chattahoochee-Flint River waterway, the Savannah River waterway, and the

contiguous railways of the area will promote a tremendous expansion for industries aiding the economy and national defense of this Nation; and

Whereas the coordination of production and transportation facilities must be generated by effective surveys and studies tending to develop groupings of various industries in the coordination of their common problems: Now, therefore,

Be it enacted, etc., That the Secretary of the Department of the Interior is authorized and directed to conduct a survey, having national significance in the defense and economy of our country, for the purpose of determining ways and means of affirmatively encouraging the production of concentrated iron ore for steel, and its related products, from the sources of ore and fuel in and contiguous to the southern Appalachians area. The Secretary shall report the results of such survey to the Congress, and shall make such reports public, not later than 180 days after the date of enactment of this act.

COMPUTATION OF ANNUAL INCOME FOR THE PAYMENT OF CERTAIN PENSIONS

Mr. LONG. Mr. President, I introduce, for appropriate reference, a bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases.

As a result of action by the Louisiana legislature, the State of Louisiana is planning to pay a bonus to veterans of the Spanish-American War and World War I and certain of their survivors. A veteran or the widow of a veteran who is in receipt of a non-service-connected disability or death pension from the Veterans' Administration is limited as to the amount of income which can be received from other sources. The limit is $1,400 a year for a recipient alone or $2,700 a year if there are dependents. The Veterans' Administration has ruled that the State bonus will be counted as income for pension purposes.

The Veterans' Administration has made this ruling under the provisions of Veterans' Administration regulation 1228. The State of Louisiana has contended that the intent of this regulation was to count as bonuses those things received from private employers for work performed, and to supplement salaries or commissioners paid and not State bonuses paid veterans for service to the Federal Government.

The Internal Revenue Service has ruled that State bonuses are not considered as income. I believe it to be unquestionably true that the State legislators who have voted these veteran bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income-tax purposes by the Internal Revenue Service.

If a State wishes to assist and supplement the pension being paid to a veteran, it should not be penalized and discouraged from doing so by having the payment of a bonus cause the veteran to be ineligible for his pension. I do not believe that Congress intended to discourage the States from helping their own disabled veterans.

The bill which I am introducing today would provide that State bonuses to a veteran or his survivors based on his military service shall not be construed as income in determining eligibility for a non-service-connected disability or death pension from the Veterans' Administration. It would simply require that the Veterans' Administration exclude State bonuses in determining income for pension purposes in the same manner that the Internal Revenue Service excludes States bonuses in determining income for income-tax purposes.

I ask unanimous consent that a letter addressed by me to the Administrator of Veterans' Affairs and his answer thereto relating to this subject, may be printed in the RECORD.

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

The bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases, introduced by Mr. LONG, was received, read twice by its title, and referred to the Committee on Finance.

The letters presented by Mr. LONG are as follows:

MARCH 15, 1957.

Hon. H. V. HIGLEY,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.

DEAR MR. HIGLEY: Recently I had discussed with your General Counsel, Mr. Guy H. Birdsall, his interpretation that State bonuses to veterans must be considered as income for the purpose of part II pensions.

This interpretation is contrary to the interpretation by the Internal Revenue Service, which I believe has justifiable claim to being highly qualified to rule on matters of this kind. It seems to me that the interpretation of your General Counsel should be reviewed to give some consideration to the spirit as well as the letter of the law as it relates to this matter. I believe that it is unquestionably true that the State legislators who have voted these veterans bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income tax purposes by the Internal Revenue Service.

Even if the letter of the law, as interpreted by your General Counsel, is to be adhered to, I think you would agree with me that it is manifestly an inequity of the law which should be corrected. Accordingly, if after reviewing the matter personally you feel it necessary to continue the present interpretation of the law as it relates to this problem, it would appear appropriate for you to indicate your willingness to support an amendment which would correct the inequity involved.

Your early personal attention to this matter would be appreciated. Copies of correspondence which has been furnished to me by the Louisiana Veterans' Affairs Department are enclosed for your information.

Sincerely yours,

RUSSELL B. LONG.

APRIL 1, 1957.

The Honorable RUSSELL LONG,
United States Senate,
Washington, D. C.

DEAR SENATOR LONG: I am in receipt of your letter dated March 15, 1957, with enclosures, concerning the position of the General Counsel of this Administration that money received by a veteran as a State bonus must be considered as income for the purpose of part III, Veterans Regulation No. 1 (a) (38 U. S. C. A., ch. 12A). VA Regulation 1228 (C) provides in effect that in determining annual income, payments and benefits received from certain enumerated sources will be considered. One of these is as follows:

"(1) Total income from sources such as wages, salaries, bonuses (except World War adjusted compensation), earnings, emoluments, investments or rents from whatever source derived, or income from a business or profession."

As indicated by one of the enclosures received with your communication, the General Counsel under date of November 26, 1956 advised the Chief of Claims, National Rehabilitation Service, VFW of the United States, that under the above quoted regulation the only exception insofar as bonuses are concerned is the bonus commonly referred to as world war adjusted compensation, and that therefore a veteran who receives a State bonus must include the same in the computation of annual income.

You refer to the fact that the Bureau of Internal Revenue has ruled that money received by a veteran as a State bonus is not required to be reported as income for Federal income tax purposes. Informal contact with that Bureau reveals that such ruling was predicated upon the theory that a State bonus is a gift and that section 102 of the Internal Revenue Code 1954 expressly provides that gross income does not include the value of property acquired by gift, bequest, devise, or inheritance. There is no comparable provision contained in the statute or regulations administered by the Veterans' Administration and the test to be applied as to what shall constitute income for the payment of pension to veterans under part III, Veterans' Regulation No. 1 (a), supra, or to widows of veterans under Public Law 484, 73d Congress, as amended (38 U. S. C. A. 503) is not necessarily the same test as that which is applicable for the payment of Federal income tax. As a matter of fact VA Regulation 1228 (C) (8) is to the effect that gifts will be considered as income for the purposes of said veterans regulation and statute.

I am in accord with the position taken by the General Counsel and do not believe that a different interpetation is justified. With letter dated February 15, 1957 the General Counsel forwarded to you a draft of a bill which if enacted would exclude from computation as annual income for certain pension purposes any payment of veterans' bonuses by a State, Territory, possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico to persons who served in our Armed Forces and their widows and children. It was stated in that letter that the same did not constitute an expression of views by the Veterans' Administration as to the merits of the proposal and that if the bill is introduced and the committee to which it is referred requests a report, this Administration will of course comply as promptly as possible after ascertaining from the Bureau of the Budget the relationship of the proposal to the program of the President.

Pertinent to the proposed amendment, you will recall that pension was one of the subjects in the field of veterans' nonmedical benefits which was given extensive study and consideration by the President's Commission on Veterans' Pensions. The recommendations of that Commission are currently being analyzed and reviewed in the executive branch and the President has advised in his recent budget message that he will transmit to the Congress a special message outlining legislative proposals in the field of veterans' programs. Under the circumstances, you will appreciate that I would not be in a position to express an opinion at this time on the suggested amendment.

Sincerely yours,

H. V. HIGLEY,
Administrator.

PROPOSED UNITED STATES ARTS FOUNDATION

Mr. JAVITS. Mr. President, on behalf of myself and the distinguished Senator from Pennsylvania [Mr. CLARK], I introduce, for appropriate reference, a bill to establish a United States Arts Foundation as an independent agency in the executive branch of the Federal Government.

The proposed legislation provides for the Foundation to be directed by a 12-man board of trustees, to be appointed by the President, by and with the advice and consent of the Senate. The Foundation is authorized and directed to stimulate and encourage throughout the United States the study and advancement of the performing arts, and the public interest in them.

The bill is completely consistent with the administration's program for a Federal Advisory Council on Arts, of which I am also a sponsor.

The bill, if enacted, would develop a practical application of the Federal concern with the arts at a time when action is so urgently needed in the performing arts field, if we are not to sacrifice great resources in that field. In short, this is a plan which, while profiting greatly from the advisory activities, should not be held up to await them.

Yesterday I appeared at a meeting in New York, sponsored by the Actors Equity Association and attended by some of the leading performers and directors in the theater. There is a grave emergency existing now in conserving the cultural resources of our country. The bill is an effort to join in and help with that conservation. I am very proud and honored to have the Senator from Pennsylvania [Mr. CLARK] join me in the introduction of the bill.

Now a word about economy. Economy, which is being emphasized now, also implies wisdom in making expenditures.

In the proposed establishment of the United States Arts Foundation, we are in an area of comparatively small expenditure—from $3 million to $5 million—but one which will give great impetus to private activities worth many times the amount involved, and will afford pleasure to vast areas of the country, making it possible for people to see the performing arts, which is an opportunity now denied them.

We have done without such an advantage for too long, considering that other peoples, not nearly so wealthy as we, have had comparable organizations for years. We have only ourselves to blame if we do not take advantage of our own cultural opportunity.

I point out that the British Arts Council has been functioning with great success since 1943, under a form of government very much like our own. Only last year Canada established the Canadian Arts Council.

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

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

Mr. JAVITS. I am glad to yield to the cosponsor of the bill, the distinguished Senator from Pennsylvania.

Mr. CLARK. I desire to associate myself with the views expressed by the junior Senator from New York, and I express the hope that the bill will receive favorable consideration.

Mr. JAVITS. I thank the Senator from Pennsylvania.

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

The bill (S. 2081) to establish the United States Arts Foundation, introduced by Mr. JAVITS (for himself and Mr. CLARK), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF FOUNDATION

SECTION 1. There is hereby established in the executive branch of the Government an independent agency to be known as the United States Arts Foundation (hereinafter referred to as the "Foundation").

DECLARATION OF POLICY

SEC. 2. The Congress finds that a large and progressively increasing proportion of the people of the United States are deprived of the opportunity to view and enjoy living theatrical performances, musical concerts, opera, dance and ballet recitals, and the performing arts generally; that the general welfare will be promoted by providing national recognition of the status of the theater and other performing arts as a cherished and valued part of the Nation's cultural resources since colonial days, and as a valued means for the building of morale among the civilian components engaged in defense production and among the Armed Forces, and for the promotion of education, national culture, recreation, skill in the arts and beneficial utilization of leisure time; that it is desirable to establish a United States Arts Foundation to provide such recognition and also to consider how the presentation to and appreciation by the people of theatrical and other performing arts and productions may best be stimulated in civic and educational groups as well as professional companies, and throughout the Nation and regions thereof (including ships, airfields, posts, camps, and stations of the Armed Forces and mines, plants, and offices of the civilian component production forces) and to take steps appropriate to stimulate such increased and more widespread presentations.

TRUSTEES OF FOUNDATION

SEC. 3. (a) The Foundation shall be subject to the general supervision and policy direction of a board of trustees which shall consist of 12 members to be appointed by the President, by and with the advice and consent of the Senate. The President shall endeavor to provide representation to the several performing arts, to both civic, educational, and professional groups concerned with and engaged in productions of the performing arts, to the trade unions and trade associations concerned with the performing arts, and to the attending public. The President is requested, in the making of nominations, to give due consideration to recommendations for nomination which may be submitted to him by the representative associations of the foregoing and of organizations and associations concerned with the encouragement and development of the performing arts.

(b) The term of office of each trustee of the Foundation shall be 6 years in duration, expiring on April 30, except that the terms of the trustees first taking office after the enactment of this act shall expire, as designated by the President at the time of appointment, 4 at the end of 2 years, 4 at the end of 4 years, and 4 at the end of 6 years, subsequent to the April 30 following the enactment of this act. A vacancy shall be filled only for the unexpired portion of the term. Any person who has been a trustee of the Foundation for 12 consecutive years shall be ineligible for appointment during the following 2-year period.

(c) The President shall call the first meeting of the trustees of the Foundation, at which the first order of business shall be the election of a Chairman and Vice Chairman.

PRINCIPAL POWERS AND DUTIES OF THE FOUNDATION

SEC. 4. (a) The Foundation is authorized and directed to—

(1) stimulate and encourage throughout the United States the study of and the advancement of the performing arts and public interest therein;

(2) stimulate and encourage within such reasonable limitations as it shall determine the presentation throughout the United States, and to the widest practicable audiences, of productions of the performing arts, of both new works and works drawn from the existing literature of those arts, which have substantial artistic or historic significance, giving preference to stimulating and encouraging the works of citizens and residents of the United States and of the Americas;

(3) foster and encourage professional and civic and nonprofit, private, public, educational, institutional, or governmental groups which are engaged in or directly concerned with the performing arts and productions;

(4) foster and encourage maintenance of registers, as may be deemed advisable, of theaters, personnel, or otherwise; and make such surveys and analyses as may be deemed advisable in the interests of the performing arts throughout the country; and

(5) provide through direct grant or otherwise financial assistance and support from the funds appropriated to the Foundation or otherwise obtained pursuant to this act or other acts, to professional groups, and groups meeting professional standards, and educational groups, engaged in or concerned with the performing arts and productions, for the purpose of enabling such groups to provide productions of such type or in such regions as would not otherwise be available to the prospective audience, or to provide instruction in the performing arts, but such groups shall be eligible for financial assistance only if no part of the net earnings of such groups inures to the benefit of any private stockholder or stockholders, or individual or individuals, and if such groups satisfy the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954 so as to authorize deductions from gross income of donations to such groups. The Foundation shall wherever practicable develop the principle of watching funds with interested agencies public or private.

(b) The Foundation shall not produce or present any production.

(c) The trustees of the Foundation shall meet four times each year, beginning on the first Monday in February, May, August, and November, and at such other times as the Chairman may determine. The Chairman shall also call a meeting whenever one-third of the trustees so request in writing. A majority of the trustees of the Foundation shall constitute a quorum. Each trustee shall be given notice, by registered mail mailed to his last-known address of record not less than 15 days prior to any meeting, of the call of such meeting.

(d) The first Chairman and Vice Chairman of the Foundation shall be elected by the Foundation to serve until the first Monday in May next succeeding the date of election at which time a Chairman and Vice Chairman shall be elected for a term of 2 years. Thereafter such election shall take place at the annual meeting occurring at the end of each such term. The Vice Chair-

man shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Foundation shall elect a trustee to fill such vacancy.

(e) The Foundation shall render an annual report to the President for submission on or before the 15th day of January to the Congress, summarizing the activities of the Foundation and making such recommendations as it may deem appropriate.

DIRECTOR OF FOUNDATION

SEC. 5. There shall be a Director of the Foundation (hereinafter referred to as the Director), who shall be appointed by the President, by and with the advice and consent of the Senate. In the appointment of the Director of the Foundation, the President is requested to give due consideration to the recommendations for such an appointment which may be submitted to him by the Board of Trustees, and the Board of Trustees in making such recommendations shall give due consideration to the recommendations which may be submitted to them by the representative associations referred to in section 3 (a) of this act. The Director shall serve as an ex officio trustee of the Foundation. In addition, he shall be the chief executive officer of the Foundation. The Director shall receive compensation at the rate of $25,000 per annum and shall serve for a term of 6 years unless sooner removed by the President; provided that at any time a majority of the Board of Trustees may recommend such removal to the President.

ADMINISTRATION AND ENABLING AUTHORITY

SEC. 6. (a) The Foundation may appoint committees or councils or panels concerned with particular regions of the country or with particular aspects of the performing arts, or both, and composed of persons who need not be trustees of the Foundation, or of organizations. The Foundation shall maintain an office in the District of Columbia, and in such other places through the country as it may deem appropriate.

(b) The Director shall have general authority to carry out and execute the programs of the Foundation on a full time, continuous basis, to recommend programs to the Foundation and to discharge such other functions as the Foundation may delegate to him, including functions vested in the Foundation by this act. Except as specifically approved by the Foundation, the Director shall not hold any office in, or act in any capacity for, any group or institution with which the Foundation makes any contract, or to which it gives any award or assistance.

(c) The Foundation is specifically authorized to—

(1) prescribe such rules and adopt such bylaws as it deems necessary governing the manner of its operation and its organization and personnel;

(2) make expenditures, and enter into contracts or other arrangements, as may be necessary for administering the provisions of this act, without regard to the provisions of section 3709 of the Revised Statutes (41 U. S. C., sec. 5);

(3) make advance, progress, and other payments which relate to research in the performing arts without regard to the provisions of section 3648 of the Revised Statutes (31 U. S. C. sec. 529);

(4) acquire by purchase, lease, loan, or gift, and to hold and/or dispose of by sale, lease, or loan, real and personal property, to receive and use funds or property donated by others, and such donations shall be classified as contributions deductible from gross income within the meaning of section 170 of the Internal Revenue Code of 1954;

(5) publish or arrange for the publication of information relating to the performing arts and productions, or personnel engaged therein, without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U. S. C., sec. 111);

(6) accept and utilize the services of voluntary and uncompensated personnel;

(7) pay fees for and to enter into contracts with persons for the performance of services required by the Foundation; and

(8) pay to employees of the Foundation, and to all other persons rendering service to the Foundation, whether on an uncompensated basis or on a fee or contract basis, actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowances at a rate not in excess of $15) when engaged away from home, in business of the Foundation.

(d) (1) The Foundation is authorized to make loans to any professional group, or any group meeting professional standards or any educational group meeting standards prescribed by the Foundation engaged in or connected with the performing arts and productions or in instruction therein. Such loans may provide for payment to the Foundation of a percentage of the net profits of the production or productions, or of interest, or both, as may be determined by the Foundation.

(2) A group shall not be eligible for assistance under subparagraph (1) unless (A) such group satisfies the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954, so as to authorize deductions of donations to such group from the gross income of the donor, and (B) no part of the net earnings of such group inures to the benefit of any private stockholder or individual.

INTERNATIONAL COOPERATION

SEC. 7. (a) The Foundation is authorized, with the approval of the President and to the extent specified by such approval, and in consultation with the Department of State, to cooperate in, assist, and sponsor international activities relating to the performing arts, including the assistance to or sponsorship of performances in other countries.

(b) The Director, with the approval of the Foundation, and subject to consultation with the Secretary of State, may defray the expenses of trustees or employees of the Foundation, and members of councils or committees of the Foundation, in attending meetings, congresses, and performances in other countries relating to the performing arts, whenever he deems it necessary in the promotion of the objectives of this Act.

APPROPRIATIONS

SEC. 8. (a) There is authorized to be appropriated to the Foundation for each fiscal year such sums as shall be necessary to carry out the provisions of this act. The moneys appropriated to the Foundation shall remain available for expenditure for 2 years following the expiration of the fiscal year for which appropriated.

(b) Moneys received by the Foundation pursuant to paragraph (4) or (5) of section 6 (c), or pursuant to section 6 (d), of this act, shall not be covered into the Treasury as miscellaneous receipts, but shall be kept in a special account, maintained by the Treasury Department, or may be kept by the Foundation in commercial banking institutions, or invested in securities eligible for trust funds in the District of Columbia.

GENERAL PROVISIONS

SEC. 9. (a) The Director shall, in accordance with such policies as the Foundation shall from time to time prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this act. Such appointments shall be made and such compensation shall be fixed in accordance with the provisions of the civil-service laws and regulations and the Classification Act of 1949, as amended, except that the Director may, in accordance with such policies as the Foundation shall from time to time prescribe, employ such technical and professional personnel or personnel with experience in or relating to any of the performing arts, and fix their compensation, without regard to such laws, as he may deem necessary for the discharge of the responsibilities of the Foundation under this act. The Deputy Director hereinafter provided for, and the members of the councils or committees, shall be appointed, without regard to the civil-service laws or regulations. Except with the approval of the Foundation, neither the Director nor the Deputy Director shall engage in any other business, vocation, or employment than that of serving as such Director or Deputy Director, or hold any office in, or act in any capacity for, any organizations, agency, or institution with which the Foundation makes any contract or other arrangement under this act.

(b) The Director may appoint, with the approval of the Foundation, a Deputy Director, who shall perform such functions as the Director, with the approval of the Foundation, may prescribe and shall be acting Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director, and who shall receive compensation at a rate not to exceed $20,000 per annum.

(c) The trustees of the Foundation, and the members of the council and committees, shall receive compensation at the rate of $50 for each day engaged in the business of the Foundation pursuant to authorization of the Foundation, and shall be allowed actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowance at a rate not in excess of $15) when engaged away from home, in the duties of their offices.

(d) Persons holding other offices in the executive branch of the Federal Government may serve as members of the committees or councils, but they shall not receive remuneration for their services as such members during any period for which they receive compensation for their services in such other offices.

(e) Service of an individual as a trustee or employee of the Foundation, of a committee or council, shall not be considered as service bringing him within the provisions of section 281 or section 283 of title 18 of the United States Code unless the act of such individuals, which by such section is made unlawful when performed by an individual referred to in such section, is with respect to any particular matter which directly involved the Foundation or in which the Foundation is directly interested.

(f) Agencies of the United States Government are authorized to render assistance to the Foundation by the donation or loan of employee services and by the donation or loan of supplies, office or building space, or other property, either on a reimbursable or nonreimbursable basis.

(b) The Foundation shall provide a reasonable system for control and accountability of all funds of the Foundation, and shall consult with and consider the suggestions of the Comptroller General with regard thereto.

DEFINITION AND TITLE

SEC. 10. As used in this act—

(a) The term "performing arts" means the arts related to performances of theatrical plays, dance and ballet performances, and performances of musical works (instrumental, voice, and/or operatic); and includes the arts of playwriting, acting, directing, staging, scenic and costume design, and composition and performance of music, opera, and dance and ballet.

(b) The term "productions" means plays (with or without music), ballets, readings, concerts, recitals, operas, and any other performances before members of the public involving the execution or rendition of any of the performing arts and meeting such standards as may be established by the Foundation.

(c) The term "group" includes any society, institution, organization, or association, whether or not incorporated.

SHORT TITLE

SEC. 11. This act may be cited as the "United States Arts Foundation Act."

CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Mr. ALLOTT. Mr. President, from time to time during the past 3 years I have called the attention of my colleagues to the farm credit situation in the United States. As has repeatedly been pointed out, the fact is that Congress has appropriated a great deal of money to provide farm credit for farmers, stockmen, and ranchers who cannot obtain credit from banks, production associations, cooperative associations, or similar credit institutions. During these 3 years I have introduced on this subject three bills which have become known as the Allott bills. They are designed to help make farm credit in the United States workable.

Mr. President, my office constantly receives a great deal of mail—which comes not only from my own State, but also from most of the other States, particularly those in the South, the Midwest, and the West—which convinces me that the farmers, stockmen, and ranchers of the United States want an FHA program which will work. In the past few weeks, since the introduction of my last bill, it has become apparent that some very obvious improvements could be made in the drafting and organization of the bill. Therefore, Mr. President, I desire to introduce at this time, for appropriate reference, a bill—cosponsored by the Senator from Mississippi [Mr. EASTLAND], the Senator from New York [Mr. IVES], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BEALL], and the Senator from Nevada [Mr. BIBLE]—to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to the making of loans to farmers and stockmen, and for other purposes.

Mr. President, those of us who serve in the Congress can no longer afford to have on the statute books a law which costs the people of the country money, but which is so complicated in its operations that no ordinary person can be expected to interpret correctly the thousand pages of regulations, not to mention the conflicting acts which constitute that measure.

Mr. President, I ask unanimous consent that the bill which I am introducing at this time be printed in the RECORD at the conclusion of my remarks, and that there also be printed in the RECORD an analysis of the bill and an explanation of its provisions.

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

The bill (S. 2082) to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes, introduced by Mr. ALLOTT, for himself and other Senators, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) this act may be cited as the Consolidated Farmers Home Administration Act of 1957.

(b) The Congress finds that the statutory authority of the Secretary of Agriculture for making and insuring loans to farmers and stockmen who are unable to obtain the necessary credit they need elsewhere on reasonable terms and conditions should be revised and consolidated in order to avoid multiplicity of loan types and in order to provide for a more effective administration of such loans.

TITLE I—REAL ESTATE LOANS

SEC. 2. The Secretary is authorized to make and insure loans in the United States, Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans, as provided in this title, for the following purposes:

(a) To provide for the purchase of that land or interests therein only which can be used effectively in the operation of a family-type farm in the area, or land which is necessary in connection with the establishment or improvement of an association-type facility.

(b) To provide essential farm buildings on not larger than family-type farms.

(c) To provide for the improvement of farmland by facilities for the development, storage, and utilization of water and appurtenances thereto; soil and water conserving irrigation and drainage facilities, structures, or practices; improvement of soil fertility; the establishment or improvement of permanent pastures; fencing; forestation and other erosion preventatives; and other means of developing and improving farmland as may be determined from time to time by the Secretary.

(d) To liquidate or refinance existing farm indebtedness or any portion thereof of eligible applicants; provided that loans primarily for refinancing existing indebtedness shall not be made after June 30, 1959.

SEC. 3. (a) Individuals shall be eligible for loans under this title who are:

(1) Citizens of the United States of America.

(2) Bona fide farmers with farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation.

(3) Except as provided in subparagraph (4) and (5) immediately following, the owner-operators of family-type farms in the area as determined by the Secretary.

(4) Owners of farms including larger than family-type farms in the area but whose only credit needs under this title are for the purpose of soil and water conservation, development, use, and drainage facilities, structures, or practices.

(5) owner-operators of less than family-size farms and who are bona fide farmers, have historically resided on farms, and depended on farm income for their livelihood, and are conducting substantial farming operations.

(b) Associations, including corporations not operated for profit, and public or quasi public agencies, which will provide farmers and ranchers with such facilities for soil and water conservation, development, use and drainage, as the Secretary may specify from time to time, shall be eligible for loans under this title.

SEC. 4. With respect to loans made or insured under this title, the Secretary shall:

(a) Make no loan, the period for repayment of which exceeds 40 years.

(b) Make no loan to any individual which would cause the total unpaid principal indebtedness against the farm or farms offered as security to exceed the fair and reasonable value, determined as prescribed by the Secretary and recommended by the county committee established under section 32.

(c) Establish from time to time the interest rate or rates at which loans for various purposes will be made, but no such rate shall exceed 5 percent per annum, plus such fees, delinquency or amortization charges as the Secretary may require, taking into consideration:

(1) the prevailing private and cooperative interest rates for loans for similar terms and purposes;

(2) the need for such credit in the maintenance of a sound agricultural economy;

(3) the credit risk involved; and

(4) the rate of interest paid by the Secretary in obtaining funds from which such loans are made.

(d) Make or insure no loan to any individual or loans to all individuals operating a single farming enterprise which will cause such person's total outstanding principal indebtedness incurred under this title, title I of the Bankhead-Jones Farm Tenant Act, title V of the Housing Act of 1949, and under the Water Facilities Act, as amended, plus the total unpaid principal indebtedness secured by any prior lien not refinanced in connection with the loan hereunder to exceed $50,000 at any one time.

(e) Shall make no loan to any association which would cause such association's principal indebtedness for loans under this title and the Water Facilities Act, as amended, to exceed $250,000 at any one time.

(f) Except as specifically provided herein, determine from time to time the terms and conditions upon which such loans shall be made or insured.

SEC. 5. (a) Loans which could be made by the Secretary under this title may be insured by the Secretary whenever funds are advanced or a loan is purchased by a lender other than the United States: *Provided*, That no loan to an individual shall be insured so long as the unpaid balance of the indebtedness on the loan, plus the unpaid balance of any prior lien indebtedness exceeds 90 percent of the fair and reasonable value of the farm as certified by the county committee.

(b) In connection with the insurance of loans, the Secretary of Agriculture:

(1) is authorized to include in insurance contracts agreements with respect to the servicing of loans insured hereunder and to purchase such loans which are not in default on such terms and conditions as he may prescribe; and

(2) is authorized to require the payment to the Secretary annually of such charges as the Secretary may determine at the time the loan is insured.

Any contract of insurance executed by the Secretary under this title shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 6. (a) The fund established pursuant to section 11 (a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this title referred to as the "fund." The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this title and loans and mortgages under this title to prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited with the Treasurer of the United States to the credit of the fund. The Secretary may purchase with money in the fund and notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for authorized expenditures out of

the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate determined by the Secretary of the Treasury, taking into account the average rate of outstanding interest bearing marketable public debt obligations of the United States. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under the act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this title shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary is authorized to deposit in the fund such portion of the annual charge in connection with the insurance of loans as he determines to be an appropriate insurance charge and the remainder of such annual charge shall be available for administrative expenses of the Farmers' Home Administration to be transferred annually and become merged with any appropriation for any administrative expense.

(f) The Secretary may utilize the fund:

(1) to pay to the holder of the notes any defaulted installment or if the balance due on the note is accelerated, the entire balance due on the loan;

(2) to purchase notes in accordance with agreements previously entered into; and

(3) to pay taxes, insurance, prior liens and other expenses in connection with the protection or the acquisition of the security taken in connection with insured loans.

SEC. 7. The Secretary may take as security for the obligations entered into in connection with loans first and second mortgages on farms with respect to which such loans are made and such other security the Secretary may require, and such mortgages shall constitute liens running to the United States notwithstanding the fact that the note may be held by a lender other than the United States.

TITLE II—OPERATING LOANS

SEC. 11. The Secretary is authorized to make loans for the operation of farms in the United States, the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans as provided in this title for the following purposes:

(a) The cost of reorganizing the farming enterprise to accomplish more diversification or more profitable farming operations;

(b) The purchase of livestock, poultry and farm equipment;

(c) The purchase of seed, feed, fertilizer, and farm supplies;

(d) To finance soil and water conservation, development, use and drainage equipment and practices;

(e) To refinance existing indebtedness; and

(f) Other farm needs including family subsistence.

SEC. 12. Only individuals shall be eligible for loans under this title who are—

(a) Citizens of the United States of America;

(b) Except as provided in item (c), immediately following, the operators of family-type farms in the area who have farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation; and

(c) The operators of less than family-type farms in the area who are bona fide farmers, have historically resided on farms and depended on farm income for their livelihood and are conducting substantial farming operations.

SEC. 13. In connection with loans under this title, the Secretary shall—

(a) Make no loan to any one borrower which would cause the total principal balance outstanding for loans made under this title and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $20,000: *Provided, however,* That not more than 10 percent of the sums made available by any annual appropriation for loans under this section may be used for making loans which would cause such indebtedness under said acts to exceed $10,000;

(b) To make no loan under this section for terms of longer than 7 years from the date the original loan was made under this section or under section 21 of the Bankhead-Jones Farm Tenant Act, as amended. Nor to any person who has failed to liquidate his indebtedness under said sections of said acts for 7 consecutive years: *Provided, however,* That in justifiable cases where the Secretary finds that the inability of the borrower to pay such indebtedness within 7 years is due to causes beyond the control of the borrower. The Secretary may extend or renew such loans to be repayable in not to exceed 10 years from the date the original loan was made and during such extended period may make additional loans to such persons if necessary;

(c) Make no loan under this title for the purchasing or leasing of land other than for an annual cash rent, payable in advance, nor for carrying on of any land leasing or land purchasing program; and

(d) Make all loans under this section at the rate of 5 percent per annum, upon the full personal liability of the borrower and upon such security and subject to such terms and conditions not otherwise specified herein as the Secretary may prescribe.

TITLE III—EMERGENCY LOANS

SEC. 21. (a) The Secretary of Agriculture (hereinafter in this act referred to as the "Secretary") is authorized, in any area designated as an emergency area pursuant to the provisions of subsection (b) of this section, to make loans to bona fide farmers, ranchers, and stockmen for any agricultural purposes, including but not limited to, the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, other farm needs, and for family subsistence.

(b) The Secretary may designate any area as an emergency area if he finds—

(1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under any other act of Congress) at reasonable rates, and on terms and conditions which farmers, ranchers, and stockmen could be expected to meet under the circumstances; and

(2) that the need for such credit in such area is the result of natural disaster or severe production losses.

SEC. 22. (a) Loans made by the Secretary under the provisions of this title shall—

(1) be made to farmers, ranchers, and stockmen (including private corporations and associations engaged primarily in farming) (A) who have a reasonable prospect for successful operation with the assistance of such loan, and (B) who cannot secure the credit they need from other sources on reasonable terms and conditions;

(2) be made at a rate of interest not to exceed 5 percent per annum; and

(3) be secured (A) in the case of any individual farmer or stockman, by the personal obligation and available security of the farmer, rancher, or stockman, and (B) in the case of corporations or associations, by the personal obligation and security of the corporation and of each person holding as much as 10 percent of the stock or other interest in the corporation or association.

(b) Such loans shall be subject to an agreement that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary and to pay for any stock necessary to be purchased in the cooperative lending agency in connection with such loan. No loan shall be made which would cause the borrower's unpaid principal indebtedness under sections 21 and 22 of this title to exceed $50,000.

(c) Such loans shall be subject to such other terms and conditions as the Secretary may prescribe.

SEC. 23. In areas designated by the Secretary, where the production of livestock and livestock products constitutes a substantial part of the farm economy of the area and livestock operations in the area have been adversely affected by drought continuing over at least 2 years or other natural disaster particularly affecting livestock production, loans may be made to established producers and feeders of cattle, sheep, and goats (not including the operators of commercial feed lots) who have good records of operations, but are unable temporarily to get the credit they need for continuing sound operations from recognized lenders, and who have a reasonable chance of working out of their difficulties with supplementary financing. No such loan shall be made after June 30, 1960, except that supplementary advances to producers indebted for loans made under this subsection may be made as authorized by the Secretary. Loans hereunder may be made on such security as the borrower has available and for such period as the Secretary may prescribe. The creditors of the applicant will not be asked to subordinate their indebtedness but must be willing to work with the borrower to the extent of executing agreements (including standby agreements), that are reasonably necessary to give the borrower a chance to improve his situation. Loans shall bear interest at the rate of 5 percent per annum and shall be made upon such other terms and conditions as the Secretary shall prescribe.

SEC. 24. (a) The Secretary is authorized, in any area designated by the President pursuant to Public Law 875, 81st Congress (42 U. S. C. 1855), as a major disaster area, to furnish feed for livestock to established bona fide farmers, ranchers, and stockmen whose financial condition requires assistance hereunder in order to maintain their basic herds of livestock and continue limited livestock operations.

(b) The Secretary shall furnish such feed for such period or periods of time and under such terms and conditions as he may determine to be required by the nature and effect of the emergency in any such designated area. Assistance may be provided by payments to farmers, ranchers, and stockmen or by grants to local or State governments.

(c) Assistance to farmers, ranchers or stockmen in major disaster areas, whether

through financial contribution to States or local governments or otherwise, under this section or section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall be made available only where the State governments provide funds for at least 20 percent of that part of the cost of such assistance which is not paid for by farmers, ranchers or stockmen, except that feed for livestock temporarily deprived of their normal feed sources by sudden and extreme emergency conditions may be furnished by the Secretary without State participation in the cost of such feed. The Secretary shall provide by regulation for participation in the planning and assumption of responsibility for local administration by the State or its agencies, but may postpone the effective date of the requirement of this subsection for State participation with respect to any State, the attorney general of which certifies that it does not have authority or funds to so participate, until after the next regular session or any earlier special session of the legislature of the State.

(d) The Secretary may utilize the personnel, facilities, property, and funds of the Commodity Credit Corporation for carrying out the purposes of this section and, except as provided in section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall reimburse such Corporation for the value of any commodities furnished which are not paid for by the farmers, ranchers, or stockmen, and for costs and administrative expenses necessary in performing such functions.

SEC. 25. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a) (hereinafter in this title referred to as the "fund"), for carrying out the purposes of this title.

SEC. 26. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this title or under the act of April 6, 1949, as amended (63 Stat. 43), or the act entitled "An act to provide emergency credit," approved August 31, 1954 (68 Stat. 999), and from the liquidation of any other assets acquired with money from the fund shall be added to and become a part of the fund.

(b) There are authorized to be appropriated to the fund such additional sums as the Congress shall from time to time determine to be necessary.

SEC. 27. The act of April 6, 1949, as amended (63 Stat. 43), and the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999), are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations.

SEC. 28. The repeal of any provision of law made by section 7 of this title shall not—

(1) invalidate any action taken, or affect the validity of any obligation incurred, under any such provision; or

(2) prejudice the application of any farmer, rancher, or stockman with respect to receiving assistance under the foregoing provisions of this title, solely because any such person is obligated for assistance received under any such repealed provision.

SEC. 29. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this title.

TITLE IV—ADMINISTRATIVE PROVISIONS

SEC. 31. For the purposes of this act and the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the act of August 28, 1937, as amended, title V of the Housing Act of 1949, as amended, the act of April 6, 1949, as amended, the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended, and the powers and duties of the Secretary under any other act authorizing agricultural credit which the Secretary may assign to the Farmers Home Administration, the Secretary or his delegates shall have the power to—

(a) appoint without regard to the civil-service laws or the Classification Act of 1949, as amended, such experts as may be necessary in carrying out the provisions of this act: *Provided, however,* That the Administrator of the Farmers Home Administration shall be appointed by the President by and with the consent of the Senate and shall receive basic compensation at the rate fixed by law.

(b) administer his powers and duties through such area finance, State, or local offices in the United States and the Territories and possessions as he determines to be necessary. The Secretary may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not subject to justify separate State officers.

(c) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision.

(d) within the limits of appropriations made therefor, make necessary expenditures for rent at the seat of Government and elsewhere; for purchase and exchange of supplies and equipment; purchase or hire of passenger vehicles; printing and binding without regard to the act of January 12, 1895, as amended (44 U. S. C. 111); and for such other facilities and services as he may from time to time find necessary for the proper administration of this act.

(e) acquire land and interest therein without regard to section 355 of the Revised Statutes, as amended.

(f) compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims of $15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 31 of this act; and

(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim, and any claims involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical.

(g) collect all claims and obligations arising or administered by this act, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this act and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction. All legal work arising out of such claims and obligations, including, but not limited to, the prosecution and defense of all litigation, is authorized to be performed, as determined by the General Counsel of the Department of Agriculture, through the Department of Justice, by attorneys of the Office of the General Counsel of the Department of Agriculture, or by local counsel approved by the General Counsel of the Department of Agriculture, whose fees, upon approval by the General Counsel, shall be paid by the Secretary; and

(h) make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 32. (a) The Secretary may utilize existing committees appointed pursuant to section 42 of the Bankhead-Jones Farm Tenant Act, as amended, and is authorized and directed to appoint in each county in which activities are carried on under this act, a county committee composed of 3 individuals residing in the county, at least 2 of whom at the time of appointment shall be farmers residing on farms and deriving the principal part of their income from farming. "County" as used in this section may include an area less than a county or parts of adjacent counties which because of distance, topography, type of agriculture, or means of communication can be better served as a part of a single unit. Committee appointments shall be for a term of 3 years except that the first appointments for any new committee shall be for 1-, 2-, and 3-year periods, respectively, so as to provide continuity for committee membership. The Secretary may appoint an alternate for each committee member. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate.

(d) The committee shall, with the assistance of appraisals by competent employees of the Secretary, under rules established by the Secretary, recommend the fair and reasonable value of farms based on the normal value and when required, the value of other security property. The committee shall perform such additional duties as the Secretary may require.

SEC. 33. In connection with loans made under this act, the Secretary shall require in connection with each such loan that:

(a) The applicant certify in writing and the county committee certify that the applicant's credit needs for authorized purposes cannot be met by commercial banks, cooperative lending agencies, or from any other responsible source at reasonable rates and terms for loans of similar size and purposes prevailing in the community in or near which the applicant resides.

(b) The county committee certify in writing that the applicant has the character, industry, ability, and experience necessary and will, in the opinion of the committee, honestly endeavor to carry out the undertakings and obligations required of the applicant under a loan which may be made to him.

(c) An agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

(d) Such provision for supervision of the borrower's operations as the Secretary shall deem necessary to protect the interests of the United States.

SEC. 34. All property subject to a lien held by the Secretary or the title to which is acquired by the Secretary under this act, shall, notwithstanding that legal title is vested in the Secretary, be subject to taxation by State, Territory, District, and local political subdivisions in the same manner and to the same extent as other property is taxed, except that no tax, the rate of which is based on the ad valorem value of any notes or mortgages or other lien instruments held by or transferred to the Secretary, on any notes or lien instruments administered under this act which are made, assigned, or held by a person otherwise liable for such tax, or on the ad valorem value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof, shall be imposed or collected on or with respect to such instrument. Nor shall the failure to pay or collect such tax be a ground for refusal to record or file such instruments, failure to impart notice or prevent the enforcement of its provisions in any State or Federal court.

SEC. 35. (a) The Secretary is authorized and empowered to make advances to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this act or any other programs administered by the Farmers' Home Administration; to bid for and purchase at any execution, foreclosure or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property acquired under the provisions of this section may be operated by the Secretary for a period not in excess of 1 year from the date of acquisition or may be leased for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary shall determine whether real property acquired under this section is suitable for disposition to persons eligible for assistance under this act. Any property the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to individuals eligible to receive the benefits of title II of this act and in a manner consistent with the provisions thereof. Real property which is not suitable for sale to persons eligible for assistance under this act or which has not been purchased by such persons within a period of 3 years from the date of acquisition shall be sold by the Secretary at public or private sale at the best price obtainable after public notice for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 percent, with the remainder payable in not more than five annual installments with interest on unpaid balances at 5 percent per annum.

(d) With respect to any real property acquired under this section, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way overland on which the United States has a lien administered under this act, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or county in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, State director of the Farmers' Home Administration for the State in which the farm is located, and upon the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than 90 days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any order or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 36. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this act other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to any land in which he or any person related to him within the third degree of consanguinity has or may acquire any interest. Any person violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than 2 years, or both.

SEC. 37. The Secretary may assist in the voluntary adjustment of indebtedness between farmers and their creditors and may cooperate with State, Territorial, and local agencies and committees engaged in such debt adjustment. Services furnished by the Secretary under this section may be without charge to the debtor or creditor.

SEC. 38. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this act and for the administration of assets transferred to the Farmers' Home Administration. Funds and authorizations for funds heretofore appropriated under any act repealed hereby shall remain available for the purposes for which appropriated and are hereby made available for the purposes of this act.

(b) Such amounts as the Congress may approve from time to time for making direct loans shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth in the first proviso of the second paragraph under the heading "Farmers Home Administration" of the Department of Agriculture Appropriation Act, 1952.

SEC. 39. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 40. (a) References to any provisions of the Bankhead-Jones Farm Tenant Act, as amended, which are title V of the Housing Act of 1949, as amended, or the act of August 29, 1937, known as the Water Facilities Act, as amended), superseded by any provision of this act shall be construed as referring to the appropriate provision of this act. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, except the applicable provisions of title IV in relation to the functions of the Secretary until title III of such act, and the act of August 28, 1937, as amended, and title V of the Housing Act of 1949, as amended, are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations: *Provided, however,* That such repeal shall in nowise affect the validity of any action taken or obligation entered into pursuant to the authority of said act: *And provided further,* That the repeal of such acts shall not prejudice the application of any person with respect to receiving assistance under the provisions of this title solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(b) If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

The analysis presented by Mr. ALLOTT is as follows:

ANALYSIS OF THE BILL—CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Title I contains all of the policy provisions applicable to agricultural loans secured by real estate. It would replace existing authority for tenant-purchase loans, farm-enlargement loans, farm-development loans, small-farm loans for development and improvement, disabled veterans' loans, and refinancing loans under title I of the Bankhead-Jones Farm Tenant Act, farm housing and other farm-building loans under title V of the Housing Act of 1949, soil and water-conservation loans under the Water Facilities Act of August 28, 1937.

Section 2 lists specifically, but in broad terms, the purposes for which such loans could be made. They include the purchase of land for the agricultural uses, and all types of farm building, of soil and water conservation irrigation and drainage facilities, structures and practices. Loan purposes would also include refinancing of existing debts of farmers and for all reasonably necessary operation costs.

Only individual citizens of the United States operating farms not larger than family-type farms in the area, who are found by the county committee to have the character, industry, ability, and experience necessary to meet their obligations will be eligible for such loans. However, loans may be made under the authority of section 3 (a) (4) to the owners of larger than family-type farms for soil- and water-conservation purposes and under the authority of section 3 (b) to associations, other than land-leasing and land-purchasing associations, which

would provide farmers and ranchers with facilities necessary for their farming operations. This authority is particularly applicable to the association type facility for irrigation, domestic water, drainage, and similar farms needs.

Section 4 (a) limits real-estate loans to a 40-year term. Section 4 (b) (including section 32, which is incorporated by reference therein) substitutes as a basis for determining fair and reasonable value of farms, the normal value for earning capacity value.

Section 4 (c) provides that the interest return for these loans would not exceed 5 percent plus such fees and other charges as the Secretary might impose. In determining the interest rate and fees, the Secretary would be directed to consider prevailing interest rates for similar loans, the need for the sound agricultural economy for the community, the credit risk involved in the type of loan, and the rate of interest paid by the Secretary on funds borrowed from the Secretary of the Treasury for making such loans.

Section 4 (d) contains a $50,000 maximum limit at any one time on real-estate indebtedness under exising authority and under title II of this bill. Under section 4 (c) association-type loans and loans under the Water Facilities Act could not increase the association's indebtedness in excess of $250,000 to any one at any time.

Section 5 contains specific authorization to insure the types of loans to persons who would be eligible under this title for direct loans except that no loan to an individual would be insured in excess of 90 percent of the value of the farm.

Under section 6, the farm tenant mortgage insurance fund established by section 11 (a) of the Bankhead-Jones Farm Tenant Act, would be redesignated as the "agricultural credit insurance fund" and would be utilized for the insurance of loans under this title. The Secretary is authorized to deposit in the insurance fund such portion of the annual charges as he deems to be an appropriate insurance change. The remainder of the annual charge is to be available for administrative expenses. As under existing law, the Secretary would be authorized to service the insured loans and a means to purchase them as a secondary market. The notes of borrowers and the security taken in connection with loans insured under this title and collections therefrom will be a part of the fund under section 6 (d).

Title II authorizes loans for farm operating purposes. These purposes are listed broadly in section 11 and include loans for the purposes of purchasing livestock, poultry, and farm equipment; purchasing seed, feed, fertilizer, and farm supplies; financing soil and water conservation; refinancing existing indebtedness; and for other farm needs including family subsistence.

Under section 12, the only individuals authorized to receive loans are citizens who have sufficient farming experience and training to conduct successfully the proposed operation of a family type farm or the operation of a less than family size farm by individuals who are conducting substantial farming operations and have historically resided on farms and are depdent on farm income for their livelihood.

Section 13 provides that operating loan indebtedness is limited to $20,000, but only 10 percent of the amount annually appropriated for such loans may be used for making loans which would increase indebtedness above $10,000. Operating loans would be limited to a repayment term of 7 years with the same authority to extend such loans for an additional 3 years where necessary because of circumstances beyond the borrowers control. All these limitations are contained in existing law.

Title III contains appropriate provisions relating to emergency loans and furnishing feed and seed assistance and would replace existing authority for production emergency loans, economic emergency loans, special emergency loans, fur loans, and special livestock loans, each of which are now available only upon the determination of areas affected by special types of emergencies.

Section 21 (a) authorizes the making of loans to bona fide farmers and stockmen for any agricultural purposes, including refinancing and family subsistence. Under section 21 (b) (1) such loans would be limited to areas where the Secretary finds a general need for agricultural credit which cannot be met for temporary periods from other sources, including regular loan programs of the Secretary of Agriculture at reasonable rates and on terms and conditions which farmers and stockmen can repay in view of emergency circumstances. Section 21 (b) (2) provides that the need for credit must be found to have resulted from a natural disaster or severe production losses.

Under section 22 only farmers and stockmen (including corporations primarily engaged in farming) who have a reasonable prospect of successful operation with the assistance of such a loan and who are unable to secure the necessary credit from other sources would be eligible for emergency loans. The loans would be at the rate of 3 percent per annum and would be evidenced by the personal obligation and available security for individual farmers and stockmen, and, in the case of corporations, by the personal obligation and available security of each holder as much as 10 percent of the stock. All emergency loans would contain an agreement by the borrower to refinance the balance of the indebtedness when private or cooperative credit can be secured.

Section 22 (b) inserts a new requirement that the total indebtedness under the emergency loan authority (sections 21 and 22) the total principal indebtedness shall not exceed $50,000.

Under section 22 (c) the Secretary is authorized to fix the terms and conditions of emergency loans other than the terms described above. This provision would permit the tailoring of loans to the needs arising out of the various types of emergency and the pattern of agriculture in the area.

Section 23 is a revision of section 2 (c) of the act of April 6, 1949, as amended, which authorizes special livestock loans for a temporary period. A new limitation is included that the area must be one in which the production of livestock and livestock products constitutes a substantial portion of the economy. Existing authority for these loans expires July 14, 1959. Section 23 would extend this authority to June 30, 1960. Existing authority limits terms of these loans to a period of 3 years. Section 23 leaves the terms of these loans to the discretion of the Secretary.

Section 24 (a) and (b) contains provisions similar to the provisions now found in section 2 (d) of Public Law 38 (12 U. S. C. 1148a), 2 (d) authorizing the Secretary of Agriculture to furnish feed for livestock and seeds for planting to bona fide farmers in areas designated as major disaster areas under Public Law 875 of the 81st Congress.

Section 24 (c) contains the additional provision that such assistance either directly to farmers or through State or local governments may be conditioned upon participation by the State or local governments in planning administration and cost of such assistance. The provisions of existing law, section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), relating to the use of surplus stocks owned or controlled by the Commodity Credit Corporation to assist in relieving from the effects of a major disaster under Public Law 875 are recognized and retained in section 24 (c) of the bill.

This title requires no immediate appropriation since under section 25 the existing disaster-loan revolving fund is made available for loans under this title. Collections and liquidations of loans made under prior emergency authorities would be deposited in that fund under section 26 (a). Additional appropriations to the fund are authorized by section 26 (b).

Since this title would constitute the sole authority for emergency loans by the Secretary of Agriculture, all existing authority for such credit would be repealed by section 27. However, under section 7, the repeal would not affect any existing obligations, nor prejudice any present borrower from receiving further emergency assistance.

Section 29 authorizes the issuance of regulations by the Secretary to carry out the purposes of the title.

Title IV contains administrative servicing provisions similar to those now contained in title IV of the Bankhead-Jones Farm Tenant Act. While the powers under this act are vested in the Secretary, it is contemplated that administration of its provisions will be through the Farmers' Home Administration.

Section 31 (f) is identical with section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended by Public Law 878, 84th Congress. It deals with compromise, adjustment, and debt settlement of claims against borrowers arising out of this and prior loan authorities.

Section 32 (a) contains slight modifications of the present authority for county committees under section 42 of the Bankhead-Jones Farm Tenant Act. The changes made by this section give more latitude in the area served by a county committee, in determining the compensation for committees, and their functions in connection with the making of loans.

Section 33 (a) contains a provision similar to the existing requirement that credit under this act should be available only to persons who cannot secure the necessary credit from private sources at reasonable rates and terms in the community. Eliminated from existing law is the provision that a person who cannot secure credit from private sources at 5 percent or less shall be eligible. At the present time, there is practically no farm operating credit available at 5 percent except through the Secretary of Agriculture. This means that practically all farmers meet this eligibility test.

Section 33 (c) requires that all loans made under this authority would contain an agreement by the borrower to refinance with private or cooperative credit when possible. Additional terms and conditions for loans are within the authority of the Secretary under section 24 (e).

Section 34 relates to the payment of taxes on property serving as security for loans. Under section 50 of the Bankhead-Jones Farm Tenant Act real property utilized for the purposes of title I is subject to State and local taxes, the same as if the land were in the hands of a private party. Section 34 of this bill would extend the principle to all real estate and chattel security, except that notes, mortgages, and other intangible personal property held by the Secretary or by an insured lender would not be subject to State or local taxes.

Section 35 contains provisions similar to those found in section 51 of the Bankhead-Jones Farm Tenant Act, as amended. The Secretary's authority with respect to the sale of the property would be broadened under section 35. In section 35 (c), specific provision is included dealing with such disposition. It may be compared with the applicable provisions of section 43 of the Bankhead-Jones Farm Tenant Act, as amended.

Under section 35 (d), specific authority is granted for the treatment of easements and rights-of-way. The consent of the United States is given, in this subsection, to actions in condemnation by State and county governments for highway purposes of the mortgage or lien interest of the United States.

This consent is conditioned upon payment of adequate compensation and procedural requirements designed to protect the interests of the United States.

Section 36 makes it a crime for any employee to receive any consideration in connection with any business under this act other than his regular salary. Certifications by a county committeeman with respect to land in which he or his close relatives are interested in also is made a crime.

Section 37 is the same provision as found in section 22 of the Bankhead-Jones Farm Tenant Act.

Section 38 contains authorizations for appropriations and for the Secretary of Agriculture to secure funds to be loaned by borrowing from the Secretary of the Treasury in a manner heretofore employed under the Department of Agriculture Appropriation Act, 1952.

Section 39 gives the Secretary general rulemaking power.

Section 40 (a) preserves cross references to the Bankhead-Jones Farm Tenant Act found in State and Federal statutes and directs that such reference shall be construed to the applicable provisions of this act. The provisions of title IV of the Bankhand-Jones Farm Tenant Act, as amended, are preserved with respect to the functions of the Secretary under title II of the Bankhand-Jones Farm Tenant Act, dealing with the submarginal-land program. Title III of the act is also preserved. Titles I, II, and, except as provided above, title IV of the Bankhead-Jones Farm Tenant Act, the act of August 28, 1937 (Water Facilities Act), and the Housing Act of 1949 (farm housing and other farm buildings), are repealed effective on June 30, 1958, or on such earlier date as consolidated regulations are issued by the Secretary under this new authority.

Section 40 (a) also contains a savings clause with respect to obligations incurred under prior authority and provides that such obligation shall not prejudice an applicant's right for assistance under this act.

Section 40 (a) further provides that this act would become effective only after the existing regulations have been consolidated under this single authority for agricultural loans. A final effective date of June 30, 1958, would provide ample time for the conversion to the new authority.

Section 40 (b) contains the usual severability clause.

CONSTRUCTION OF REREGULATING RESERVOIR AT BURNS CREEK SITE, UPPER SNAKE RIVER VALLEY, IDAHO

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a reregulating dam for the Burns Creek project in the State of Idaho. This is a measure similar to one introduced by my colleague, S. 145, but containing certain provisions requested by the water users of my State. I have examined carefully into these requests, and am confident that the Senate will desire to act in accord with these requests in the enactment of any legislation on this subject.

In brief, this bill, in addition to the authorizations, empowers the Secretary of the Interior to amend contracts with the water users whereby they assumed an obligation for winter power replacement based on the winter water savings program at the Minidoka powerplant. These amendments would relieve contractors of one-third of their annual obligation, and the bill would provide that the cost of the reduction of the annual obligations would be included in the cost to be absorbed by the power operations of the Palisades project.

Another additional provision would withhold the construction of the facilities until at least 80 percent of the conservation capacity in Burns Creek Reservoir was under subscription and the contract amendments referred to were completed.

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

The bill (S. 2089) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, introduced by Mr. CHURCH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

REQUIREMENT FOR PILOTS ON CERTAIN VESSELS NAVIGATING THE GREAT LAKES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes. I ask unanimous consent that a letter from the Acting Secretary of the Treasury, requesting the proposed legislation, be printed in the RECORD.

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

The bill (S. 2096) to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, May 7, 1957.

The PRESIDENT OF THE SENATE.

SIR: There is enclosed a draft of a proposed bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes.

The purpose of the draft bill is to provide that no merchant vessel of 300 gross tons or over shall navigate in United States waters of the Great Lakes, their connecting and tributary waters, and the St. Lawrence River as far east as St. Regis, unless there is in the service of such vessel a pilot or other officer qualified for navigation on such United States waters and licensed either by the head of the department in which the Coast Guard is operating under regulations issued by him, or by the appropriate agency of Canada. The pilot or other qualified officer would be required, subject to the customary authority of the master, to direct the navigation of the vessel (a) on such of the United States waters of the Great Lakes as may in the interest of marine safety be designated in regulations issued by the head of the department in which the Coast Guard is operating, and (b) on other waters in the discretion of the master. The bill would provide that the privilege extended to pilots or other qualified officers of Canada to serve on vessels in United States waters shall be in effect only so long as Canada extends a reciprocal privilege to pilots and other officers licensed by the United States. A penalty would be provided for violation of the provisions of the bill. Enactment of the bill would not affect any statutory requirement for licensed pilots or officers on vessels of less than 300 gross tons.

There is at present no statutory requirement for pilots on United States registered or foreign vessels navigating United States waters of the Great Lakes. The number of foreign vessels navigating the Great Lakes is increasing. Collisions have occurred involving foreign vessels. When the St. Lawrence Seaway is completed there will be a substantial increase in the number of foreign and United States registered vessels navigating the Great Lakes. Therefore, it is imperative in the interest of marine safety that qualified pilots on such vessels be required by law. The need for and nature of this proposal is set forth in detail in the attached memorandum.

It is respectfully requested that you lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,
DAVID W. KENDALL,
Acting Secretary of the Treasury.

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO THE FILING OF CERTAIN BRIEF STATEMENTS—AMENDMENTS

Mr. THURMOND (for himself, Mr. YARBOROUGH, Mr. LAUSCHE, Mr. POTTER, Mr. SCHOEPPEL, and Mr. MONRONEY), submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1490) to amend part II of the Interstate Commerce Act to require the filing of brief statements by motor carriers subject only to the safety and hours of service regulations of the Interstate Commerce Commission, which were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. HOLLAND submitted the following notices 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. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: Page 9, line 1, strike out "$100 million" and insert the following: "$35 million, and in addition, $65 million to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department.'"

Mr. HOLLAND also submitted an amendment, intended to be proposed by him to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, 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.)

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. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: page 12, line 4, immediately following "1946," insert the following: ": *Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $10 million continued available and less the amount of $65 million transferred to the appropriation 'Operating-differential subsidies.' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, which was ordered to lie on the table and to be printed.

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

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO THIRD SUPPLEMENTAL APPROPRIATION BILL

Mr. HAYDEN 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. 7221) making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, the following amendment, namely: page —, after line —, insert the following:

"CIVIL SERVICE RETIREMENT ACT

"For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment."

Mr. HAYDEN also submitted an amendment, intended to be proposed by him, to House bill 7221, making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, 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.)

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

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

By Mr. MARTIN of Pennsylvania:

Address delivered by him to the annual Congressional dinner of the Pennsylvania State Chamber of Commerce, in Washington, D. C., April 30, 1957.

By Mr. POTTER:

Address delivered by Senator KNOWLAND at Grand Rapids, Mich., on May 6, 1957.

By Mr. ERVIN:

Address delivered by Senator ROBERTSON at the 61st annual convention of the North Carolina Bankers Association at Pinehurst, N. C., May 10, 1957.

By Mr. GREEN:

Address delivered by Senator PASTORE at annual brotherhood banquet of the National Conference of Christians and Jews, in Providence, R. I., May 13, 1957.

ANNOUNCEMENT OF COMMITTEE HEARINGS ON RAPID TAX AMORTIZATION CERTIFICATES

Mr. KEFAUVER. Mr. President, the Subcommittee on Antitrust and Monopoly, of the Senate Judiciary Committee, will hold a series of hearings, beginning Friday, May 17, 1957, at 10 a. m., in a room to be announced, in the Senate Office Building, to look into the question of whether rapid tax writeoffs are being used as a Government subsidy to create monopoly control and undue concentration in industries which have a guaranteed income, and also the question of whether the position of small competitive business is being prejudiced by the rapid amortization program.

At the hearing on Friday, the subcommittee will hear representatives of cooperative associations, the American Public Power Association, the National Farmers' Union, and the Northwest Public Power Association. It is anticipated that next week the subcommittee will request the appearances of the Director of the Office of Defense Mobilization, the Secretary of the Interior, and the Chairman of the Federal Power Commission, together with other pertinent officials of these agencies.

The subcommittee consists of the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from West Virginia [Mr. NEELY], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Wisconsin [Mr. WILEY], and myself, as chairman.

BUDGET ADDRESS BY PRESIDENT EISENHOWER TO THE AMERICAN PEOPLE

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, the text of the address on the budget, delivered last night to the American people by the President of the United States.

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

TEXT OF THE REPORT BY THE PRESIDENT TO THE AMERICAN PEOPLE ON THE COST OF THEIR GOVERNMENT, DELIVERED FROM THE PRESIDENT'S OFFICE AT THE WHITE HOUSE, TUESDAY EVENING, MAY 14, 1957

I should like to talk facts with you tonight—about what happens to the tax dollars that you send to Washington.

I am speaking from the presidential office here in the White House. In outward respects, this is quite an ordinary room. The furniture, the books, the telephones, even the paintings on the wall, are in no sense unusual.

But in one respect this room is unusual.

To this office—to the President, whoever he may be, there comes every day from all parts of the land and from all parts of the world a steady flow of dispatches, reports, and visitors. They tell of the needs, the successes and the disappointments of our people in their efforts to help achieve peace with justice in the world. They tell, too, of the progress and difficulties in building a sturdy, prosperous and just society here at home.

On the basis of this information, decisions, affecting all of us, have to be made every day. Because your President, aside from the Vice President, is the only government official chosen by a vote of all the people, he must make his decisions on the basis of what he thinks is best for all the people. He cannot consider only a district, State, or region in developing solutions to problems. He must always use the yardstick of the national interest.

It is from this overall viewpoint that I want to talk with you tonight about the cost of running your Government.

The budget now before Congress is huge; even though it represents a sharply smaller part of our national production than the first budget I submitted to the Congress 4 years ago. Since then we have sought unceasingly to make the taxpayer's dollar go further.

We have, for example, cut the government payroll by nearly 250,000 positions.

Taxes were cut in 1954 with savings so far of some $25 billion to the American taxpayer.

The proposed budget is balanced—the third in a row.

We have, with a view to economies, worked wholeheartedly with the Congress.

The budget now under discussion represents carefully studied estimates of the cost of all the things the Government is required by law to do or by what we believe necessary.

All of these things I have discussed with you many times before. Indeed most of these national programs have been on the book for some years. There are no surprise proposals in this budget. It was made up under my personal direction by men and women who believe deeply in economy and efficiency in Government. In the process some $13 billion in departmental requests were eliminated.

When budget is sent to Congress, it contains estimates of costs reaching 18 months into the future. So, as I have frequently pointed out, these estimates cannot be exact to the very last dollar. That is why they are kept under constant examination in all executive departments—both before and after the budget goes to the Congress. Many of these estimates are based upon formulas in laws passed by the Congress. They are as accurate as can be made based on our experience in administering these laws. So, if the Congress should cut the estimates in this budget for things that are fixed by law, like veterans' compensation and pensions, it should be clear that such cuts would not save money, because the actual costs, whatever they turn out to be, must, by law, be paid.

I have often been asked how big our Federal budget ought to be. That question calls to mind a story about Abraham Lincoln. He was asked one day how long he thought a man's legs ought to be. He looked down quizzically at his long lanky legs and replied, "Well, they certainly ought to reach to the ground."

Now that's not a very exact formula, but it has its point here. A budget, too, ought to reach the ground. The ground, in this case,

is the essential national interest—and no more. That is the purpose of this budget.

No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

In this troubled world, our foremost national need is, of course, our own security. The cost is great, indeed—over $45 billion in the budget now before the Congress. This is mainly what makes the budget so large—the costs of our present security and our quest for a just and lasting peace. There is no cut-rate price for security.

But before considering this heavy expenditure, let us look at the smaller, nonsecurity costs we also have to pay. Including certain new activities important to America, this $26 billion part of the budget meets the costs fixed by law, the routine jobs of Government, and the domestic programs of service which our people have decided through the Congress to adopt.

In this part of the budget, there are, first, the compulsory expenditures. We must pay the more than $7 billion interest on the national debt, incurred largely to meet the costs of previous wars. Ours is not like the Soviet Government which recently told its people that it would no longer pay the interest on its government savings bonds.

Other programs are established by law, and the bulk of the expenditures under these laws is mandatory.

The largest among them provides $5 billion for veterans' pensions, compensation, education, medical care, and other benefits.

Another large item of about $5 billion is for agricultural programs: For price supports, the soil bank, land conservation, rural electrification, and other services of benefit to farmers.

The costs of these two great programs have tended to grow rather than to shrink over recent years.

In addition, about $3½ billion is provided, as grants and loans to the States, to share the costs of such activities as administering unemployment compensation and the employment service; assisting the States in helping needy aged, the blind, the totally disabled and dependent children; promoting public health, sanitation, and the control of disease, as well as speeding slum clearance and urban renewal—an item which a committee of mayors recently urged me to support vigorously.

All these are programs long ago enacted by Congress.

This part of the budget also provides funds for a new project which I have urged for 2 years to help overcome the acute shortage of schoolrooms in our country. The plan calls for a 4-year emergency program of schoolroom construction at a cost of $325 million a year.

Permit me a further word about this item. I deeply believe, as I am sure you do, that education is clearly a responsibility of State and local governments—and should remain so. But another truth is just as clear: During the depression, World War II, and the Korean conflict, our States and localities did not have the means and opportunity to build enough classrooms to keep up with the increasing number of youngsters. This means that we need an emergency program to help States and localities build the schools our children must have.

We limit this aid to building; thus it will not result in Federal control of education. It is limited in scope to make sure that Federal help will go where it is needed most. Limited in time, it guarantees that Federal help will be temporary.

I have heard people say that no Federal program can be temporary—that any activity begun in Washington will go on forever.

I reject that kind of reasoning.

I believe that Americans are responsible enough to do exactly what they want to do and then stop.

I support this program wholeheartedly because it is a get-in-and-get-out emergency plan solely to overcome a schoolroom deficit created by depression and wars. We must not continue to penalize our children and, thereby, the future of our Nation.

After meeting the costs of interest on the national debt, agriculture, veterans, and grants to the States, there remains in this nonsecurity part of the budget about $5 billion. This pays for everything else our Government expects to do next year.

It includes direct Federal expenditures related to labor and welfare, and for things like medical research. It includes the cost of conserving and developing our natural resources, improving the national parks, building dams and reservoirs, and protecting fish and wildlife.

It includes the Weather Bureau, the census, and subsidies for civil aviation, and our merchant fleet.

It includes costs of the Congress and the courts, of law enforcement, and of tax collection.

Finally, it includes funds to cover the postal deficit, which will be more than half a billion dollars, unless the Congress raises postal rates, as I have repeatedly urged. If the Congress acts, this cost will be borne by the users of the mails, thereby relieving the taxpayer of this burden.

In executing these programs we constantly stress economy and seek to avoid waste and duplication. In this endeavor we have had the benefit of the recommendations of two Hoover Commissions, the great portion of which has already been accepted and is in the process of being put into effect. Moreover, we postpone programs when we can. When we find it possible to revise cost estimates, we inform the Congress. In my letter of April 18 to the Speaker of the House of Representatives, I pointed out that we had been able to revise estimates of new spending authority downward by a possible $1.8 billion, assuming congressional cooperation.

While we shall insist on carrying out the Federal Government's proper role in meeting the needs of our growing economy and population, we shall not start any program that we do not believe necessary. We are determined to search out ways to save money and manpower so that Government does not further add to the inflationary pressure on the economy.

If our people join us in this determination, we can look forward to sufficient excess of income over expenses to justify future tax reduction as we continue paying down on the public debt.

In all this we need the cooperation of the Congress and we need the help and understanding of every one of you. Almost every proposal for Government aid or service has a number of citizens organized behind it. Usually each group wants the Government to spend for its pet project, but to economize everywhere else. This is a good time to examine again the demands that each of us, our communities and States, make upon the Federal Government. It is time to limit those demands to what is necessary—and no more.

Turn with me now to the largest item in the budget—the defense of our country. There is where most of your tax dollars go.

As we survey the world in which we live, the first great concern of all of us is to make sure of the defense of our homes, our country, and our way of life. The Communists have again and again announced their purpose of promoting revolution and of communizing the world by whatever means. It is important, and surely prudent, for us to understand the military strength the Communists maintain to help them achieve their purposes.

What is that strength today?

Without counting the Chinese Communists, the Soviets have the world's largest army. They have many times the number of submarines that Germany had when World War II began. They have atomic weapons and rockets and missiles. They have a large and growing air strength. They are competent in military technology and research. And all this is directed by a despotism which is fully capable of the supreme folly—that of unleashing these powerful forces if it should ever believe that it could—without destroying itself—succeed in destroying the Free World.

One important purpose of our military arrangements is to convince others that if they start a general conflict they cannot escape their own destruction.

As I have said, the national-defense item is by far the largest in our budget, but let us see just how large it is. The estimate just for our own military forces and our atomic development, together with a small amount for stockpiling critical and strategic materials, is almost $41 billion. This does not, by any means, equal the full amount first recommended by our uniformed services. They wanted some $10 billion more.

But I earnestly believe that this defense budget represents, in today's world, the proper dividing line between national danger on the one hand and excessive expenditures on the other. If it is materially cut, I believe the country would be taking a fearful gamble. For myself, I have seen unwise military cuts before. I have seen their terrible consequences. I am determined to do all I can to see that we do not follow that foolhardy road again.

Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter. The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens.

Good defense is not cheap defense.

The B-36 bomber, even though built after World War II, is already outmoded. Each one cost us about $3½ million. Today's B-52 jet bomber costs $8 million each.

Seven years ago, a fighter plane cost $300,000. Today, one costs $1½ million.

A submarine now costs twice as much as it did 7 years ago.

Atomic energy costs four times as much as it did in 1950. Daily, munitions grow more complex, more powerful, and more costly.

It is clear that unless we make some progress in our persistent efforts to secure an effective agreement to limit armaments, defense costs will tend to go up year by year, if we are to keep Communist forces from outstripping us.

Consequently, though our first responsibility is to maintain defenses adequate to keep the Nation secure, we do not want, because of this cost, more military force than is necessary.

Judgments on the defense budget must reflect the stern fact that real military power can rest only on a sound economy. Only with a strong and thriving economy can we have the strength to protect our freedom. But since we maintain military forces as a matter of self-preservation, we must not recklessly reduce their power.

This dilemma presents hard decisions. But they are decisions that must be made by the President, as he presents his recommendations to the Congress. To this kind of

problem I have devoted most of my life. I repeat my earnest belief that the estimate in the budget for our military forces, atomic energy, and stockpiling, amounting to about $41 billion, represents a defense program which is as nearly accurate, in present circumstances, as is humanly possible to make it.

To this defense total should properly be added—and will so be in the future—that part of our mutual-security program which supplies arms and defense support to friendly countries in order to strengthen the military power of the Free World. Expenditures for this purpose will amount next year to something over $3 billion.

The costs in many of these friendly countries are low compared to ours, so this type of aid, even though moderate in amount, supplements their own efforts very effectively. This aid helps arm and maintain overseas: Some five times as many active ground forces as the United States supports; about twice as many naval combat ships; and about an equal number of planes.

This aid is a key factor in maintaining many of our vital military, naval, and air bases abroad.

Without the military strength that this aid helps sustain overseas, we should have to add many more billions to our own defense spending, and have less security for our total effort.

Defense expenditures, for our own forces and our military assistance overseas, together with the domestic expenditures I have discussed, account for almost all—98 percent—of the budget.

As we look at the whole range of the budget, there is only one hope of making the really great savings that we all want so much. That is to achieve an effective disarmament agreement with an easing of world tensions, so that the enormous sums we have to spend for our defense can be drastically reduced.

The savings we can hope to make in domestic programs are, at best, small by comparison. Of course, we could save material amounts if, by law, we abandoned or drastically cut back some of the larger programs. But in a world knowing real peace, we could save at least 10 times as much in defense spending.

It is to hasten that day, as well as to enhance our security today, that the budget provides a moderate sum for waging peace.

This is a mission that military formations cannot, of themselves, accomplish. The entire Free World military force merely puts a policeman on the corner to keep the robber out of our house and our neighborhood. It preserves from destruction what we already have.

But our Communist antagonists are resourceful and cunning. Their aggression is not limited to the use of force or to the threat of its use. They are doing their best to take advantage of poverty and need in the developing nations, and so turn them against the Free World. Success would enable them to win their long-sought goal of Communist encirclement of our country.

To meet the total threat, we first of all, as I have pointed out, must sustain our defense preparations.

But we must do more.

We must wage peace aggressively through diplomatic efforts, through the economic and technical assistance part of the mutual-security program, and through worldwide information activities to help bind the Free World more firmly together. These efforts will cost about $1 billion next year.

We wage peace on the diplomatic front through the efforts of the Department of State to establish close ties with every other nation that values its independence and that recognizes the dignity of man.

We wage peace through the efforts of the United States Information Service to counteract the false propaganda spread by the Communists. We tell the truth about freedom and the rights of man and seek to win adherents to these concepts.

We wage peace through the mutual-security program in another way. We help some nations in developing their own economies, so their people can be stronger partners in the defense of the free world against communism.

Economic development is, of course, not a product for export from the United States or anywhere else. It is a homespun product, the product of a people's own work. Our opportunity is simply this: To help the people of these developing lands help themselves. This we can do through sound technical assistance and, where necessary and unavailable from other sources, through loans and, at times, other kinds of financial aid. Within prudent limits, this practice is in their and our own best interests.

On this subject I hope to talk with you again next week, but I assure you now that this billion-dollar item is one of the most important to all of us in the entire budget.

I know that in these efforts to wage peace, all does not always go well. Weaknesses there are bound to be—troubles and disappointments as well.

But I never ordered a cease-fire in a battle because some of the ammunition misfired or went bad, or some commander made a mistake.

We must always do better, but we must never stop in our battle for peace. We must keep everlastingly at this job—today the most important job in the world.

Our defense expenditures are to assure us the opportunity to wage peace; our expenditures for diplomatic work, economic and technical assistance and information services give us the means to wage peace. Together they cost over $45 billion—all but about a billion dollars for defense forces.

The rising costs of defense items account for more than 80 percent of the increase in next year's budget. These facts simply reflect the kind of world in which we are living.

The plain truth is that the price of peace is high.

That explains why taxes are high and why their further reduction has been delayed. It explains also why really big cuts in Government spending depend on success in our efforts to wage peace.

The sacrifices demanded of each of us are great; but they are sacrifices of dollars for a peaceful world, not the sacrifice of our sons, our families, our homes, and our cities to our own shortsightedness.

I believe you are more secure in your homes tonight because of the effort and money our Nation has put into these defense and related security programs. It is almost 4 years since an American fighting man has been killed in battle anywhere in the world. Crises, great and small, we have had and will continue to have. Despite them, there has been an overall improvement in the prospects for keeping an honorable peace.

But I must say this to you: I can see no immediate relaxation of international tensions to provide the basis now for substantial reductions in these programs for preserving and waging peace. In fact, the gains we have already made impel us to press forward with no letup.

If we do press forward—if we courageously bear these burdens of waging peace—I have every hope, in God's good time success will crown our efforts. Then we shall know an easier and better peace whose fruits will include a lightening of the spiritual and the material burdens we now must bear to gain it.

Mr. SMITH of New Jersey. Mr. President, President Eisenhower has placed the budgetary facts of life before the people in bold relief. He has summed up concisely and precisely the alternatives which face us in attempting to make substantial reductions in his budget. The President stated:

> No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

These are the choices available to us. Certainly no responsible person would advocate that we "gamble with the safety of our country." As I stated to the Senate the other day, "the persistent threat of Communist aggression is a fact, and we cannot ignore it." With $45 billion of the budget directly related to our national security and the development of a peaceful world, we cannot make substantial reductions in the total expenditures for the coming year without placing our future security in jeopardy. As the President said, "there is no cut-rate price for security."

The President's frank, sincere analysis of our fiscal problems was inspiring and convincing. It is now our responsibility carefully to study the cold war budget and to unite behind the President's challenging message in defense of the budget and his recommendations with regard to intelligent reductions. We must put an end to the voices of division and confusion. A united, strong America under the leadership of our great President is the best hope for peace in the world.

REPRESENTATIVE FRANCES P. BOLTON, OF OHIO, AND THE BOOK A LONG WAY FORWARD

Mrs. SMITH of Maine. Mr. President, a book has been written about my best friend in the United States Congress—FRANCES P. BOLTON, of Ohio—a woman whom I seek to emulate in my own service in Congress. It is one of the best biographies I have ever read. It has objectivity, but it has warmth. It is factual, but it is very human in its personal treatment. It historically records the deeds and feats of Representative BOLTON, the outstanding Congresswoman, but it also picturesquely portrays FRANCES PAYNE BOLTON, the girl, the woman, the wife, and the mother.

As a close friend of FRANCES BOLTON for more than 20 years, I make these observations about the book A Long Way Forward, and I commend it to the Members of the Senate for informative and fascinating reading. Like Frances, I came to Washington as the wife of a Congressman. But Frances preceded me in that role some 8 years. Like Frances, I was elected to fill the vacancy created by the death of my husband. But Frances preceded me in that role some 3 months.

She has always led, and I have always enthusiastically followed. She has given me guidance and strength at most crucial times. In 1948, she was among the handful of supporters and contributors to my campaign for the Senate.

We have served together in Congress for nearly 17 years, and during all that time I have gone repeatedly to FRANCES BOLTON for advice and counsel—unerring advice and wise counsel.

I am grateful for this book about the life of FRANCES BOLTON, for through it I have learned for the first time many fascinating things about her. I have confidently felt that I knew her quite deeply. This book has reaffirmed that feeling, for I am impressed with the remarkable manner in which the author, David Loth, has so accurately captured the character and personality of FRANCES BOLTON in the years that I have known her so well.

But this book has given me the feeling of knowing her even better. Through it, I have learned of the influential little and large incidents in her life before I met her that explain in revealing depth the many sterling qualities she possesses, and give even greater meaning to the cause and effect of the admirable traits which she has in such great abundance.

In short, I say with all sincerity that A Long Way Forward is must reading for all Members of Congress, especially for those who have served many years with FRANCES BOLTON. It is recommended reading for all Americans, whether they know her or not, for it is the story of a great American woman dedicated to her country and fulfilling that dedication with a public service of understanding and intelligence that is so rarely found.

THE BATTLE OF GETTYSBURG AND THE BATTLE OF THE BULGE

Mr. JOHNSTON of South Carolina. Mr. President, I have before me an editorial from the May 9 issue of the Washington Daily News which I should like to read to the Senate at this time. This editorial is most appropriate regarding the ridiculous suggestions made by General Montgomery and President Eisenhower that they would have "sacked" Generals Lee and Meade, and even themselves, if they had done what Lee and Meade did at the Battle of Gettysburg:

ON ANOTHER FIELD

It was a rather wet, foggy morning last Sunday in the Ardennes Forest of France, as well as at Gettysburg.

No one noticed the gray-clad shade of Gen. Robert E. Lee and the blue-faded wraith of Gen. George C. Meade jeeping leisurely over the historic battleground in amiable conversation.

"And this," said General Meade to General Lee, "is where Von Rundstedt massed the cream of the Germany Army for a last-ditch counterattack that Christmas of 1944."

"Yes," said General Lee. "He had alined his forces to the south there along the 50 miles from Monschau Forest to Trier. This was his desperate, final attempt to change the whole course of the war."

"What about General Eisenhower's intelligence?" asked General Meade.

"It was completely in the dark," said General Lee, "when the Germans' Sixth Armored Army rushed in. The Allied defense was thin and the Germans hit in two columns. On the north they carved out a salient 10 miles wide and 6 miles deep. Their southern column, executing a pincers movement over that way, penetrated 5 miles. That was the opening of what they called the Battle of the Bulge."

"Where was General Montgomery?" asked General Meade.

"He was tidying up the battle area and massing to protect Antwerp—to the rear."

"So the Germans broke through," said General Meade, shaking his head.

"They did, indeed," said General Lee.

"An absolutely monstrous thing," said General Meade.

"I would have sacked them both," said General Lee.

"You're so right, Bob," said General Meade. And the two shades—old soldiers once bitter rivals—solemnly shook hands in agreement at last.

Mr. President, it is easy for anyone to stand on a battlefield nearly 100 years later and criticize the tactics of warfare conducted by those in command at that time.

No doubt, as has been implied in this editorial, someone, if not the ghosts of Lee and Meade themselves, will 100 years from now stand on the beaches of Normandy and Italy and at the scene of the Battle of the Bulge and say, "If you had done like Eisenhower and Montgomery and their subordinates I would have sacked you."

Certainly the Normandy invasion involved a disastrous cost in lives to this country, and we all know of the unwarranted and murderous slaughter that occurred at Anzio. But I shall be kinder to General Eisenhower than he has been to Lee and Meade, and not criticize him as he criticized them, for Eisenhower, unlike Lee and Meade, was not on the battlefields of Normandy and Anzio, and was merely a passer of orders from higher authorities.

I do, however, rise to the defense of Gen. Robert E. Lee. General Eisenhower may say what he pleases regarding generals in the Union Army, but it is offensive to my people to listen to a general who had at his disposal in his day the most wealth, men, materials of war, and the largest army, navy, and air force in history, and hear him criticize a great Confederate general who, despite poverty, starvation, a ragged army, and practically no navy or munitions, managed to hold off and even invade the territory of the industrialized, wealthy, well-fed Yankees. Lee is, has been, and always will be considered by responsible people in and out of the military as one of the greatest military strategists in our Nation's history, despite what some currently popular critics may say.

Needless to say, had those today who say they would have sacked Lee been living then, it would be interesting to see just what place in history, if any, they would have secured for themselves.

LEE AT GETTYSBURG

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, an editorial entitled "Lee at Gettysburg," published in the Washington Evening Star of May 14, 1957.

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

LEE AT GETTYSBURG

It is a bit difficult to comprehend the strategy of a Commander in Chief who sets out on a Friday to woo the South with sweet talk about the virtues of modern Republicanism and winds up on Sunday saying that General Lee bungled the battle of Gettysburg and should have been sacked. Of course, General Ike's Friday appeal to the South to enlist under the Republican Party banner may have been a lost cause from the start. But if it ever had a chance, it surely was lost in Sunday's verbal engagement on the field of Gettysburg. Talk about bungled battles. General Eisenhower could hardly have done a more thorough job of bungling his own political campaign if he had come forth with a denunciation of motherhood and magnolia blossoms.

General Lee would have known better. For whatever his blunders at Gettysburg—and he did blunder—he was not given to second guessing. He did not sack anybody at Gettysburg in 1863 (although he tendered his own resignation) and he would not have sacked anybody had he been there in 1957. He understood the hazards of the careless word.

It was not that Lee lacked alibis had he wanted to use them. Two months before the battle he lost his "strong right arm" when Stonewall Jackson was killed at Chancellorsville. And Jackson's magnificent Second Corps, under a new commander, did not perform well at Gettysburg. Jeb Stuart, roaming the countryside on some adventure of his own, left Lee without information as to the strength and dispositions of the Federal troops. Longstreet, opposed to the plan of battle, sulked throughout the second day and dragged his feet on the third. If Jackson had been there, if Stuart had done his job, if Longstreet had pushed the fight, or if any one of half a dozen lesser "ifs" had turned out right, the battle might well have been won.

But it was not won, and no word of blame fell on any subordinate. General Lee set about the task of rallying his shattered army for the heartbreaking retreat back across the Potomac—the retreat that was to lead to the eventual surrender at Appomattox. Lee—"that guy" as Monty and Ike called him—rode over to Longstreet's bivouac. There were no reproaches, no recriminations. Lee said simply, "It's all my fault."

In this remark, there certainly was no rebuke to Longstreet. If there is a quality about it which rebukes the secondguessers, that is their fault—not Lee's.

Mr. BYRD. Mr. President, Lee needs no defense, and I make none. His glorious record, his noble character, and his moral leadership give him a place in world history that no one can impair.

UNITED STATES INFORMATION AGENCY

Mr. BUSH. Mr. President, over the period of recent years the United States has been successful in turning the main Soviet threat away from the military and into the area of propaganda, subversion, and infiltration. Yet, in this very area, we are now hamstringing our own forces. The Senate Appropriations Committee figure of $90,200,000 is $22.8 million below the current level of $113 million.

As David Lawrence said in his column yesterday:

The Soviet Government is spending billions for propaganda throughout the world, whereas Congress is still arguing about a few million that the United States Information Agency wants. Meanwhile the Soviets are winning important propaganda victories. Their nuclear-test propaganda, for instance, is taking hold.

The plain fact is that we simply cannot meet the sharply stepped up Communist propaganda campaign worldwide on a budget of $90,200,000.

The United States Information Agency would have to cut back its programs drastically, and discharge several hundred employees—which would have a devastating effect on morale—at a time when the Government's overseas propaganda work should be increased.

In addition, such a cut would be actually wasteful. Uncompleted contracts and projects and administrative cost of personnel terminations would cost the Government several million dollars.

This Agency has carefully and effectively been rebuilt under the President's personal guidance over the past 3½ years. If the Senate chops its heart out now, it will have done a disservice to the American people.

The Soviet Union has increased its radio propaganda output 10 percent in the past year to almost twice that of the Voice of America. Russia has 2,097 broadcast hours a week; the United States of America 1,139 broadcast hours a week. On documentary films and newsreels alone in 1957 the Soviet Union is spending $125 million.

Last year Russia published 613 new book titles in Free-World languages, a total of 27½ million copies, representing a vast increase.

During 1956, the Soviet news agency TASS expanded in New Delhi, Karachi, Baghdad, Djarkarta, Beirut, Cairo, Copenhagen, Kabul, Phnom Penh, and Helsinki. TASS in India doubled the circulation of its fortnightly magazine Soviet Land.

The Communists spent $38 million for exhibits at international trade fairs in 1955. In 1956 they spent $100 million.

The number of governmental, cultural, and sports delegations traveling to and from the Communist orbit jumped from 1,317 to 1,810 during the past year, with particular emphasis—a 100-percent increase—in travel to and from the uncommitted countries in the Near East, south Asia, and Africa.

Mr. President, I express the very fervent hope that the Senate will give the President what he has asked for in this particular section of his budget.

THE REPUBLICAN PLATFORM OF 1956

Mr. GOLDWATER. Mr. President, several of my highly esteemed colleagues on this side of the aisle have taken me to task in recent days for what they term my disregard for the Republican platform. They have done this because in their minds my calling for cuts in the largest peacetime budget in history disregards the planks in the Republican platform of 1956. I should like to invite the attention of these colleagues, and indeed of all my colleagues in the Senate, to what the Republican platform of 1956 says about the subject to which I addressed myself:

We have balanced the budget. We believe and will continue to prove that thrift, prudence, and a sensible respect for living within income applies as surely to the management of our Government's budget as it does to the family budget.

Mr. President, that statement is found in the part of the platform entitled, "Declaration of Faith."

Now let me call the attention of my colleagues to another section of our platform dealing with taxes and fiscal policy. It reads as follows:

The Republican Party takes pride in calling attention to the outstanding fiscal achievements of the Eisenhower administration, several of which are mentioned in the foreword to these resolutions.

In order to progress further in correcting the unfortunate results of unwise financial management during 20 years of Democrat administrations, we pledge to pursue the following objectives:

Further reductions in Government spending as recommended in the Hoover Commission report, without weakening the support of a superior defense program or depreciating the quality of essential services of government to our people.

Continued balancing of the budget, to assure the financial strength of the country which is so vital to the struggle of the Free World in its battle against communism; and to maintain the purchasing power of a sound dollar, and the value of savings, pensions, and insurance.

Gradual reduction of the national debt.

Then, insofar as consistent with a balanced budget, we pledge to work toward these additional objectives:

Further reductions in taxes with particular consideration for low and middle income families.

Initiation of a sound policy of tax reductions which will encourage small independent businesses to modernize and progress.

Continual study of additional ways to correct inequities in the effect of various taxes.

Those statements are taken from the Republican platform of 1956.

Mr. President, the purpose of my making this short statement this morning is merely to remind my Republican colleagues who have been critical of my stand on the budget that the platform of 1956 contains some very forceful language that backs up my position, and I suggest if we are going to be true to one part of a platform we should be true to the whole.

STATEMENT BY SENATOR MORTON ON REPORT OF THE SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM

Mr. MORTON. Mr. President, I have read with interest the report of the special committee which was established to study the foreign aid program. The report was issued on May 13, and is entitled "Foreign Aid." I ask unanimous consent to have printed in the body of the RECORD my remarks and comments on this subject.

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

STATEMENT BY SENATOR MORTON

I read with interest the report of the special committee which was set up to study the foreign aid program. This report was issued on May 13 and is entitled "Foreign Aid." The committee was set up pursuant to Senate Resolution 285 of the 84th Congress. The distinguished senior Senator from Rhode Island, the chairman of the Foreign Relations Committee, served as chairman of the special committee. The membership of the committee included all of the members of the Committee on Foreign Relations, as well as Senators HAYDEN and BRIDGES from the Appropriations Committee, and Senators RUSSELL and SALTONSTALL from the Armed Services Committee.

The special committee was instructed by the Senate to "make exhaustive studies of the extent to which foreign assistance by the United States Government serves, can be made to serve, or does not serve the national interest, to the end that such studies and recommendations based thereon may be available to the Senate in considering foreign-aid policies for the future."

I would like to commend the committee for a very penetrating and excellent report. I would like also to commed Mr. Carl Marcy, who acted as chief of staff for the committee. The report reflects the excellent staff work which Mr. Marcy has always performed in his distinguished service to the Senate and its Foreign Relations Committee.

Section IV of the report is entitled "The Shortcomings of the Foreign Aid Programs." The very first subject handled under this section is concerned with basic misconceptions of foreign aid. It seems to me that if we as a nation are to properly discharge our responsibility as the leader of the Free World, these basic misconceptions must be corrected.

Permit me to quote what the committee has to say on this important matter. "Foreign aid has come to be regarded as a single device of policy capable of achieving a multiplicity of objectives. Many people in the United States have been led to this view largely by the ambiguous justifications for foreign aid in the past and because foreign aid frequently has been treated both in legislation and in administration as though it were a single device of policy. The fact is that the mutual security program contains many separate undertakings whose purposes may be, but are not necessarily, closely related."

"Foreign aid has been justified at one and the same time as the answer to the prevention of further Communist expansion; as a key to national defense; as a lid to cap explosive political situations like that in the Middle East; as a vehicle for the expression of our friendship and our humanitarianism; as a means of keeping or winning the less developed nations to freedom; as a principal bulwark of world peace; as a stimulator of trade, investment, and free enterprise throughout the world; as the answer to the problem of agricultural surpluses and other lesser economic dislocations in this country.

"Foreign aid, in one form or another, has been a factor in dealing with all of these questions. With respect to many of them, however, it is at best only a minor factor.

"In the committee's view, the ambiguity concerning the purposes of foreign aid and the misconception of it as a single device of policy for carrying a multiplicity of programs have impaired its usefulness. An aid program to build military strength against aggression in Western Europe cannot be expected, except incidentally, to fulfill other purposes. An aid program like technical assistance will have served the interests of the United States if in the process of helping others to help themselves, it promotes friendly contact and technical exchange between ourselves and others. If aid is primarily for support of a country unable to carry the burden of a large military establishment to resist Communist aggression, as is the case, for example, in Korea, that aid cannot be expected necessarily to assist economic development. If aid is supposed to promote economic development abroad, to encourage the growth of free political institutions and to expand opportunities for trade, those purposes are more likely to be realized if they are not confused with defense against the threat of Communist aggression, however valid the latter objective is in its own right.

"Foreign aid, in short, is not an all-powerful device to be aimed at all things, in all nations at the same time. The misconception of it as such was bound to produce, as it has produced, criticism and even hostility abroad regarding the motives of our aid. This misconception was bound to result, as it has resulted, in distortions as to the purposes, cost, and potentialities of particular types of aid. This misconception was bound to lead, as it has led, to increasing disillusionment and hostility toward foreign aid in this country."

It is my opinion that the misconceptions in connection with foreign aid can only be corrected by a more realistic and definite format for the presentation of the program to the Congress. It is a well-known fact that not only the people but many Members of Congress are confused in their own minds as to both the purposes and the scope of the various programs of what is generally termed "foreign aid."

For a little more than 3 years, between my service in the House of Representatives and my election to the Senate, I served as Assistant Secretary of State for Congressional Relations. In that capacity, I had substantial responsibilities in the presentation to the Congress of the foreign aid program for fiscal years 1954, 1955, and 1956. I came to the conclusion then that this program, so vital to the implementation of our foreign policy and our own national security, would encounter increasingly rough going in the Congress unless it could be presented in such a way as to be more clearly understood by the American people.

We all know that it is constantly referred to in the Congress, in the press, and in our daily mail as the giveaway program. It is often condemned in much stronger language. In the minds of many Americans, this country is engaged in a worthless, inefficient, starry-eyed, giveaway program amounting to $4 or $5 billion annually. A well-educated and intelligent constituent of mine recently told me, "certainly we can cut economic aid to Britain and France out of the program." He was undoubtedly referring to the old Marshall plan, which has long since been terminated. His remark indicated clearly to me the great need that exists for putting the foreign aid program in proper perspective.

In order to accomplish this, I think that the military elements of foreign aid must be entirely separated from economic development and technical assistance. I don't think it is sufficient to merely place the separate programs and objectives in separate titles of one bill, as is presently done. This complete separation which I strongly recommend may well lead to a situation in which the Armed Services Committees of the Senate and House would handle the authorization for much of the mutual security program. In the Appropriations Committees, there would likewise be a realinement of responsibility. In my judgment, not only would such a plan help to enlighten the Congress, the press, and the public, but it would lead to greater efficiency in administration and the development of more effective policies.

We all have some knowledge of how budgets are developed. There are always substantial reductions applied before amounts requested by the operating bureaus, agencies or departments are actually transmitted by the President to the Congress. In the case of the foreign-aid program, we have lumped jet planes for NATO in the same package with technical assistance for Cambodia. This procedure just doesn't make sense.

The military elements of our foreign-aid program should be considered in the light of our overall national security and measured against our overall defense budget. The amount of military hardware and defense support that we grant to Turkey, for example, should not be cut to fit a total figure that includes economic development for Southeast Asia or technical assistance for Central America. Our degree of military support in Turkey, Formosa, Korea, NATO, or elsewhere should fit into a pattern shaped to the composition and disposition of the components of our own armed services.

I realize that there are many problems in connection with such a radical departure in the planning and presentation of the so-called foreign-aid program. Any foreign-military assistance carries with it important foreign-policy considerations. There will have to be very close liaison between the Department of State and the Department of Defense. Such liaison exists today and there is no reason why foreign-military aid should not be presented to the Congress and administered by the Department of Defense as a part of the vital security of the United States. The National Security Council, of which the Secretary of State is a member, and the Operations Coordinating Board, of which the Under Secretary of State is Chairman, surely guarantee foreign-policy control by the Secretary of State over any foreign military-aid programs.

The President's message on the mutual-security program for the coming fiscal year will be sent to the Congress shortly. I understand that in it he will attempt the delineate between the different facets of the program. I realize that it will be impossible in the short time available to follow such a suggestion as I have made in the presentation for fiscal 1958. I do hope that the matter will be given careful consideration by the Administration and the interested committees of Congress prior to the presentation of the program for fiscal 1959.

Throughout our history the American people have shown a tremendous capacity for meeting any challenge effectively and unselfishly. Today the American people face the challenge of the responsibility of Free World leadership. The American people did not seek, nor desire, this position of world leadership. Most of our forebears came to this country to escape the wars and the political intrigues of the Old World, as well as to seek new opportunities and broader horizons. However, in seven short generations, the events of history have literally shoved us into this position of leadership. Many of us would like to forget the troubles of the world, but we can't. The scientific developments of the last half century have nullified the protection which 2 great oceans afforded us during the first 140 years of our Republic.

The American people will always respond to the challenge, but the challenge must be known and understood. The American people will always unselfishly support programs vital to our freedom and security, but such programs likewise must be known and understood. Our representative system of government depends upon an enlightened and informed electorate. Many of the programs which are today lumped together under the misunderstood foreign-aid umbrella are vital to the national interest and the defense of our country. The administration, the Congress, and all engaged in informing the public share in the responsibility for correcting basic misconceptions of foreign aid.

In the first paragraph of its concluding comments the report has this to say: "The committee recognizes that the recommendations it has proposed involve far-reaching changes in the concept and the operation of the foreign-aid programs. It recognizes that these changes cannot be brought about in a moment. Nevertheless, it believes they can and should be brought about promptly if the foreign-aid programs are to continue to serve the national interests."

I add only this: Unless the basic misconceptions are eliminated, there will be no program authorized and no funds appropriated in the not too distant future. In the interest of our own national security let us set about the task before us.

DECLARATION OF CONSCIENCE BY DR. ALBERT SCHWEITZER REGARDING FUTURE TESTS OF HYDROGEN BOMB

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD the complete text of the Declaration of Conscience, with respect to future tests of the hydrogen bomb, as issued by the illustrious Dr. Albert Schweitzer, of Lambarene, French Equatorial Africa. I also ask unanimous consent that an analysis entitled "The Schweitzer Declaration," as published in the Saturday Review of May 18, 1957, appear along with the statement by Dr. Schweitzer, himself.

I am particularly anxious that the full text of Dr. Schweitzer's historic declaration should appear in the RECORD, because Communist groups have already distorted and made misleading use of selective and fragmentary excerpts from the statement by Dr. Schweitzer for their own ulterior purposes. Such distortion by the Communists can easily be refuted and dispelled by the reading of the full text of what Dr. Schweitzer has said.

As a Member of the United States Senate from the Pacific Northwest, I have a particular and special interest in the eloquent statement by this great humanitarian, because of his references to the radioactivity detected in the reaches of the Columbia River as a result of waste material from the Hanford Atomic Works, near Richland, Wash.

It is my opinion that any Member of the Senate who takes the time and trouble to study, thoroughly, the moving appeal by Dr. Albert Schweitzer will come to the conclusion that the civilized world should attempt to halt further hydrogen-bomb detonations.

I ask unanimous consent that the Declaration by Dr. Schweitzer and the accompanying material written by Norman Cousins, editor of the Saturday Review, appear in the body of the RECORD.

There being no objection, the declaration and accompanying article were ordered to be printed in the RECORD, as follows:

A DECLARATION OF CONSCIENCE

(By Albert Schweitzer)

Since March 1, 1954, hydrogen bombs have been tested by the United States at the Pacific island of Bikini in the Marshall group and by Soviet Russia in Siberia. We know that testing of atomic weapons is something quite different from testing of nonatomic ones. Earlier, when a new type of giant gun had been tested, the matter ended with the detonation. After the explosion of a hydrogen bomb that is not the case. Something remains in the air, namely, an incalculable number of radioactive particles emitting radioactive rays. This was also the case with the uranium bombs dropped on Nagasaki and Hiroshima and those which were subsequently tested. However, because these bombs were of smaller size and less effectiveness compared with the hydrogen bombs, not much attention was given to this fact.

Since radioactive rays of sufficient amount and strength have harmful effects on the

human body, it must be considered whether the radiation resulting from the hydrogen explosions that have already taken place represents a danger which would increase with new explosions.

In the course of the 3½ years that have passed since then (the test explosions of the early hydrogen bombs) representatives of the physical and medical sciences have been studying the problem. Observations on the distribution, origin, and nature of radiation have been made. The processes through which the human body is harmfully affected have been analyzed. The material collected, although far from complete, allows us to draw the conclusion that radiation resulting from the explosions which have already taken place represents a danger to the human race—a danger not to be underrated—and that further explosions of atomic bombs will increase this danger to an alarming extent.

This conclusion has repeatedly been expressed, especially during the last few months. However, it has not, strange to say, influenced public opinion to the extent that one might have expected. Individuals and peoples have not been aroused to give to this danger the attention which it unfortunately deserves. It must be demonstrated and made clear to them.

I raise my voice, together with those of others who have lately felt it their duty to act, through speaking and writing, in warning of the danger. My age and the generous understanding so many people have shown of my work permit me to hope that my appeal may contribute to the preparing of the way for the insights so urgently needed.

My thanks go to the radio station in Oslo, the city of the Nobel Peace Prize, for making it possible for that which I feel I have to say to reach far-off places.

What is radioactivity?

Radioactivity consists of rays differing from those of light in being invisible and in being able to pass not only through glass but also through thin metal discs and through layers of cell tissue in the human and animal bodies. Rays of this kind were first discovered in 1895 by the physicist Wilhelm Roentgen of Munich, and were named after him.

In 1896 the French physicist Henry Becquerel demonstrated that rays of this kind occur in nature. They are emitted from uranium, an element known since 1786.

In 1898 Pierre Curie and his wife discovered in the mineral pitchblende, a uranium ore, the strongly radioactive element radium.

The joy caused by the fact that such rays were at the disposal of humanity was at first unmixed. It appeared that they influence the relatively rapidly growing and relatively rapidly decaying cells of malignant tumors and sarcomas. If exposed to these rays repeatedly for a longer period, some of the terrible neoplasms can be destroyed.

After a time it was found, however, that the destruction of cancer cells does not always mean the cure of cancer and also, that the normal cells of the body may be seriously damaged if long exposed to radioactivity.

When Madame Curie, after having handled uranium ore for 4 years, finally held the first gram of radium in her hand there appeared abrasions in the skin which no treatment could cure. With the years she grew steadily sicker from a disease caused by radioactive rays which damaged her bone marrow and through this her blood. In 1934 death put an end to her suffering.

Even so, for many years we were not aware of the grave risks involved in X-rays to those constantly exposed to them. Through operating X-ray apparatus thousands of doctors and nurses have incurred incurable diseases.

Radioactive rays are material things. Through them the radioactive element constantly and forcefully emits tiny particles of itself. There are three kinds. They are named after the three first letters of the Greek alphabet, alpha, beta, gamma. The gamma rays are the hardest ones and have the strongest effect.

The reason why elements emit radioactive rays is that they are in a continuous state of decaying. The radioactivity is the energy liberated little by little. There are other elements besides uranium and radium which are radioactive. To the radiation from the elements in the earth is added some radiation from space. Fortunately, the air mass 400 kilometers high that surrounds our earth protects us against this radiation. Only a very small fraction of it reaches us.

We are, then, constantly being exposed to radioactive radiation coming from the earth and from space. It is so weak, however, that it does not hurt us. Stronger sources of radiation, as for instance X-ray machines and exposed radium, have, as we know, harmful effects if one is exposed to them for some time.

The radioactive rays are, as I said, invisible. How can we tell that they are there and how strong they are?

Thanks to the German physicist Hans Geiger, who died in 1945 as a victim to X-rays, we have an instrument which makes that possible. This instrument is called the Geiger counter; it consists of a metal tube containing rarefied air. In it are two metal electrodes between which there is a high potential. Radioactive rays from the outside affect the tube and release a discharge between the two electrodes. The stronger the radiation the quicker the discharges follow one another. A small device connected to the tube makes the discharge audible. The Geiger counter performs a veritable drumroll when the discharges are strong.

There are two kinds of atom bomb—uranium bombs and hydrogen bombs. The effect of a uranium bomb is due to a process which liberates energy through the fission of uranium. In the hydrogen bomb the liberation of energy is the result of the transformation of hydrogen into helium.

It is interesting to note that this latter process is similar to that which takes place in the center of the sun, supplying it with the self-renewing energy which it emits in the form of light and heat.

In principle, the effect of both bombs is the same. But according to various estimates the effect of one of the latest hydrogen bombs is 2,000 times stronger than the one which was dropped on Hiroshima.

To these two bombs has recently been added the cobalt bomb, a kind of superatom-bomb. It is a hydrogen bomb surrounded by a layer of cobalt. The effect of this bomb is estimated to be many times stronger than that of hydrogen bombs that have been made so far.

The explosion of an atom bomb creates an unconceivably large number of exceedingly small particles of radioactive elements which decay like uranium or radium. Some of these particles decay very quickly, others more slowly, and some of them extraordinarily slowly. The strongest of these elements cease to exist only 10 seconds after the detonation of the bomb. But in this short time they may have killed a great number of people in a circumference of several miles.

What remains are the less powerful elements. In our time it is with these we have to contend. It is of the danger arising from the radioactive rays emitted by these elements that we must be aware.

Of these elements some exist for hours, some for weeks, or months, or years, or millions of years, undergoing continuous decay. They float in the higher strata of air as clouds of radioactive dust. The heavy particles fall down first. The lighter ones will stay in the air for a longer time or come down with rain or snow. How long it will take before everything carried up in the air by the explosions which have taken place till now has disappeared no one can say with any certainty. According to some estimates, this will be the case not earlier than 30 or 40 years from now.

When I was a boy I witnessed how dust hurled into the air from the explosion in 1883 of the island Krakatoa in the Sunda group was noticeable for 2 years afterward to such an extent that the sunsets were given extraordinary splendor by it.

What we can state with certainty, however, is that the radioactive cloud will constantly be carried by the winds around the globe and that some of the dust, by its own weight, or by being brought down by rain, snow, mist, and dew, little by little, will fall down on the hard surface of the earth, into the rivers, and into the oceans.

Of what nature are these radioactive elements, particles of which were carried up in the air by the explosion of atom bombs and which are now falling down again?

They are strange variants of the usual nonradiocative elements. They have the same chemical properties, but a different atomic weight. Their names are always accompanied by their atomic weights. The same element can occur in several radioactive variants. Besides iodine 131, which lives for 16 days only, we have iodine 129, which lives for 200 million years.

Dangerous elements of this kind are: Phosphorus 32, calcium 45, iodine 131, iron 55, bismuth 210, plutonium 239, cerium 144, strontium 89, cesium 137. If the hydrogen bomb is covered by cobalt, cobalt 60 must be added to the list.

Particularly dangerous are the elements combining long life with a relatively strong, efficient radiation. Among them strontium 90 takes the first place. It is present in very large amounts in the radioactive dust. Cobalt 60 must also be mentioned as particularly dangerous.

The radioactivity in the air, increased through these elements, will not harm us from the outside, not being strong enough to penetrate the skin. It is another matter with respiratory tracts through which radioactive elements can enter our bodies. But the danger which has to be stressed above all the others is the one which arises from our drinking radioactive water and our eating radioactive food as a consequence of the increased radioactivity in the air.

Following the explosions of Bikini and Siberia rain falling over Japan has, from time to time, been so radioactive that the water from it cannot be drunk. Not only that: Reports of radioactive rainfall are coming from all parts of the world where analyses have recently been made. In several places the water has proved to be so radioactive that it was unfit for drinking.

Well water becomes radioactive to any considerable extent only after longer periods of heavy rainfall.

Wherever radioactive rainwater is found the soil is also radioactive—and in a higher degree. The soil is made radioactive not only by the downpour, but also from radioactive dust falling on it. And with the soil the vegetation will also have become radioactive. The radioactive elements deposited in the soil pass into the plants, where they are stored. This is of importance, for as a result of this process it may be the case that we are threatened by a considerable amount of radioactive elements.

The radioactive elements in grass, when eaten by animals whose meat is used for food, will be absorbed and stored in our bodies.

In the case of cows grazing on contaminated soil, the absorption is effected when we drink their milk. In that way small children run an especially dangerous risk of absorbing radioactive elements.

When we eat contaminated cheese and fruits the radioactive elements stored in them are transferred to us.

What this storing of radioactive material implies is clearly demonstrated by the observations made when, on one occasion, the radioactivity of the Columbia River in North America was analyzed. The radioactivity was caused by the atomic plants at Hanford, which produce plutonium for atomic bombs and which empty their waste water into the river. The radioactivity of the river water was insignificant. But the radioactivity of the river plankton was 2,000 times higher, that of the ducks eating plankton 40,000 times higher, that of the fish 15,000 times higher. In young swallows fed on insects caught by their parents in the river the radioactivity was 500,000 times higher, and in the egg yolks of water birds more than 1 million times higher.

From official and unofficial sources we have been assured, time and time again, that the increase in radioactivity of the air does not exceed the amount which the human body can tolerate without any harmful effects. This is just evading the issue. Even if we are not directly affected by the radioactive material in the air, we are indirectly affected through that which has fallen down, is falling down, and will fall down. We are absorbing this through radioactive drinking water and through animal and vegetable foodstuffs, to the same extent as radioactive elements are stored in the vegetation of the region in which we live. Unfortunately for us, nature hoards what is falling down from the air.

None of the radioactivity of the air, created by the explosion of atom bombs, is so unimportant that it may not, in the long run, become a danger to us through increasing the amount of radioactivity stored in our bodies.

What we absorb of radioactivity is not spread evenly in all cellular tissue. It is deposited in certain parts of our body, particularly in the bone tissue and also in the spleen and in the liver. From those sources the organs which are especially sensitive to it are exposed to radiation. What the radiation lacks in strength is compensated for by time. It works day and night without interruption.

How does radiation affect the cells of an organ?

Through being ionized, that is to say, electrically charged. This change means that the chemical processes which make it possible for the cells to do their job in our body no longer function as they should. They are no longer able to perform the tasks which are of vital importance to us. We must also bear in mind that a great number of the cells of an organ may degenerate or die as a result of radiation.

What are the diseases caused by internal radiation? The same diseases that are known to be caused by external radiation.

They are mainly serious blood diseases. The cells of the red bone marrow, where the red and the white blood corpuscles are formed, are very sensitive to radioactive rays. It is these corpuscles, found in great numbers in the blood, which make it possible for it to play such an important part. If the cells in the bone marrow are damaged by radiation they will produce too few or abnormal, degenerating blood corpuscles. Both cases lead to blood diseases and, frequently, to death. These were the diseases that killed the victims of X-rays and radium rays.

It was one of these diseases that attacked the Japanese fishermen who were surprised in their vessel by radioactive ashes falling down 240 miles from Bikini after the explosion of a hydrogen bomb. With one exception, they were all saved, being strong and relatively mildly affected, through continuous blood transfusions.

In the cases cited the radiation came from the outside. It is unfortunately very probable that internal radiation affecting the bone marrow and lasting for years will have the same effect particularly since the radiation goes from the bone tissue to the bone marrow. As I have said, the radioactive elements are by preference stored in the bone tissue.

Not our own health only is threatened by internal radiation, but also that of our descendants. The fact is that the cells of the reproductive organs are particularly vulnerable to radiation which in this case attacks the nucleus to such an extent that it can be seen in the microscope.

To the profound damage of these cells corresponds a profound damage to our descendants.

It consists in stillbirths and in the births of babies with mental or physical defects.

In this context also, we can point to the effects of radiation coming from the outside.

It is a fact—even if the statistical material being published in the press needs checking—that in Nagasaki, during the years following the dropping of the atom bomb, an exceptionally high occurrence of stillbirths and of deformed children was observed.

In order to establish the effect of radioactive radiation on posterity, comparative studies have been made between the descendants of doctors who have been using X-ray apparatus over a period of years and descendants of doctors who have not. The material of this study comprises about 3,000 doctors in each group. A noticeable difference was found. Among the descendants of radiologists a percentage of stillbirths of 1.403 was found, while the percentage among the nonradiologists were 1.222.

In the first group 6.01 percent of the children had congenital defects, while only 4.82 percent in the second.

The number of healthy children in the first group was 80.42 percent; the number in the other was significantly higher, viz., 83.23 percent.

It must be remembered that even the weakest of internal radiation can have harmful effects on our descendants.

The total effect of the damage done to descendants of ancestors who have been exposed to radioactive rays will not, in accordance with the laws of genetics, be apparent in the generations coming immediately after us. The full effects will appear only 100 or 200 years later.

As the matter stands we cannot at present cite cases of serious damage done by internal radiation. To the extent that such radiation exists it is not sufficiently strong and has not lasted long enough to have caused the damage in question. We can only conclude from the harmful effects known to be caused by external radiation to those we must expect in the future from internal radiation.

If the effect of the latter is not as strong as that of the former, it may become so, through working little by little and without interruption. The final result will be the same in both cases.

Their effects add up.

We must also remember that internal radiation does not have to, in contrast to that coming from the outside, penetrate layers of skin, tissues, and muscles to hit the organs. It works at close range and without any weakening of its force.

When we realize under what conditions the internal radiation is working, we cease to underrate it. Even if it is true that, when speaking of the dangers of internal radiation, we can point to no actual case, only express our fear, that fear is so solidly founded on facts that it attains the weight of reality in determining our attitude. We are forced to regard every increase in the existing danger through further creation of radioactive elements by atom-bomb explosions as a catastrophe for the human race, a catastrophe that must be prevented.

There can be no question of doing anything else, if only for the reason that we cannot take the responsibility for the consequences it might have for our descendants.

They are threatened by the greatest and most terrible danger.

That radioactive elements created by us are found in nature is an astounding event in the history of the earth and of the human race. To fail to consider its importance and its consequences would be a folly for which humanity would have to pay a terrible price. We are committing a folly in thoughtlessness. It must not happen that we do not pull ourselves together before it is too late. We must muster the insight, the seriousness, and the courage to leave folly and to face reality.

This is at bottom what the statesmen of the nations producing atomic bombs are thinking, too. Through the reports they are receiving they are sufficiently informed to form their own judgments, and we must also assume that they are alive to their responsibility.

At any rate, America and Soviet Russia and Britain are telling one another again and again that they want nothing more than to reach an agreement to end the testing of atomic weapons. At the same time, however, they declare that they cannot stop the tests as long as there is no such agreement.

Why do they not come to an agreement? The real reason is that in their own countries there is no public opinion asking for it. Nor is there any such public opinion in other countries, with the exception of Japan. This opinion has been forced upon the Japanese people because, little by little, they will be hit in a most terrible way by the evil consequences of all the tests.

An agreement of this kind presupposes reliability and trust. There must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him.

Public opinion in all nations concerned must inspire and accept the agreement.

When public opinion has been created in the countries concerned and among all nations, an opinion informed of the dangers involved in going on with the tests and led by the reason which this information imposes, then the statesmen may reach an agreement to stop the experiments.

A public opinion of this kind stands in no need of plebiscites or of forming of committees to express itself. It works through just being there.

The end of further experiments with atom bombs would be like the early sunrays of hope which suffering humanity is longing for.

[From the Saturday Review of May 18, 1957]

THE SCHWEITZER DECLARATION—INTRODUCTION

The Saturday Review has the honor of being the only American magazine or newspaper to publish in full the complete text of the Declaration of Conscience, by Dr. Albert Schweitzer, This statement was issued on April 24 under the auspices of the Nobel Prize Committee in Oslo, Norway, for the consideration of the world's peoples.

Dr. Schweitzer's declaration was concerned with the implications of nuclear warfare and experimentation. Judging by reports received from abroad, the statement has produced a powerful response throughout the world. In the United States, the statement gave new emphasis to a controversy which has involved a number of the Nation's leading atomic scientists. In particular, Dr. Willard F. Libby, of the Atomic Energy Commission, wrote a public letter of reassurance to the doctor at his jungle hospital in Africa. The text of Dr. Libby's letter will appear in full in the next issue of the Saturday Review. The next issue will also contain a commentary on the Schweitzer and Libby statements by Dr. Harrison Brown, professor of geochemistry at the California Institute of

Technology, who was associated with the atomic bomb project at Oak Ridge during the war and who is the author of several books concerned with the significance of nuclear energy.

Press comment in the United States about Dr. Schweitzer's declaration has raised a number of questions: Where did Dr. Schweitzer obtain his data? Why did he issue his appeal to the world's peoples instead of to governments? What caused him to decide to inject himself into this particular debate?

It is abusurd for anyone to attempt to speak for Dr. Schweitzer. I can, however, report on a discussion with Dr. Schweitzer relating to those questions. Three months ago I visited Dr. Schweitzer at his hospital in Lambarene, French Equatorial Africa. One of the purposes of my visit was to discuss with him the general problem of world tensions in the context of an age which has available to itself the means of unlimited destruction.

I found the doctor in excellent health. He was just entering his 83d year but he maintained a daily schedule of work, at his desk, in the hospital, and in physical labor around the place, that would have been beyond the capacity of most men half his age. His mind has lost none of the suppleness or range that have given him distinction in so many fields. There was high purpose in everything he said. There was also a constant vein of wit and good spirits in his manner.

For the first 4 days of my visit to the hospital I spent little time with the doctor. I was appalled at his daily workload, especially his correspondence, and I was severely reluctant to make any demands on his energy or his time. But he sent for me the afternoon of the fourth day and put me at my ease. For the next week we spent at least 2 hours each day in discussions relating to a wide variety of subjects, his unfinished literary labors, history, philosophy, music, and the human situation in the world today.

The discussions were conducted in the German language through an interpreter, Mrs. Clara Urquhart, who has been a frequent visitor to the hospital for many years and who enjoys the complete confidence of the doctor. She is also the author of a recent book "With Dr. Schweitzer in Lambarene," published in London.

It was in connection with the discussion relating to the condition of man in today's world that the subject of nuclear energy came up. It became clear that Dr. Schweitzer had been following this subject with profound interest and concern ever since the explosion at Hiroshima. I had brought with me a number of important papers relating to this matter and proceeded to discuss them with the doctor.

One of these papers was a report, of which Dr. Willard F. Libby was a coauthor, prepared for the United States Atomic Energy Commission in August 1954. Dr. Libby was reporting on the effect of radioactive fallout on milk resulting from the uranium and plutonium nuclear explosions that had taken place up to that time. Samples of milk taken from various places showed evidence of some contamination. The quantities of this radioactive strontium were found at the time to be well under dangerous levels. Even so, Dr. Libby's report showed evidence of growing apprehension, especially in his recommendation that the Federal Government undertake estimates on the cost of decontaminating milk. The decontamination would be effected by removing the calcium from the milk. Calcium has an affinity for radioactive strontium.

Three things were significant about that report. The first was that most of the radioactive fallout resulting from previous nuclear explosions had yet to come to earth at the time the survey was made. The second was that the biggest nuclear explosions were to occur after the report was published in August 1954. The third was that no precise data are available on the tolerance limits of human beings to radioactive strontium.

In other forms of radiation, it is definitely known that there is far less safety than had earlier been supposed. Only 10 or 15 years ago, for example, the public was being assured that it had nothing to fear from regular X-ray examinations. In the last year, however, it was disclosed that the tolerances were astoundingly lower than once had been so confidently claimed. Scientists have yet to perform the same kind of exhaustive researches into the tolerance limits of radioactive strontium that have been made on X-ray radiation. If, through additional research, it develops that the effects of radioactive strontium have been underestimated, as in the case of X-rays, then colossal damage to all living creatures will have been done. And this is the kind of damage that cannot be undone.

Another matter discussed with Dr. Schweitzer concerned the power of the new bombs. One way of visualizing this new power would be to imagine a procession of 1 million trucks, each of which contained 10 tons of TNT. The total tonnage would form a manmade mountain of dynamite several times the height of the Empire State Building. If this mountain were to be detonated it would represent the approximate power in a single 20-megaton hydrogen bomb that can be carried by a single plane.

Nothing to me was more striking than Dr. Schweitzer's face as he contemplated and spoke about the situation that confronted people in the world today. There seemed to be an infinity of detail in that face; it seemed as though every event in human history were clearly recorded there. Most of the time he sat forward in his straight chair, his eyes seemingly fixed on a distant object.

He said that over the years he had been collecting materials on the question of nuclear energy, military and nonmilitary. When he visited Europe some months earlier, his concern had been considerably increased as a result of a meeting of Nobel prize winners in Lindau (Austria). Many of the scientists there spoke with the utmost sense of urgency and gravity about the growing problem. Alongside such a problem, he said, everything else seemed small.

Only a few years ago, he added, the statement that this planet could be made unfit for life seemed absurdly melodramatic. But there was no longer any question that such power now existed. And even without a war, the atmosphere could become dangerously contaminated.

"After our talk yesterday," he said, "I reflected that danger of this magnitude is not easily grasped by the human mind. As day after day passes, and as the sun continues to rise and set, the sheer regularity of nature seems to rule out such terrible thoughts. But what we seem to forget is that, yes, the sun will continue to rise and set and the moon will continue to move across the skies, but mankind can create a situation in which the sun and moon can look down upon an earth that has been stripped of all life.

"We must find some way of bringing about an increased awareness of the danger," he continued. "It is a serious thing that the governments have supplied so little information to their peoples on this subject. There is no reason why people should not know exactly where they stand. Every once in awhile, the governments will reassure the people but this only comes after there has been a serious alarm. What is needed is genuine information. Nothing that a government knows about the nature of this new force is improper for its people to know."

I asked Dr. Schweitzer if he did not think that it was important for him to say publicly what he had just said to Clara Urquhart and me.

His eyes turned from a distant object and he looked at me directly.

"All my life," he said, "I have carefully stayed away from making pronouncements on public matters. Groups would come to me for statements or I would be asked to sign joint letters or the press would ask for my views on certain political questions. And always I would feel forced to say no.

"It was not because I had no interest in world affairs or politics. My interest and my concerns in these things are great. It was just that I felt that my connection with the outside world should grow out of my work or thought in the fields of theology or philosophy or music. I have tried to relate myself to the problems of all humankind rather than to become involved in disputes between this or that group. I wanted to be one man speaking to another man about the lasting problems inside men and between them."

I asked whether the doctor felt that the matter we had been discussing was as much moral as it was scientific or political. I told them I believed there was no living person whose voice on such an issue would be more widely heard or respected.

Dr. Schweitzer thanked me for the compliment but said that this was a problem for scientists. He believed that it would be too easy to attempt to discredit any nonscientist who spoke out on these matters.

I told him that I thought it inconceivable that this would be true in his case. Moreover, this was not solely a laboratory question. If nuclear power could have the effect of damaging the genes of human beings, then the nature of man himself was involved. Sovereign nations were now in a position to make decisions that were not properly theirs to make.

In saying this, I told him I recognized that the problem could not be considered apart from the larger uncertainty in the world today. Deep apprehension existed in the United States States and Western Europe about the basic aims and purposes of the Communist world. The totalitarian record of Stalin, to which the Communist leaders had themselves attested, and recent events of which Hungary was a grave example, made it difficult for the Western World to feel confident in the expressed desire of the Soviet leaders for peace. In short, nuclear experimentation did not exist in an otherwise placid world. This, of course, added to the peril of mankind. For what we had most to fear was not merely the tests themselves, hazardous though they might be, but a saturation of tensions resulting in all-out nuclear war.

Dr. Schweitzer agreed, saying that anything that would be done against nuclear experimentation should not have the effect of putting the West at a disadvantage with respect to Soviet Russia.

He said, however, that the very real challenge of world communism should not be used as the reason for withholding vital information from the human race concerning the dangers of unlimited nuclear testing. It was possible that an informed and determined world public opinion could serve as a powerful force in bringing about enforceable agreements with respect to arms control and in leading to other long-range measures for peace.

In view of all this, I asked the doctor whether he felt justified in putting aside his reticence about making a public statement.

He said that he would continue to give careful thought to the matter. He was still troubled, he said, about the form a constructive statement might take. How would it be issued? How would one go about drafting a statement that would be outside the context of the ideological struggle in the world today? He reemphasized that he didn't want people to think that he was admonishing the United

States or trying to intrude into domestic concerns. He wanted more time to think about these things.

When we resumed our discussion the next day he said he was still uncertain about the form of a statement or the method of its release.

Meanwhile, he was eager to consider an aspect of the problem that was highly significant. This was the fact that nations which were setting off nuclear explosions in the pursuit of their own security were possibly jeopardizing the health of other peoples.

On the basis of recent visits to Japan, I could report to Dr. Schweitzer that the Japanese Government was confronted with a profound dilemma. It did not wish to oppose the American Government, nor did it see any way of condemning Soviet Russia at the United Nations without including the United States. But Japan had increasing evidence of soil contamination as the result of the Russian tests, and fish contamination as the result of the American tests. Autopsies had indicated the presence of radioactive strontium in a number of corpses. The American hydrogen bomb explosion called "Operation Castle" had not been under complete control. Japanese fishermen were outside the prohibited area yet had been hit by radioactive ashes. The Japanese Government had just issued instructions to its people about precautionary measures in the preparation of leafy vegetables and fish. But decontamination of food was a complicated laboratory process; it was doubtful that even the most careful washing and boiling would be adequate.

As a result, Japanese public opinion was sensitive on the subject and was now becoming articulate and potent. Meanwhile, Communists were exploiting the issue of testing against the United States, making it appear that America was responsible for the failure to arrive at cessation agreements, and saying little about the fact of Soviet nuclear testing.

As we discussed the role of the bystanders with respect to nuclear testing, I could see that Dr. Schweitzer felt that this was a vital issue. As a citizen of a democratic nation. I did not feel that we had any right to take measures that were of possible danger to others without their consent. Indeed, the principal argument against Nazism and more recently against communism was that they were scornful of the rights of others and did harm to innocent people in their pursuit of military advantage. Is it any less immoral for a democratic nation to jeopardize the health and safety of other peoples through air dispersal of radioactive poisons? If other peoples are involved, then they have a right to participate in the basic decisions involved in testing. There is no more basic tenet in democratic government than that people who are affected by the acts of government have a right to participate in the affairs of that government.

If it is wrong to impose a tax on a man without giving him a voice in government, is it any less wrong to deprive his soil or water of their purity without giving him a chance to be represented and heard?

At the time I left Lambarene, Dr. Schweitzer was still struggling with the questions he had posed about the proper way in which a public statement might be made. A few weeks later I received a letter from the doctor saying that he had resolved these question in his own mind. He would prepare a declaration and then turn it over to the Nobel Prize Committee. Earlier he had been invited by the Nobel committee to speak out on the subject of world peace. In doing so now, he would write a declaration of conscience addressed to no single nation but the world's peoples. In it he would call for the right to know; he would try to make clear that before anything constructive could be done people had to have full information on the basis of which a moral climate of opinion could be created. He also said in his letter that he would get the fullest information from and check his facts with scientists of worldwide repute.

This is the way the matter was handled. Dr. Schweitzer's statement was read in full over Radio Oslo under the auspices of the Nobel prize committee. Copies were sent all over the world for simultaneous release. So far as can be ascertained, the United States, Soviet Union, and Communist China were the only major nations which did not broadcast the full text. In checking with American networks, I learned that there had apparently been some confusion about the statement. Indeed, two of the networks claimed that they had not even heard of the statement prior to the news flash about it from the wire services. In any event, the statement has now been released and millions of people know of its message. This is the statement that appears in full starting on page 17.

So far as the American people are concerned, it is unfortunate that the subject of nuclear experimentation became a political issue in the last campaign. The result has been that many people have taken fixed positions based on party affiliation. But the question has nothing to do with politics. It has to do with facts of vital concern to our health and the health of the world's peoples. It also has to do with information.

The American people have not been fully informed—under either administration these past 12 years—about the essential facts related to nuclear energy. Part of this is justifiable on military grounds. But it is also true that much of it has nothing to do with military security; what little the Government has released virtually had to be dredged out of it. It was only when a disaster occurred, as in the Pacific tests involving the fishermen, that the public had any inkling of the extent of danger from radioactivity.

Dr. Libby's letter is written with obvious good will, but it is not reassuring. He does not emphasize the special problem represented by internal radiation. He says nothing about the lower tolerances of children to radioactive strontium. He says nothing about the extent of contamination of milk. He makes no reference to his earlier report. He did not tell Dr. Schweitzer that the United States Public Health Service is just now setting up five stations at various points across the United States for the express purpose of testing milk and other foodstuffs for radioactive contamination. He does not make clear that neither this Government nor any other government can guarantee its people or other people that there may not be untoward effects which additional research may make known. He does not say what will happen when smaller nations, as will inevitably happen, begin their own nuclear programs. He cannot predict what the future fate of fallout will be, nor where it will take place. Nor does he remind people that X-rays, at a stage of development comparable with present nuclear testing, were considered far less harmful than they turned out to be. Finally, he talks about permissible limits of radioactive strontium in human beings. What he overlooks is that the proper amount of strontium in a human being is no strontium.

The editors do not question the good faith of our Government. We realize that there are circumstances under which men in Government may feel justified in withholding vital information. It may be feared that the American people will respond in panic. But this will be as nothing compared to the panic that will occur later if it should be discovered that the tolerance limits have been passed, and that there is no known method of washing the sky clean of the radioactive poisons that are yet to fall. The American Constitution makers had only to review history to be convinced that it is the natural and inevitable tendency of men in authority to withhold information if it is likely to produce an unwanted result. Because of this, the Constitution makers contended that the people must be informed about everything that concerns them—not as a matter of privilege, but as a matter of natural right.

It is this natural right that concerns Dr. Schweitzer.

DANGER OF RADIOACTIVE FALLOUT AND NEED FOR NATIONAL INSTITUTE OF RADIATION WITHIN NATIONAL INSTITUTES OF HEALTH

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may exceed the 3-minute limitation on statements during the morning hour.

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

Mr. NEUBERGER. Mr. President, within recent months increased public attention has been focused on the subject of radiation exposure and its effect upon the human body. Evidence of this phenomenon may be observed in the frequent articles on this topic which have appeared in major United States publications, the many public discussions of radiation held by national medical and scientific organizations, and the numerous published studies seeking to determine more exactly the extent to which radiation is a factor in our lives.

This consideration of the problems inherent in radiation exposure is a reflection of the rising concern on the part of both scientists and laymen. For although these public expressions do not agree as to exact degree of danger involved in radiation exposure, they do agree that active or at least potential danger does exist and that further steps must be taken to determine the seriousness of the problem and to implement basic programs for the protection of our citizens.

As a sponsor of S. 1228, a bill to establish a National Institute of Radiation Health, which I introduced February 14, 1957, I have been particularly interested in public response to this issue. This proposal for establishment of a Government program which will provide at least elementary protection for our citizens has also been introduced in the House of Representatives by Congressman CHARLES O. PORTER of Oregon's Fourth District.

Briefly, S. 1228 would create a National Radiation Health Institute, similar to the existing institutes of national health. The Institute would have extensive research capabilities enabling it to study all phases of the impact of radiation on human health, thus making it a central source of information in this area plus a force for the coordination and stimulation of research activities elsewhere.

S. 1228 would also initiate a program of development and dissemination of permanent personal record forms on which an individual may, voluntarily, maintain a life-time record of radiation exposure. This provision, which has been recommended by the National Academy of Sciences and numerous other scientific groups and individual authorities, has gained even greater importance during the last several months

with the public pronouncements by respected scientists that the radiation dose received by an individual should be severely restricted in the light of new findings.

In February of this year, Dr. Lauriston S. Taylor, Chief of the Atomic and Radiation Physics Division of the Natural Bureau of Standards, told a symposium in New York City the National Committee on Radiation Protection has found that the maximum permissible dose of radiation to which a person can be exposed without serious likelihood of harm is one-third of the previously accepted figure. And the symposium was further informed by James F. Crow, Professor of Genetics at the University of Wisconsin, that "there is no 'safe' dose" of radiation. "Each dose, however small, causes a risk of genetic harm proportional to the dose," Dr. Crow said.

These warnings, similar to those voiced by the National Academy of Sciences last June, were echoed again last month at the academy's spring meeting. Dr. W. L. Russell, Chief Geneticist in the Biology Division of the Atomic Energy Commission's Oak Ridge National Laboratory, reported that recent tests suggest the possibility that radiation may tend to shorten not only the lifespan of persons receiving it but also of children of exposed individuals, thus reinforcing a theory previously advanced by other scientists.

On May 7, Dr. Arnold B. Kurlander, assistant to the Surgeon General of the United States, announced that traces of radioactive strontium 90 and cesium 137 have been found in milk supplies during recent tests. Both of these elements are potentially dangerous to man. Their appearance in milk has been noted only since the testing of nuclear weapons began. Mr. President, I ask unanimous consent that a story headed "Rise in Radioactivity Noted in Milk Tests" which appeared in the Washington Post and Times Herald of May 8, 1957, be printed in the RECORD at this point.

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

[From the Washington Post of May 8, 1957]

RISE IN RADIOACTIVITY NOTED IN MILK TESTS

LOUISVILLE, KY., May 7.—Dr. Arnold B. Kurlander, an assistant to the Surgeon General of the United States, said today new traces of potentially dangerous radioactivity have been found in milk since the testing of nuclear weapons began.

He told the national conference of the Association of Food and Drug Officials that milk normally contains traces of radioactive potassium, but, the recent tests have disclosed traces of strontium 90 and cesium 137, both radioactive and potentially dangerous to man.

While the radioactivity is only one-one hundredth that of potassium, "its cumulative effect represents a problem that must be considered," Dr. Kurlander asserted.

He said these radioactive elements might also be eaten in vegetables exposed to fallout, just as cows that give the milk take in such elements while grazing.

Dr. Kurlander said the Public Health Service is now conducting a survey of milk samples from various cities. The survey will be correlated with other surveys in air and water pollution from atomic fallout.

Mr. NEUBERGER. The peril of radiation has, perhaps, been most graphically demonstrated in recent months, by the report of the Atomic Scientists Association, a group of British scientists who organized in 1946 for the purpose of keeping Britain informed about atomic developments. This report, issued April 16, estimated that a hydrogen bomb exploded in the upper atmosphere might produce bone cancer in 1,000 individuals for each explosive unit in the bomb equivalent to a million tons of TNT.

I ask unanimous consent to have printed in the RECORD at this point in my remarks, a story from the New York Times of April 17, 1957, entitled "Bone Cancer Link to H-Bomb Feared" and describing this report.

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

[From the New York Times of April 17, 1957]

BONE CANCER LINK TO H-BOMB FEARED—BRITISH SCIENTISTS SEE PERIL IN HIGH ALTITUDE TESTS

LONDON, April 16.—British scientists estimated tonight that a hydrogen bomb exploded high in the atmosphere might eventually produce bone cancer in 1,000 persons for each explosive unit in the bomb equivalent to a million tons of TNT.

The scientists added that their estimate was conditional on the acceptance of a theory that the incidence of bone cancer in a body was proportional to the amount of radioactive material in the body.

Their report said it had been stated that the bombs hitherto exploded were "equivalent in aggregate to 50 million tons of TNT insofar as their strontium 90 fallout is concerned."

Strontium 90 is a radioactive byproduct of a hydrogen bomb explosion.

The report was written by a committee appointed by the Atomic Scientists Association, a private body set up in 1946 to keep the Nation informed about atomic developments.

The committee studied the whole question of radiation hazards from an independent viewpoint and followed up a report last year by Britain's Medical Research Council.

Discussing the estimate of the possible incidence of bone cancer from strontium 90, the report said: "These thousand casualties would be spread all over the world and occur in the course of several decades.

"A somewhat larger number of people might suffer other bone changes, possibly without manifesting any clinical symptoms

"There is also the possibility of a number of cases of leukemia (blood cancer) resulting but we have not enough data to estimate this number.

"At the same time, it should be pointed out that these casualties, although large in absolute number, represent only a fraction of those due to the natural level on radioactivity; there would be no way of distinguishing one from the other.

"If other types of nuclear weapons were exploded, the number of casualties would vary in direct relation to the amount of fission products released into the upper atmosphere."

MUCH ROOM FOR ERROR

The scientists stressed in their report the possible "considerable margin of error due to lack of adequate data," and the fact that it was based on the "as yet unproved hypothesis of a proportional relationship applying to very small doses."

The report referred to forthcoming British tests in the summer at Christmas Island in the Pacific and said that, because of the reported conditions planned for the explosions, there is very grave danger of injury to people, or of substantial contamination of the oceans."

Declaring that medical research shows damage to reproductive organs—which may cause damage to future generations—is estimated as slight if hydrogen bomb tests continue at the present rate, the report adds:

"Of greater import, however, is the damage which may result to the present generation mainly from one radioactive substance: strontium 90.

"This substance enters into our food, chiefly in vegetables and dairy products, and it accumulates in the human body in the bones where it remains for a long time.

"Depending on the assumptions made about the distribution of strontium in bone, we calculate that by the year 1970 the radiation dose to bone from all the tests carried out up to the autumn of 1956 will range from 9 to 45 percent of the dose received from all natural sources, including the radium which is normally present in bone."

The report said strontium 90 causing bone cancer had been demonstrated in animals and the same effect seen in human beings through radium radiation.

"In all these cases the amounts of radioactivity present in the bone were far greater than those that are likely to accrue from H-bomb tests," the report said.

"The question then arises how to apply these findings to very small doses. There is here a fundamental difficulty in that the relationship between the damage produced and the amount of radiation is not known.

"If this relationship is such that there exists a threshold dose below which cancer cannot be induced, then it can reasonably be inferred that the same amount of strontium 90 which will accumulate in bone from the current H-bomb tests would not result in any harm.

"If, however, the number of additional bone tumors resulting from radiation is directly proportional to the dose, then even a very small dose will give rise to a small but definite probability of bone cancer.

"This means that in a very large population a certain number of people would contract this disease as the result of their having a small amount of strontium 90 in their bones.

"The evidence is as yet inconclusive."

Mr. NEUBERGER. Although the advent of the atomic and hydrogen bombs has spotlighted radiation exposure and its attendant dangers, mankind has always been exposed to radiation from a variety of sources. Natural sources include cosmic radiation, naturally occurring amounts of radium, thorium and potassium in the earth's crust, and the content of natural radioactive elements in living tissues. Within the last two centuries X-rays and fluoroscopic examinations have supplied an additional source. Now fallout, industrial and military reactors, and therapeutic devices employed in medicine have increased our chances of exposure.

While we are largely helpless to control exposure to radiation from natural sources, this is not the case in connection with manmade radiation.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article by Dr. H. J. Muller, of Indiana University, titled "Race Poisoning by Radiation" which appeared in the Saturday Review of June 9, 1956, plus excerpts from the report of a study group of the World Health Organization on the effect

of radiation on human heredity published December 5, 1956.

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

(See exhibit 1.)

Mr. NEUBERGER. Dr. Muller, an internationally known biologist and winner of the Nobel prize for physiology and medicine in 1946, discusses the effects of radiation and the procedures which we might adopt to protect ourselves and our children.

The WHO study group report outlines steps which must be taken to prevent genetic casualties among the world's population. It is interesting to note that the report strongly recommends the adoption of a system of recording the radiation dosages received by individuals, through diagnostic and therapeutic use of X-rays, a provision also suggested by the National Academy of Sciences and included in my bill, S. 1228.

In connection with this later point, Dr. Robert W. Miller, an associate of the Committee on Atomic Casualties, speaking before the American Academy of Pediatrics meeting in Washington last month, declared that "we should reevaluate X-ray use and see if we can step down the output of radiologic equipment." Dr. Miller, who is also a member of the National Research Council, told the pediatricians that even the smallest exposure can produce injury. "While the diagnostic use of the X-ray is unlikely to precipitate disease, exposure may erase part of the margin of safety," he said. "It is conceivable that the clinical use of radiologic procedure may contribute to the development of disease later in life, perhaps after a latent period of several decades."

Dr. H. Bentley Glass of Johns Hopkins University reported to the Academy of Sciences last month that, in the light of new developments, it may be possible to reduce all radiation for medical and dental diagnostic purposes to less than one-tenth of current levels. Dr. Glass also stressed the need for personal records on which all radiation exposures would be noted.

Because of these and similar findings made by men who are considered experts in this field, I believe that it is urgent that Congress recognize the seriousness of the problems connected with radiation exposure and consider legislation which will provide elementary precautions. S. 1228 represents an attempt to create such a protective program.

Mr. President, on February 18, 1957, the staff of the Senate Committee on Labor and Public Welfare referred S. 1228 to the Department of Health, Education, and Welfare and the Bureau of the Budget for comment. At the request of Dr. Taylor of the Bureau of Standards, the bill was also referred to the Department of Commerce on April 3. No report has been received from any of these agencies.

I trust that these comments will be forthcoming within the near future. Scientists and doctors have established that there are valid reasons for concern in connection with radiation exposure. I believe that the bill which I have introduced in the Senate would create an effective framework for coordinating research in this field and also institute minimum safeguards for defense of our citizens from the acknowledged dangers of radiation.

Representative CHET HOLIFIELD, chairman of a special Subcommittee on Radiation of the Joint Committee on Atomic Energy, has announced that hearings on the nature of radioactive fallout and its effects on man will be held over a 3-week period beginning May 27.

I wish to compliment the subcommittee for its action in scheduling these hearings. I believe that reports such as I have presented today indicate the crucial nature of the problem of radiation exposure, and I welcome the efforts of Representative HOLIFIELD'S subcommittee to study and coordinate information on this topic.

Because the provisions of S. 1228 are so inexorably entwined with the questions which the subcommittee will discuss, I have requested that I be permitted to testify at these hearings to explain my proposal. Recommendations which the subcommittee might make regarding radiation exposure and human health will be of great help in initiating a program of positive protection.

I am confident that the broad foundation of scientific information gathered by the Holifield subcommittee will be utilized by the Senate Committee on Labor and Public Welfare to prepare for early hearings on S. 1228, thus permitting the Senate to take action on this proposal or similar legislation during the 1st session of the 85th Congress. By delay we are cheating only ourselves.

EXHIBIT 1

[From the Saturday Review of June 9, 1956]

RACE POISONING BY RADIATION

(EDITOR'S NOTE.—Certainly the most frightening effects of a nuclear reaction are the terrible burns and growths inflicted on living victims of a bombing. But there are subtler and more sinister injuries. Madame Curie died from years of slow radium poisoning. Technicians have been sterilized by improper X-ray procedures. Experiments show how radiation disturbs the genetic material of plants and animals. Below, Dr. Muller notes his evidence that even "harmless" radiation shortens the lifespan. All this would be more or less academic were it not for the rapidly increasing volume of fission processes in the modern world: America, Britain, and Russia now possess great stockpiles of A- and H-bombs, and in 10 years every nation will be building reactors—for peacetime as well as military uses—all over their countrysides. In case of a war, as Dr. Ralph Lapp, the nuclear physicist, pointed out to Congress on March 20, the "fallout" from a bombing will be far more of a disaster to the surviving population than any Civilian Defense scheme is yet prepared for. But even the present rate of radiation production has overtaken scientific knowledge of its significance for the human body. The world-famous biologist, Hermann J. Muller of the University of Indiana, who won the Nobel prize for physiology and medicine in 1946, has been warning us for many months about the dangers of walking blind into the Nuclear Age; this present discussion has been developed by him from remarks before the recent Military-Industrial Conference in Chicago. Dr. Muller is now serving on a commission for the study of this problem as the basis for a public report.)

(By H. J. Muller)

In the atomic bombing of Japan many more people were killed by impact, fire, and heat rays than by high-energy radiation. (We may, however, note that this analysis ignores the considerable shortening of life induced by all the radiation.) By contrast, a present-day hydrogen bomb emits radioactive fallout products, derived from its added uranium, that are lethal over an area of thousands of square miles, more than 100 times that ravaged by the blast itself.

It is obvious that to enable these H-bombs to do maximum damage the attempt will be made to space them over populous regions so as to have their wide marginal areas of fallout overlap. By means of this "pattern bombing," even the margins are brought above the radiation level for lethality and the range of effective fallout is expanded. Moreover, most of the survivors caught far within the group of conjoined fallout areas are compelled to wait much longer underground until the radiation has sufficiently subsided to allow them to take the long journey out. This journey would be necessary, because it would for years be dangerous to live in bombed regions.

It would be surprising if the surviving population of a country that was systematically bombed in this way did not accumulate in the course of time an average of 100 to several hundred roentgen units of radiation, even though they had been well disciplined for such an attack, and well provided with shelters, radiation counters, facilities for decontamination, essential supplies, battery-powered radios, and so forth. At least, it has been estimated that people remaining all the time in the basements of suburban-type houses, well sealed off from the dust of the outer air, in positions 100 miles downwind from an explosion of the type set off on March 1, 1954, would receive some 100 roentgens of gamma radiation from outside during the first week alone. Moreover, exposure outdoors in that region on the 8th day if rain or artificial decontamination had not occurred might deliver 80 roentgens more of whole-body radiation to them in 24 hours. This would not be enough to give many of them serious radiation sickness if they did not get the dust on their skins or into their bodies. If, however, the population were not well prepared and instructed, the survivors might in the course of the first week or two receive an average dose of well over 1,000 roentgens. This is a dose several times that which would have killed them if it had been received all at once, and when received in this somewhat more diffuse form it would still be enough to give most of them pronounced radiation sickness. We shall not attempt to estimate here what proportion of the people in the entire fallout area would, because of less protection or shorter distance from the explosion than this, have had such severe radiation sickness as to kill them. For this proportion would largely depend upon how well the people had been disciplined in advance, provided with shelters, and otherwise equipped.

EARLIER EFFECTS OF RADIATION

Many of the well-known symptoms of the group of disturbances known as radiation sickness appear to stem from reduction in the number and efficiency of blood-system cells and of their products, such as the blood platelets that insure clotting. The minute perforations caused by destruction of blood-vessel cells and of intestinal cells lead to internal bleeding and to the entrance of bacteria, while the decimation of the white blood cells reduces the body's ability to overcome bacteria.

This reduction in cell numbers and effectiveness is found primarily in the case of cells that multiply frequently. Included here are not only the diverse blood-system cells mentioned, but also skin and hair cells, the effects on which cause temporary loss of skin color and of hair, and the cells of the reproductive organs, that may be enough affected to enter

a period of sterility. Fart of the effect, in all these cases, must be a consequence of the temporary checking of cell multiplication that radiation is known to cause. But much of it must be a consequence of the damaging, probably by breakage, of the chromosomes within the cells. These are the minute threads containing the cell's hereditary equipment, its thousands of different, highly specialized genes. It is only when cells divide and therewith transmit their precious cargo of genes to their two daughter cells that a break in a chromosome, previously produced, may result in a cell that lacks a chromosome fragment, and that is killed or permanently impaired by the absence of certain of its genes. In other words, there is reason to infer that much of the malady known as radiation sickness is really an expression of damage to the hereditary material of many of the body's cells, lying scattered throughout certain strategic tissues that normally are renewing themselves actively.

On this interpretation it is not surprising that if the damage has not been too severe there will be some normal cells remaining, by the multiplication of which the depleted tissues will become in considerable measure restored. The restoration will be incomplete, however, and diverse parts of the body will thereby be left in a somewhat weakened or less effectively operating condition. Since this damage is greater the more rapidly multiplying the cells in the given tissue were, it is evident that the younger the individual is when irradiated the more he will be affected. This will express itself, among other things, in a checking of growth from which he will never fully recover. Moreover, those parts of him that were in a faster growing, more formative state at the time of exposure will be especially retarded and deranged. That is why even doses of 50 to 100 roentgens, if delivered to the young fetus, can give rise to permanent abnormalities such as the condition of small head or microcephaly, resulting in defective intelligence, that was found in some of the children born at Hiroshima several months after the bombing.

DELAYED EFFECTS

One of the kinds of damage to body cells that is sometimes brought about by radiation is the conversion of a normal cell, probably by some kind of mutation in a gene, into a cell with the potentiality of later producing, when the conditions are appropriate for it, a malignant growth, either of blood cells, as in leukemia, or of some other type. These symptoms sometimes become evident only decades after the irradiation. Fortunately, they are induced in only a small minority of people, except in cases in which only a small part of the body has been irradiated with a dose far higher than the whole body could have tolerated. More frequent among the late effects of irradiation of the whole body are the development of minute spots of opacity in the lenses of the eyes. These cataracts, seldom large enough to impair vision seriously, show where individual cells have been permanently damaged, very likely by breaks in their chromosomes. It is only because the lens is a transparent tissue that we can directly detect these points of injury in it, but it may be infererd that the same kind of thing happens in all parts in which there are cells that can divide. This would explain what is by far the most serious of the long-term effects of radiation on the exposed person himself: The shortening of his span of life.

It is remarkable how few people, even among physicians, are yet aware of this effect and of the exact rules it follows. These rules were discovered some 10 or more years ago by Dr. R. D. Boche (then at the University of Rochester, but shortly afterward at the University of Chicago) on going over data obtained by a number of investigators during the war, under the Manhattan District project, on the time of death of irradiated mammals of several different species. The principles were further developed by G. A. Sacher and A. M. Brues. The results have been so consistent that there is no reasonable doubt of the application of the same rules to man, especially in view of some confirmatory evidence. They lead to the conclusion that for each roentgen unit of radiation received by the whole body at a given age, if delivered at a rate of not more than a few roentgens per day, there is on the average a loss of something like 5 days of life, perhaps as much as 2 weeks, depending on the age. There is still some uncertainty about the exact quantity, but not about the principle. No one particular ailment is thereby induced in the exposed group; they are simply made a trifle more susceptible to all causes of death, much as if they had been aged by several days.

Since the effect is proportional to the amount of radiation, if the rate of radiation per day is low a dose of 200 roentgens, received in a dispersed manner over a considerable period, would cause a pseudoaging of something like 1,000 days. That is, death would on the average occur nearly 3 years earlier than if there had been no exposure. This proportionality of the effect to dose at low rates of delivery of the radiation is understandable if it has its basis in chromosome changes, for at low-dose rates these chromosome effects also follow this rule, unlike most biological effects. If, however, the rate of delivery of the radiation is raised considerably, so that the 200 roentgens here in question are received in a period of hours, the frequency of permanent chromosome changes becomes disproportionately greater, and, corresponding with this, there will be a more extreme curtailment of the life span.

In view of all this it is rather surprising to read such a statement as that which appeared in the November 1955 issue of the Office of Naval Research's magazine Research Reviews in the article featured on the cover as Fallout True Story. This article ends with the following statement, referring to the 64 natives of Rongelap in the Marshall Islands who had received an estimated 175 roentgens of gamma radiation and additional radiation of a beta type, and who had shown some symptoms of radiation sickness: "Yet, after 18 months all 64 of these natives are still alive, and none suffers any lasting after-effects as the result of their experience with radioactive dust." Do we not officially admit the long-known shortening of life, and the fact that any exposure, no matter how small, exerts some permanent damage?

As for larger doses, it can be calculated that people of, say, 30 years of age who have somehow managed to survive 1,000 roentgens, the first third of it received in the first day or two and the rest by the accumulation of decreasing amounts over a period of weeks or months, will probably succumb within something like a decade.

EFFECTS ON THE DESCENDANTS

It is fortunate that such large doses as this usually cause sterility, for the sum total of hereditary damage done to later generations by a given amount of irradiation of persons who later reproduce, if expressed in terms of years of life lost, is very much greater, perhaps more than ten times as great, as the damage done to the directly exposed individuals. This total damage is spread out over so many generations, however, that even in the most affected generation, that of the immediate children, it would be very difficult to demonstrate it even after a dose of one to a few hundred roentgens. Yet it is nonetheless very real, and hits humanity at its innermost and most precious core.

This damage to later generations, unlike that causing the trouble in the tissues of the exposed individual's own body, does not have its basis mainly in breaks of the chromosomes. It consists mainly of permanent chemical alterations, called mutations, that are produced by the radiation in a haphazard way in one or another of the genes, the hereditary particles, lying within the chromosomes of the reproductive cells. Each of the thousands of different genes in a reproducaive cell will have its specialized role to play in the development and maintenance of the offspring that that cell, after fertilization, will produce, and in the intricate system of operations whereby that offspring will live and in its own turn reproduce. Any alteration of a given gene's composition, brought about by some minute collision that was induced blindly by a bolt of radiation, will in the vast majority of cases cause some impairment in the functioning of the body derived from the affected germ cell.

It is an old wives' tale that these mutations frequently take the form of monstrosities. It should be recognized that the impairment will usually be slight, or even unrecognizable, consisting of such traits as a slightly greater than average tendency to rheumatism or gastric ulcer, or high blood pressure, often not evident until the later years of life, or a higher requirement for some vitamin, or a slightly lowered I. Q. One reason for this lack of marked effects is that an offspring containing a mutant gene will almost always inherit from its other parent an undamaged gene of the original kind in question, and this normal gene will usually exert a much stronger effect than the mutant gene, being as we say "dominant." Yet, for all that, the mutant gene and the slight impairment caused by it will be inherited by a succession of generations, and it will hamper them to some small degree at least, even in the presence of the normal gene, until in the end some descendant finds himself in circumstances where just that disability happens to become the deciding factor in causing his death before maturity, or his failure to reproduce. Thus, the mutant gene will at long last be eliminated from the population, but only at the cost of the demise or frustration of some descendant, usually a remote one, and the hampering, in some degree, of descendants belonging to the intermediate generations.

In its impact on the population as a whole this kind of effect on later generations is in some ways curiously analogous to the shortening of life produced in the directly exposed generation. For the impairments are pretty much hidden, yet they may take a considerable toll. In doing so they simply cause a somewhat higher frequency of maladies and infirmities that would be found anyway, and we can never be sure that a given death was caused by the radiation.

It is even better established for mutations inherited by the offspring than for the shortening of the life span of the exposed individuals themselves that the abundance of the effects is directly proportional to the dose received, no matter how large or small the dose. There is no dose so small that it fails to entail its proportionate risk of causing a mutation. In the case of the mutations of genes, however, unlike the life-span effects, the rate at which the radiation is received makes no difference. A given total dose is just as effective in producing mutations if its delivery was dispersed over a period of 30 years as if it was concentrated into 2 seconds. Thus, the total number of mutations produced by radiation in one generation depends on the total dose of radiation accumulated between the conceptions that gave rise to that generation and the conceptions that gave rise to the following generation.

How many mutations are produced in man by a given dose is a matter of considerable uncertainty but, in the light of data from other animals, the most probable value is

that each roentgen unit received by 1 parent results in 1 induced mutation among about 400 of his germ cells. This means, for example, that if a parent had received 100 roentgens any child of his conceived after that time would have 1 chance in 4 of receiving an induced mutation from him; that is, there would be one such mutation among every 4 of his children, in addition of course to the several or many mutations of natural origin that they would also be inheriting, mostly from the remote past, and that had not yet been eliminated. If both parents had received 200 roentgens, each child, on the average, would inherit one induced mutation.

It is readily seen that even though each person of the next generation contained, on the average, one mutation induced by the radiation this would still be far from enough seriously to threaten the continuance of the population as a whole. Mankind would not be wiped out by this means, though of course nuclear war could wipe it out more directly. Nevertheless, any such tampering with our birthright is not to be viewed with equanimity, especially in view of the fact that the conditions of living which in the past led to the elimination of those lines of descent that were more heavily burdened with impairments are no longer exerting a strong enough influence of this kind to prevent the population from deteriorating in important respects. Whatever genetic damage was done by the radiation would tend to persist for many centuries and some of it even to increase. For these reasons, although the genetic damage entailed by nuclear warfare, if not repeated in future generations, would by no means be insupportable, yet our descendants would blame us if we did not limit it as much as possible.

MEASURES FOR DEFENDING OUR GENETIC HERITAGE

There are some indications, especially from Dr. Hollaender's group at Oak Ridge, that methods of therapy or prophylaxis may eventually be developed which, if applied shortly before or even immediately after exposure, will reduce radiation damage, perhaps by as much as 50 percent. At least this can be done in bacteria even in the case of the mutation-producing effect. There is little indication, however, that harmless, practicable methods of this kind can be made available for man in the near future, especially for radiation occurring at an unpredictable time or over an extended period, nor do we yet know whether they would work against the production of mutations in man.

One of the measures, then, if war seems imminent is to evacuate to the country, to regions hundreds of miles downwind (with respect especially to winds of the upper air) from major cities and strategic points, as many of the children and young people as possible, and also of the pregnant mothers and those with infants. This is a procedure similar to that which was successfully carried out on a large scale in England during World War II in order to avoid the blast effects of chemical bombs. This very cumbersome procedure, however, even if executed satisfactorily will not save the genes of the young men or of many of the young women.

The other major measure for defending our genetic heritage is to take into account in our plans for civil defense the very particular need to protect from exposure the reproductive cells of our youth. Let people under 30 and all who are likely later to reproduce be the last to be accepted for use after a bombing has occurred in such essential services as rescue work, decontamination, bringing in supplies, transportation, and everything else that requires activities that are carried on in relatively unsheltered situations. In this way the older men may be better assured that, whatever else has happened, their descendants will not be subjected to a lasting biological incubus imposed by negligence of which they, the forebears, had been guilty.

REMOTE FALLOUT DAMAGE

In the foregoing account I have confined myself to the effects on the human hereditary constitution exerted in the region of an actual nuclear attack, or at least in the region of the local fallout from such an attack. Some of the fallout, traveling high in the stratosphere, would be dispersed throughout the world and be precipitated for years. However, it can be calculated that even if the equivalent of 700 15-megaton bombs, each of the type and order of strength of that at Bikini on March 1, 1954, were released the fallout in remote regions would raise the amount of radiation received by the population in the world at large outside of the local fallout areas by only one to a few times the amount they ordinarily receive from natural causes. This damage if not repeated could not seriously impair the genetic composition of the population as a whole, even though it would be harmful to many widely scattered, untraceable individuals. Much more radiation would, however, be received if large amounts of cobalt or certain other substances had been purposely added to the bombs or had happened to be in range of the fireball, or if materials (e. g., fish) derived from the areas of heavy fallout were used as food.

PROTECTION IN PEACETIME USE OF NUCLEAR ENERGY

When we turn from these military effects to the peacetime utilization of nuclear energy we find a curious situation. At Oak Ridge and presumably at some of the other Government-sponsored atomic installations the officially recognized permissible dose of 0.3 roentgen per week is set. In actuality, however, relatively few workers receive more than a fifth of this amount. In the course of 5 years, a good average of the time the employees usually stay at such a plant, the more exposed workers might thereby receive about 15 roentgens. This would not result in their children conceived during or after that time receiving an alarming number of mutations caused by the radiation. Moreover, it would result in an average shortening of the worker's own life span by only a few months.

Since, however, the official permissible dose is higher than that here received, and it is expensive to provide remote control mechanisms, waste disposal, and shielding for further reducing that dose per worker, we can hardly expect industrial plants now planning their installations and procedures to keep down the dose much below that which is called permissible, 0.3 roentgens per week. Moreover, it is to be expected that as conditions of employment in such plants become stabilized, the workers will remain longer and that, since many of them are highly trained, the plants will attempt to keep them. Consider now what an exposure of only 0.3 roentgens per week will amount to in the 40 years from age 20 to 60. It will come to 600 roentgens—more than that of most exposed survivors in the nuclear war—and in the first 10 years, perhaps prior to reproduction, it will be 150 roentgens. This amount before reproduction on the part of just 1 member of each married couple, presumably the father, will probably cause at least 1 in every 2 or 3 children, on the average, to receive 1 mutation induced by the radiation, a frequency several times as high as the new mutations that would arise in 1 generation from all natural causes, and this mutation would tend to go on down to hamper a long line of descendants until at last it extinguished that line.

Because mutations are usually unspectacular and unidentifiable it is not likely that this visiting of the parents' sins on mostly remote descendants would, human nature and its present attitudes being what they are, cause much compunction on the part of the exposed individuals. Not so, however, when they come to consider the effect of the 600 roentgens accumulated throughout life on their own well-being, for the effect amounts to a shortening of life that may be estimated at something between 4 and 8 years. That is, the worker's life is shortened by 1 or 2 years for every 10 years that he works at such a plant. Since this secret is at last creeping out of the technical publications it will not be long before the worker knows this. If industry would lower it so-called "permissible dose" by nine-tenths to an average of .03 roentgen per week or 1.5 roentgens per year—an expensive but perfectly feasible undertaking—all but a small part of this damage would be avoided and, more important in the long run, future generations would be spared even more damage than the present one.

The cost of the necessary arrangements has been estimated at some $100 per man per year, or $4,000 for each man for 40 years. However, even if this hastily made and sketchy estimate turns out to be several times too low, as it well may, the expense would not be as great as paying damages for the loss of 4 to 8 years of each worker's life, or for the higher wages they would demand in place of damages. Moreover, such arrangements if once attempted always undergo considerable reduction in cost in the course of experience and invention. Let us not wait for several decades until the untimely deaths begin to become conspicuous. The designing and setting up of atomic equipment and procedures which is now taking place should be guided by the most advanced knowledge we now have. Otherwise we shall be confronted with the far more expensive process of reconstructing our installations and economies later.

Only by frankly facing and adequately coping with the hazards of radiation can we satisfactorily maintain and enhance the morale of our workers and win their wholehearted support for a vast program of nuclear development. And growth of the utilization of nuclear energy on an enormous scale and along salutary lines is a vital necessity if our country is to enter upon that unparalleled period of industrial expansion which will show the way for the bringing of well-being to all the world.

We may justly be proud that it was our own country which at Geneva last summer took the lead in opening up a realistic course of action which may finally lead civilization out of the critical situation now threatening its existence. But we must see to it that this good beginning is vigorously and wisely followed up. For it will not be many years before the power to commit disastrous acts of nuclear aggression has become distributed among many relatively undeveloped or small countries, the governments of some of which may be insufficiently responsible. It will then be a cardinal necessity for people everywhere to come to understand that their conditions of life may be radically improved through the peaceful application of nuclear energy and that, on the other hand, its destructive application constitutes an invitation to universal catastrophe. The appreciation of this twofold truth can be attained, however, only if the peaceful development is being conducted soundly. This means that its operations must be carried on with such rigorous safeguards that those working on the projects will feel no fear for themselves or their descendants.

At the same time, the population in general must be sufficiently protected from genetic damage by the enforcement of a low enough ceiling of radiation from all artificial sources combined. This means effective supervision over medical as well as over industrial and military uses of radiation, and over the disposal of atomic

wastes. In setting this ceiling it must be borne in mind that only 1 roentgen delivered to each of 100 million people will do 100 times as much damage to posterity, via the production of mutations, as 100 roentgens delivered to each of 10,000 people. Moreover, this genetic damage accumulates from generation to generation if the exposures are repeated in succeeding generations, as the peacetime exposures are expected to be. This is another reason why the overall ceiling should be low. It will not profit us to gain the world if we thereby lose ourselves.

WORLD HEALTH ORGANIZATION—EFFECT OF RADIATION ON HUMAN HEREDITY—REPORT OF A STUDY GROUP, COPENHAGEN, AUGUST 7-11, 1956

1. INTRODUCTION

Man's most unique and precious possession is his heredity material which must determine the health and orderly development of future generations. The group is of the opinion that the well-being of descendants of the present generation is threatened by developments in the use of nuclear energy and of sources of radiation. Both of these developments are inevitable and they should contribute much to man's social and cultural development. It would seem therefore that some risk must be accepted, but if the dangers are to be minimized every possible step must be taken to reduce the exposure of man and to understand the effects of exposure. Only in the light of more knowledge can decisions be taken to define more accurately the maximum amount of exposure which may be accepted by individuals and populations without risk of serious harm.

Radiation has been demonstrated to be one of the agents which produces mutation in a wide range of organisms from bacteria to mammals. The group is agreed that additional mutation produced in man will be harmful to individuals and to their descendants. While there may be inherent and environmental mechanisms which modify the impact of these mutations over periods of many generations, the effectiveness of such mechanisms in man is not known. In essence then, all man-made radiation must be regarded as harmful to man from the genetic point of view.

In recent years, considerable quantitative knowledge has been accumulated on the basic mechanisms of genetics. There are strong grounds for believing that most genetic effects are very closely additive so that a small amount of radiation received by each of a large number of individuals can do an appreciable amount of damage to the population as a whole. There are, however, many gaps in knowledge particularly concerning these effects in man. These gaps will only be closed after a great expansion of general and ad hoc research in genetics and other fields of biology.

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3. IMPORTANCE OF RECORDING RADIATION EXPOSURE IN INDIVIDUALS AND POPULATIONS

From a genetic point of view the total accumulated dose is the important one and for this reason the measurement of exposure to ionizing radiations is an essential preliminary to attempts to relate dosage received to effects in man. For such measurements to be useful, the information must be recorded systematically. Unless the information is available in the form of the dose received by individuals, records of exposure would be unsuitable for many purposes and therefore some system of registration is essential. The effect of recording would almost certainly be to cut down the exposures given in medical diagnosis and treatment, since it would impress radiologists and technicians with the magnitude of such exposures. In one hospital where such recording was started there has been a 30-percent reduction in the total exposure of the staff. Doubtless a similar system of recording in diagnostic practice would reduce the exposure to the patients. This in itself would be a sufficient justification for introducing the procedure.

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The group is conscious that the adoption of any system of recording dosage will give rise to difficulties because it will increase the burden of work of radiologists and their staffs. Nevertheless, it feels that the importance of these procedures is such, and is so well recognized by radiologists that both those in charge of radiological departments and other physicians who use X-rays will be cooperative.

Whatever system adopted should take into account three desirable requirements:

1. That the individual will not, through lack of information, accumulate excessive exposure.

2. That information becomes available as to how much exposure to the gonads is received at each age in individuals and on an average per head of population.

3. That it should be possible to recognize the amount of exposure received by the parents of a given child. (Eventually, the information would be available for several generations.) This information is particularly valuable for purposes of genetic analysis.

The group suspects that exposures in some industries and in scientific work are unnecessarily high. Exposures from these sources should be recorded in such a way that the dosage received can be related in individuals and populations to that received from other sources.

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Whatever procedures of recording and registration are adopted will entail a large expenditure of money and effort. The need, however, is urgent. Further, the present is the appropriate time to initiate such procedures, since the introduction of atomic energy for industrial use and the extension of the use of radiation tools in biology and medicine make it possible to start with such procedures at an early stage of a period of rapid development.

4. RESEARCH—GENERAL

Additions to the understanding of the effects of radiation in man come from a very wide field of research. It is impossible to forecast what work in biology or genetics will contribute information relative to the problems. Accordingly, the group is strongly of the opinion not only that as much experimental work as possible should be done on radiation effects on suitable organisms and such controlled observation studies as offer in man, but that there should be an intensification of all human and experimental genetic research. The group feels that there should be the closest possible collaboration between those working in the experimental and human fields: their work is complementary. Each should be stimulating the other's research projects. This need for intensification of research in man and in other organisms raises problems of finance and of shortages of trained research workers. Both these difficulties are likely to be intensified if new areas of work, such as that on tissue cultures, chemical mutagenesis, serology, biochemical genetics, and epidemiological problems of genetic disease are to develop as rapidly as is desirable. The problem of manpower shortages, in regard to both biologists and physicians, tends to be perpetuated by lack of career opportunity for those working on genetics. There is also an insufficient number of institutions where an adequate training in genetics, particularly in human genetics, can be given.

It is possible that the results of much effort in these fields will prove disappointing. Nevertheless, research workers and those supporting their work must have the courage to face the possibilities of such disappointments and still go forward.

The developments of nuclear energy would never have been made unless enormous risks of failure had been accepted. These innovations have extremely important implications among which the possible effects on man's genetic composition are outstanding. If there is to be a climate of public opinion favorable to the development of nuclear energy the peoples must be assured that investigations essential for their future health and welfare and that of their children will be undertaken on an adequate scale. This will require recognition by governments that very substantial financial provision must be made for genetic and other biological investigations essential to an understanding of the effects of radiation on man. Biological research in the past has suffered severely from lack of funds.

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5. SOME CONCLUSIONS

(a) The group is of the opinion that there are too few institutions or large university departments devoted to general genetics and even fewer concerned with human genetics. It recommends the establishment of such institutions and departments and suggests that there could be no one ideal pattern. One of the benefits of such institutions would be to accustom people of different scientific disciplines having implications for genetics to work together. Physicians, general biologists, geneticists, biochemists, cytologists, serologists, and statisticians are examples of the kind of workers who may be needed. When such institutions are concerned with human genetics their location should have regard to the adequacy of existing medical services, to the kind and size of human populations available for field studies, and to the adequacy of background vital statistics and general demographic information of the population concerned. For many purposes a population of about 2 million is optimal particularly for intensive epidemiological investigations. Such institutions, in addition to their research functions, could eventually serve as centers of elementary and advanced training in genetics.

(b) Such research departments and institutions should contribute much to teaching in general and human genetics. Medical undergraduates should all receive training in genetics and the teaching should be coordinated with that in radiology and in the use of radioactive substances in medicine, so that the genetic hazards of diagnostic and therapeutic procedures are thoroughly understood. Medical men training as radiologists should have specific, more advanced instruction in genetics. Health physicists, radiological physicists, and radiological technicians should also receive instruction in genetics as part of their technical training.

It seems essential that instruction in genetics should be given to all scientists, particularly those whose work is likely to involve the use of radiation and radioactive materials in research. The principles of human genetics could with advantage be conveyed to those training in the social sciences by means of formal instruction. Finally, the group is of the opinion that public education in genetics should be more common and adequate than it is at present.

(c) In the future it will be necessary from the point of view of preventive medicine and genetic hygiene to register serious hereditary diseases and defects in various populations or countries in the same way as, for instance, epidemic diseases. For that purpose, genetic hygienic ascertainment or registration will be an indispensable and necessary step. The recording of hereditary diseases and defects in various countries and regions is to be highly recommended.

(d) In many countries there are very few biologists or physicians properly trained in

genetics. This situation will only be solved by producing more career opportunities in genetics, but may be alleviated by granting fellowships or subsidizing training at approved institutions in countries which can offer training facilities. It is possible, also, that advice and technical assistance could be given in connection with research projects in countries with insufficient resources in trained manpower to carry them out.

(e) It might be possible for a United Nations agency to assist on request in administration or supervision of studies of specific populations over a period of years or by strengthening a research team or by giving advice on organization.

(f) In the past, United Nations agencies have done useful service in contributing to the collection and standardization of vital and health statistics. It is recommended that such agencies continue their efforts and stimulate the efforts of others in the collection and publication of specific data such as fertility, consanguineous marriages and parental ages, which are so essential as background information in many studies in human biology.

(g) The group wishes to call attention to the evidence that damage to body tissues produced by radiation after relatively small doses is, at least in part, mediated through effects on genes and chromosomes. There is also some evidence that the life span may be reduced in mammals even by relatively small doses. Ad hoc investigations are urgently needed.

(h) The group is particularly impressed with the genetic hazards of man-made radiation from sources used in medicine, industry, commerce and experimental science, etc. Both as an approach to control and as providing basic background information for relating quantitatively radiation exposure and effects on man, it is essential that methods be found of recording exposures to individuals and populations, however difficult this may prove.

There is reason to believe that radiation exposure can be much reduced, therefore, those in charge of sources of ionizing radiation should always insure that there is adequate justification for exposing individuals to doses however small. On account of the danger of offspring resulting from irradiation of the gonads by X-rays, consideration should be given to determining that efficient means of shielding the gonads could be devised and brought into general use. In addition, in every exposure the X-ray beam ought as far as practicable to be directed so that a minimum of radiation reaches the gonads.

ONE HUNDRED AND ELEVENTH ANNIVERSARY OF GEN. JOHN SALLING, LAST SURVIVING CONFEDERATE VETERAN

Mr. ROBERTSON. Mr. President, this is the 111th birthday anniversary of Virginia's last surviving Conferedate veteran. He is 111 years old today. I ask unanimous consent to have printed in the RECORD at this point a copy of the letter which I wrote to him on May 10.

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

MAY 10, 1957.

Gen. JOHN SALLING,
Fort Blackmore, Va.

DEAR GENERAL SALLING: Fifty years after the Battle of Bunker Hill when Daniel Webster made the address at the laying of the cornerstone of the monument commemorating that event he saw a number of veterans in the audience and in his opening sentence said: "Venerable men, you come down to us from a former generation."

In a similar spirit of respect for all those Virginians who sheathed their swords 92 years ago, "defeated, yet without a stain," I greet you, as their sole surviving representative and send my congratulations and best wishes on the occasion of your 111th birthday.

The scars of the unfortunate fratricidal war in which you were engaged have finally healed and this year I am joining with Senators from the North and the South in sponsoring a Senate resolution to set up a national commission to plan an appropriate observance of the 100th anniversary of the War Between the States. The primary purpose of this observance will be to recognize the courage and sincerity which animated both sides—one believing that the Union must be preserved at any cost and the other convinced that preservation of constitutional liberty required acceptance of the principle of States rights.

We can say today, as Webster said at Bunker Hill: "Let us thank God that we live in an age when something has influence besides the bayonet and when the sternest authority does not venture to encounter the scorching power of public reproach." But it is incumbent on all of us to see that the power of public reproach is interposed whenever abuse of authority is attempted and at no time since the war of 1861–65 have the Southern States faced as great a threat as they do today from forces which would ignore the rights of States and of localities and force on us a way of life alien to the tradition established by the settlers at Jamestown.

I hope that the occasion of your birthday celebration will be widely noticed and that in the flood of memories it will recall, there will be thoughts of the selfless dedication to duty which characterized Robert E. Lee and of the valor which made "Stonewall" a part of the Thomas J. Jackson's name. I hope also that it will help to inspire in our State a willingness to meet our current problems in a way that will cause others to say as General Bee said when he saw Jackson's stand at the First Battle of Manassas: "Rally behind the Virginians!"

With kindest regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON.

JAMESTOWN DAY ADDRESS BY VICE PRESIDENT NIXON

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very inspiring address delivered by the Vice President of the United States on Jamestown Day at Jamestown, Va., May 13, 1957.

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

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES ON JAMESTOWN DAY, JAMESTOWN FESTIVAL PARK, VA., MAY 13, 1957

In the life of every nation there are events that should be recorded, remembered, and celebrated as part of the nation's heritage. We gather here today to observe such an occasion.

Some historians call the settlement of Virginia the beginning of the United States of America. Another has termed it the beginning of the modern world—and certainly we must agree that the settlement which got its foothold at Jamestown opened up a new era in man's mastery of the physical universe.

But I believe the events which took place here 350 years ago mean more to us today than these historians have claimed. For Jamestown was the beginning of a new type of society which was ultimately to revolutionize the life of the average man in both the Old World and the New, and to point a promise of universal enlightenment and well-being undreamed of by Capt. John Smith and his brave band.

Why is America a great Nation today? What is the key to the progress which in 350 years saw this tiny colony grow into the most powerful Nation in the world?

Some will say our resources have been responsible for our growth, and it is true that we have been richly blessed in this land of ours. But other peoples with access to great natural resources have not progressed as we have.

Others may contend that our progress is due to the greatness of our people. But who are the people of America? They came from all continents, all races, all religions to these shores and prospered in the climate of freedom they found here.

America is a great nation today because from the time of our foundation we have recognized the individual dignity of men and women and have encouraged each to make his own contribution to the Nation's progress. And we shall continue to progress to the extent that we remain true to the principle that the primary source of a nation's wealth comes from individual rather than government enterprise.

This is Jamestown's promise and its challenge. This is what succeeding generations of Virginians—Nathaniel Bacon, Patrick Henry, Washington, Jefferson, Madison, Mason, Marshall, and countless others—saw with increasing clarity and helped to lead their countrymen toward, to Virginia's undying glory. This is what Lincoln meant when he called the young Republic "the last, best hope of earth" and pinned his confidence for the future to an America with growing opportunity for all.

Standing here today, with the replicas of the first colonists' three ships facing us across this beautiful Festival Park, we can realize as never before how greatly the sense of man's individual worth has increased in the 350 years since the new American society began at Jamestown. The dark holds of those three ships, unlighted and unventilated, tell all too clearly how little life held for the average man in 1607. The fact that so many men were willing to brave the hazards of the Atlantic on ships so perilously small, reveals how desperately they longed for that opportunity, that dignity that America was to give them and their children.

Beneath this very earth on which we stand are buried countless numbers of those who came to Jamestown, lured by those dreams. Tragic and terrible as war is, I venture to say that no battle in which our Nation has fought has taken so heavy a toll of the participants as died on the Jamestown beachhead in the years 1607 to 1610.

And yet, despite loss at sea, famine, disease, and terrible loneliness, they continued to come, both young men and old, laborers and poets, noblemen and ne'er-do-wells, all lured by the vague consciousness that in the uncharted miles of this great, sprawling continent lay not only the certainty of wealth but also the hopes of a new society which promised to them and their descendants a life richer in both spiritual and material values than they had ever known before.

As the Reverend John Donne, dean of St. Paul's Church in London and chaplain to the London company which settled Jamestown, said in his annual sermon to that company in 1622, "you have made this island, which is but the suburb of the Old World, a bridge and gallery to the New; to join all to that world that should never grow old, the Kingdom of Heaven."

This American dream has changed the thinking of people all over the world, and today countless millions of people share the hope of a peaceloving world in which order is counterbalanced by freedom and strength by justice.

And in support of these objectives we are proud of the friendship and alliance we have had with Great Britain. As should be expected in the relations of independent nations, we have not always agreed on the policies we should adopt. But the differences which might have tended to drive us apart have been infinitely less significant than the common heritage and the great principles which bind us together.

Looking back over the course of the association between our two nations, I think we both have cause for gratitude that in the great crises which have faced mankind Great Britain and the United States have stood together.

Today Great Britain and the United States stand—as they have often stood before—side by side with the other free peoples of the world. But never in our respective histories have we faced so great a threat to those ideals embodied in what I have called the American dream as we face today. And in this contest we may expect the masters of the Kremlin to use every resource of power, persuasion, and deception to turn the other peoples of the world against America and the West.

The challenge to us, therefore, is to exemplify to the world the opportunity for all nations which pursue the goals of freedom and opportunity which Jamestown's pioneers sought—to show the hard-pressed peoples of Europe, Asia, and Africa that they, too, may realize the benefits which Americans today enjoy if they will share the faith which motivated the settlers of Jamestown.

This is America's true destiny. In the words of a great Virginian, Woodrow Wilson, "A patriotic American is never so proud of the great flag under which he lives as when it comes to mean to other people as well as to himself the symbol of hope and liberty."

The best way for us to preach that faith is to practice it. And so it seems to me that the truest honor which we can pay those pioneers of 350 years ago is to preserve and expand in our American life the goals of freedom and opportunity which brought them here. Let us never become so preoccupied with real or imaginary dangers that we destroy the freedom of the individual. And let us never become so prosperous or self-satisfied that we fail to insure the continued freedom of individual opportunity which has brought us material wealth. With such a heritage, and God's blessing, the lamp which was lighted at Jamestown will never fail.

TRAGEDY AT LAMPASAS, TEX.

Mr. JOHNSON of Texas. Mr. President, I have been in touch by telephone with people in Lampasas, Tex., where on Monday a 7-inch rain resulted in a flash flood when a levee gave way and the waters of two creeks converged, sending a wall of water through the town.

At least 5 people were drowned. Others are missing. The business district of Lampasas, which has a population of more than 7,000, was virtually wiped out. Some 40 homes were destroyed, 50 or 60 more were severely damaged, and another 200 damaged to some extent. Prporety damage is estimated at between $3 million and $5 million.

This is an area that until very recently was in the grip of the most disastrous drought in history.

The Lampasas tragedy is a graphic example of what happens at times in a land of extremes in weather. In Texas, drought and flood too often follow one another in a distressing pattern of waste and loss.

Mr. President, that is why I have stood up again and again in this Chamber to plead the case for water conservation and flood protection.

That is why I have spoken out repeatedly—as I shall continue to speak out—in favor of building dams, big dams and small dams, on the rivers and creeks of our country.

Disaster came to Lampasas, Texas, because a levee broke on Sulphur Creek. If a watershed project on Sulphur Draw—a project approved by State agencies—had been completed, I am told that a good part of the damage would have been averted.

That is a case in point. What happened in Lampasas provides convincing evidence that we must go ahead with the development of the small flood prevention watershed developments as well as large flood control dams.

It is a program in which our Federal Government, working in cooperation with State and local governmental units, has a proper place and a definite responsibility.

I want that place to be filled. I want that responsibility to be met.

SUPPORT OF THE PRESIDENT'S BUDGET

Mr. WILEY. Mr. President, I ask unanimous consent that I may be permitted to exceed the 3-minute limitation on statements during the morning hour.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

Mr. WILEY. Mr. President, last night President Eisenhower delivered what was, in my judgment, a most careful, most reasoned, and most convincing statement on behalf of the budget, which he has submitted to the Congress.

The President, in my judgment, was exactly right in pointing out very factually that a deep slash in the budget might mean a "fearful gamble" with the safety of the Nation.

I, for one, do not propose to take such a gamble. I do not propose, in the name of so-called economy, to risk the defenses of 170 million people in this age of great danger from atomic and nuclear attack. We had better look into the meaning of economy in this shrunken world.

The President pointed out that "no great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the defense of our country. There is no cutrate price for security."

I should like to ask, Mr. President, exactly what programs we intend to eliminate in order to save money in the Federal budget?

On several occasions within recent weeks on the floor of the Senate I have stated that I am personally willing and eager to cut out any waste in the budget.

But I am not willing and not eager to destroy some existing Federal program which has proven its usefulness, or to eliminate from consideration some proposed program which is, in my judgment, essential.

The President rightly reaffirmed the case for the emergency program for school construction.

Of course, if Congress chooses to eliminate the 4-year school program at $325 million each year, then presumably it can boast that it has saved $325 million a year. That is buncombe.

It is not a real saving.

When we crowd 50 children into a classroom which they can use only 4 hours a day, so that another shift can then take over, when this classroom is badly lit, badly heated, has no adequate plumbing facilities, and is a potential firetrap, is this the sort of saving we can be proud of? Is this really adding to the safety of the Nation? Does it constitut saving?

I say that the answer is no.

Of course, looking at the budget as a whole, in so enormous a document, 1,200 pages long, involving $72 billion, there is no human being alive who can say that every last nickel of every last dollar of expenditure is wise and prudent.

But, as the President has said, it is the smallest budget in years in relation to the national income. In business that is what counts. The important relationship is that of income to expenditures. But because there are in this country so many people who I think have blind spots, and who have not sensed the danger to America, they are ready to go long with the "cutters" and say, "You are right. Let us cut."

Mr. President, gambling with American security is bad business.

The Appropriations Committee has a real job, but I do not see how we can assume that we can cut one, two, three, four, or five billion dollars arbitrarily from the budget without harming some essential program.

Let us not be "penny wise and pound foolish" because of pressures. We are a growing dynamic people—170 million of us. Let us not judge the needs of today by the needs of yesterday.

Let us not be blind and complacent as we were before Pearl Harbor. The world has shrunken a lot since then. We had 2 years to get ready after Pearl Harbor, now we won't have more than 2 hours. We have to be alert and on guard and adequate to meet any challenge.

Let nothing—not even 1958—interfere with our fulfilling our obligations to our country.

We must not lose our vision. People with blind spots must not determine our actions.

There are items that can be cut, but cuts must be justified by sober facts: Are we effecting a real saving, or are we piling up a financial load for tomorrow?

I suggest, therefore, that we go slow.

I suggest that if we do make arbitrary slashes, we will probably find that we will simply have to pass supplemental appropriations bills later on, to make up the deficiency of funds which we should have granted in the first place.

I am delighted that the President went to the Nation with his case for enactment of his budget.

I look forward to his second address which, I am sure, will be an equally strong and helpful statement.

THE PRESIDENT'S APPEAL TO THE PEOPLE ON THE BUDGET

Mr. BYRD. Mr. President, an appeal by a President to the people over the head of Congress, asking for support of his superluxury budget, such as the President's speech last night, has rarely, if ever, occurred in history.

There are three groups involved in Federal spending:

First. Citizens who pay taxes necessary to meet Federal expenditures.

Second. Congress, which appropriates the funds.

Third. Executive branch, which spends the money.

It is obvious that the first two groups are in favor of substantially reducing the pending luxury budget.

Last night I listened carefully for justification of the Eisenhower budget, totaling $72 billion in expenditures, exclusive of road funds, in contrast with the $64 billion Eisenhower budget of 2 years ago, when the President said he expected in the following year to reduce expenditures to about $60 billion.

What basic conditions have changed, either at home or abroad, to require an expenditure of approximately $8 billion more now than 2 years ago? This is what the people wanted to know.

The President significantly failed, in my judgment, to show new conditions necessitating such an increase. By far, the major part of this increase has been in domestic-civilian expenditures and not in military.

A stabilized dollar followed budget reductions by President Eisenhower during his first 2 years in office. In the previous years the dollar had lost 48 percent of its value. The reduced budget also allowed tax reductions of more than $7 billion.

To yield to the demand of the President and make appropriations in conformity with the pending budget would feed the fires of the new inflation, which in the past year has already lost 4 percent more of the purchasing value of the 1940 dollar. The cost of living has gone up for 8 consecutive months. To adopt the President's budget will close the door for an indefinite period to tax reduction.

As chairman of the Senate Finance Committee, I say without reservation that we cannot continue our free-enterprise system if present oppressive taxes are continued indefinitely.

If the pending budget is adopted, I confidently predict that it will be the lowest expenditure budget for many years to come. It provides for many new spending programs and increases the expenditures in practically every category of Federal activity.

We are now at the crossroads of fiscal solvency. The President's budget will mean another era of spend and spend and tax and tax until our democracy, based upon a solvent government, is seriously impaired. The President's advocacy of new spending in the Federal construction of public schools was especially fallacious. He said this expenditure would last for only 4 years. Yet, in all our experience with Federal grants to States, such aid has grown and grown. Federal construction of public schools would open up a vast area of new Federal spending.

In 1932 Federal grants to States totaled $250 million. Public roads was the only grant program of any consequence.

If the President's budget is adopted, we will spend $5.3 billion in Federal grants, including roads, and the number of Federal grant programs will be increased from 53 to 67.

I have faith enough in democracy to believe that the will of the people will prevail, and that the President's budget will be substantially reduced.

Mr. JAVITS. Mr. President, the President of the United States is fighting for his budget in the interests of United States security. He perceives that the meat-ax cutting is directed at its vitals—foreign aid, defense, and essential domestic measures such as emergency Federail aid for school construction. Much has been made of statements by the President and his aids that some reductions are possible. Certainly, honest men will admit that a budget can be trimmed here and there, certainly one prepared necessarily 18 months in advance. I and many others have stated heretofore that budget reductions in the two to three billion dollar range are possible, and the President himself has suggested $1,800,000,000.

It is in the nature of the President not to take stubborn and uncompromising attitudes. But in the interests of our people, he has now drawn the line against meat-ax cuts, and I consider it a duty to the American people to stand with him on his essential objectives in the fight.

Mr. COOPER. Mr. President, last evening the President spoke to the people of the United States in support of the budget which he submitted to the Congress in January. More precisely, it was a speech explaining the policies of the administration, both domestic and foreign, and the hard facts upon which the budget is based.

The debate over the budget has proceeded for several weeks. The importance of the budget cannot be minimized, because it is concerned with the security, the fiscal stability and the very progress of the country. Yet, it seems to me that the question of the national policies of our country, which the budget expresses, and the consideration of the amounts which ought to be appropriated for their success, suffer in this Congress because of the political struggle between the Democratic and Republican Parties, and the divisions within the Republican Party itself.

Day after day, the leadership of the Democratic Party has called attention to what it terms "inconsistencies" in the statements and positions of members of the administration regarding the budget, and "inconsistencies" between the administration and its leadership in Congress. As a political party, it would be surprising if it took any other course; and yet it ought to be kept firmly in mind that this attack does not constitute a position on the budget by the Democratic Party itself.

Despite the clamor, I can find no position, common to the Democratic Party as a whole, that it proposes so to support the budget as to maintain its purposes—defense, foreign aid, and its domestic programs, many of which the Democratic Party itself initiated—or on the other hand, to cut the budget so deeply that these programs may fail. They may argue that the budget expresses the program of the Republican Party, but the Democratic Party controls the Congress, and it, too, has its responsibility.

But speaking as a Republican, I must say that I believe the first responsibility for the President's program and budget is with our party. In essence, the Democratic position is to suggest that there is no leadership, or that there is a division of leadership in our party; that we do not hold firm views about the great issues of defense and of security; and that we really have no progressive program for the people of our country. And, reluctantly, I must say that the divisions in our party during the past few months give some opportunity for this complaint, even if it is not justified in substance.

There is no question in either party or in the country that it is always possible to cut some expenditures, and to postpone other expenditures. The President himself has recognized this fact, and last evening stated again this duty. Congress has the constitutional right, as well as the practical duty, to search the budget for economies.

But the issue is whether the cuts that are made will go to the very heart of national security and the needs of the country.

I respect, I think, as much as does any other Member of the Senate the distinguished senior Senator from Virginia [Mr. BYRD]. A few minutes ago he asked the question, What agency has taken steps to do anything which will make some of these expenditures unnecessary?

Speaking as one Senator, I believe the security position of the United States is no less dangerous than it was a year ago. The events of the past 6 months in the Middle East, and even 2 weeks ago in Jordan, demonstrate the continued danger. And just now the Soviet Union is engaging in one of the greatest propaganda campaigns in its history, to frighten our allies, and neutral countries throughout the world, in an effort to lure them away from a joint effort to maintain world security and freedom. It must never be forgotten that if the United States fails to maintain its defenses and to provide some assistance, both military and economic, to allies and independent countries, the effort and hope for security and peace will steadily diminish. All of this the President made very clear last evening.

This battle, therefore, is also one for determination by the Republican Party. The President's program is essentially moderate. We are all agreed that some economies can be effected, but if our party is to give the leadership which has been entrusted to it, I believe that there must be a great deal of soul searching both in the administration and in the Congress.

I suggest, first, that the members of the Cabinet and those in policymaking positions in the executive branch support the programs and policies of the President when they have been determined. Second, I hope that in Congress, our leaders and Members, in conscience and deep belief, will lead us as a party to support the policies upon which the party was elected, which the President stated so well last evening, and which are essential to the safety and growth of our country. I believe this is no surrender of independence, but an assertion of reponsibility for the good of our country.

Mr. CARLSON. Mr. President, I think the President's statement on the budget makes good commonsense. He has already recommended a cut of some $2 billion. He wants every possible economy, and so do I, up to the point of not slowing down our great domestic growth or endangering our position for worldwide peace.

The President explained to the American people that we have tremendous responsibilities, and I believe that we can afford to meet them.

Once, under our leadership, world tensions subside, defense and military expenditures can be cut. Then, and only then can we obtain any substantial relief. I hope we will make our economy cuts wisely and not indulge in cutting appropriations just for the sake of cutting.

I expect to support the President's position.

Mr. CASE of New Jersey. Mr. President, no one who heard the President last night can doubt his deep convictions about the need to maintain a strong defense posture in these tense times. His compelling and straightforward stand on the defense aspects of his budget leaves the issue squarely up to the Congress. The President speaks with unique knowledge and experience in this field.

Mr. President, I am not happy about the size of the budget. I want very much to see it reduced. But I cannot subscribe to a meat-ax approach, to a frenzied search for cuts seemingly at any cost.

I am sure most of us were alarmed to learn of reports of deep cuts in the defense appropriations bill still under consideration by a House subcommittee. I do not know whether these reports of drastic reductions in missile programs, for example, are thoroughly founded in fact, but they surely must have been in the President's mind when he told the American people it is not yet possible to put down our burdens in the defense of the free world.

Nor, Mr. President, do I feel that the Department of Defense is beyond the pale of economy, or that the mutual aid program—bound up, as the President made plain, with free world security—cannot be strengthened and waste eliminated.

I am concerned by seeming duplication and waste of resources as among the three branches of the Armed Services and with the need for greater unity in defense policy. Indeed, I believe the time is ripe for a thoroughgoing appraisal of our whole defense establishment, its objectives, its structure, and its relation to our broader aims and policies in the international field.

But, first Congress must make the improvements; then it can cut the defense budget accordingly, not the other way around. It is simply not possible to toy with the security of the Nation in this budget because we are caught up in an economy mood which is beginning to sweep away reason as well as dollars.

The President has put the record straight. Sixty percent of the budget is related to defense. Most of the rest of it involves expenditures required by congressional action.

Through their elected representatives, the people had made known their wishes with respect to their social needs, and I believe they expect us to stick by these basic decisions.

It is singular indeed, Mr. President, that today the leadership has evidently decided to try to maintain the deep cuts made in the United States Information Agency programs. To the average person this must seem like a personal slap at the President, coming on the heels, as it does, of his speech to the people. If this is to be the spirit of the day, and illogical action is to be the order, I, for one, am happy to cast my vote with the President and what he stood for in his appeal last night.

Mr. ALLOT. Mr. President, I, for one, certainly hope that the President's commonsense approach to the budget will be given serious consideration at this session of Congress.

I am sure that all my colleagues have received many hundreds of letters regarding the budget. In my own case, I have received a few very harsh letters from persons who, I am sure, desire to have what has been called the "meat-ax approach" followed, with respect to the budget. Most of the letters contain statements to the effect that, "Senator, we sure wish and hope you can do it, but I am glad I am not in your shoes and do not have to do the job that you have to do."

Mr. President, certainly many appropriation items can be reduced. It is my hope that it will be possible to reduce the budget by $3 billion.

In connection with this matter, it has been stated that the Congress has been given a mandate to cut the budget. It is true that there has been an honest showing of that opinion on the part of the American people, who at all levels are squeezed by taxes. But, Mr. President, be it a mandate or not, every public official who is elected, including each one of the Members of the Senate, has also been given by his constituents a mandate to use commonsense.

President Eisenhower's address to the Nation was certainly forthright and full of commonsense and logical conclusions. More than that, his address served to bring the mind of the people of the Nation into focus on this very important matter.

In the work of our committees and in the proceedings on the floor of the Senate and on the floor of the House of Representatives, the Members of Congress will do well to appreciate what the President has called the essential national interest, and to predicate their action upon it. In times like the present, it is essential that the national interest dictate the action taken by the Members of Congress.

One of the things the President said in his address of last evening, and one of the things which particularly impressed me, was the following:

> Our Armed Forces became so starved and depleted that in 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter.

Mr. President, the false economy of those years was spelled out in the lives of American boys.

Many thinking Americans now are asking whether the essential national interest was what guided the decisions which the Congress made during those times. I am sure that the Members of Congress who worked on the appropriation bills during those times thought they had a mandate to cut the budget. Certainly Congress had a mandate to bring the boys home at the end of the war; and Congress heeded that mandate, even though that action almost met with catastrophic results.

Mr. President, when we forget the national interest, and give way to thoughts motivated by political considerations—in short, when we omit from our deliberations the commonsense factor—we are asking for trouble.

Finally, it may be said over and over again that what we are engaged in is a battle for men's minds. The revolt in Hungary proved that is the real purpose of our foreign information program. We have been attempting to counter a Niagara of lies with a trickle of truth, and I say the strangulation of the foreign information program is not in the national interest.

If Hungary proved anything, and if Poland proved anything, it proved that truth is on our side, and it proved that wherever men may live, there is always the desire, and there will always be the will, to be free from the shackles of the oppressor.

I hope we will use commonsense with regard to the United States Information Agency, about which we have had such startling news, in the past 24 hours, regarding cuts in its budget. We ought to bear in mind a very significant sentence in the President's talk of last night, which was, "The plain truth is that the price of peace is high." We might say also that the price of liberty is eternal vigilence.

TAX AMORTIZATION CERTIFICATES

Mr. GOLDWATER. Mr. President, at the outset of this statement, let me assure my colleagues that I am not speaking in favor of the broad, general principle of rapid tax amortization. In times of national emergency, I can see some excuse for using this device to encourage the rapid construction of needed facilities; but in my mind there has been a serious question regarding the continuance of this practice in peacetime.

Recently, the Idaho Power Co. was granted a rapid tax amortization certificate under the terms of the law.

There was nothing illegal about this, nor was there anything illegal about the procedure which produced the certificate. But from the statements of those who advocate public power one would draw the conclusion that something funny went on in connection with the certificate. I do not mean "funny-ha-ha"; I mean "funny-peculiar." These advocates of public power conveniently overlook the certificates which have been granted in the public-utility field. In order that my colleagues may better know the true picture in this field, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a list of tax amortization certificates issued up to December 31, 1956, in the Northwestern section of the United States, and also an article published in the New York Times of May 1, 1957.

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

Tax amortization certifications, Northwestern United States, showing electric power detail and statewide totals as of Dec. 31, 1956

T. A. No.	Company	Applied for	Amount granted	Amount certified—percentage applied	Date granted	Percentage allowed
	Washington:					
30382	Pacific Power & Light Co	$63, 726, 000	$63, 426, 000	$41, 227, 000	Dec. 8, 1955	65
31060	do	5, 071, 000	5, 071, 000	3, 296, 000	Apr. 9, 1956	65
[1] 18860	Washington Water Power Co	155, 000	143, 000	50, 000	Apr. 2, 1952	35
	Total power	68, 952, 000	68, 640, 000	44, 573, 000		
	State all industry total [2]	519, 030, 000	504, 457, 000	313, 053, 000		
	Washington project in "United States at large" classification	155, 000	143, 000	50, 000		
	Total	519, 185, 000	504, 600, 000	313, 103, 000		
	Oregon:					
[1] 2617	Pacific Power & Light Co	26, 450, 000	26, 170, 000	19, 628, 000	June 9, 1951	75
[1] 1766	Portland General Electric Co	22, 320, 000	22, 260, 000	14, 469, 000	Jan. 14, 1952	65
12913	do	2, 750, 000	2, 750, 000	1, 375, 000	Dec. 7, 1951	50
[1] 24718	do	4, 800, 000	4, 294, 000	2, 791, 000	Apr. 2, 1953	65
30294	do	4, 250, 000	4, 250, 000	2, 762, 000	Dec. 15, 1955	65
30295	do	13, 300, 000	13, 300, 000	8, 645, 000	Dec. 6, 1955	65
[1] 18125	California-Oregon Power Co	37, 820, 000	36, 873, 000	23, 968, 000	May 14, 1952	65
31080	do	13, 903, 000	13, 871, 000	9, 016, 000	Feb. 29, 1956	65
	Total power	125, 593, 000	123, 768, 000	82, 654, 000		
	State all industry total [2]	184, 094, 000	180, 207, 000	124, 938, 000		
	Oregon projects in "United States at large" classification [1]	91, 930, 000	89, 597, 000	60, 856, 000		
	Total	276, 024, 000	269, 804, 000	185, 794, 000		
	Montana:					
[1] 5180	Montana Power Co	5, 445, 000	5, 410, 000	1, 353, 000	July 3, 1951	25
25942	do	607, 000	607, 000	182, 000	Aug. 13, 1953	30
31059	do	15, 000, 000	15, 000, 000	9, 750, 000	Mar. 29, 1956	65
30384	Pacific Power & Light Co	1, 540, 000	1, 540, 000	1, 001, 000	Dec. 15, 1955	65
	Total power	22, 592, 000	22, 557, 000	12, 286, 000		
	State all industry total [2]	140, 483, 000	136, 016, 000	94, 036, 000		
	Montana projects in "United States at large" classification	5, 445, 000	5, 410, 000	1, 353, 000		
	Total	145, 928, 000	141, 426, 000	95, 389, 000		
	Idaho:					
[1] 5629	Utah Power & Light Co	566, 000	283, 000	99, 000	Mar. 14, 1952	35
[1] 5630	do	130, 000	130, 000	45, 000	Mar. 18, 1952	35
[1] 9077	Washington Water Power Co	46, 107, 000	46, 107, 000	29, 970, 000	Dec. 7, 1951	65
[1] 5944	Idaho Power Co	21, 109, 000	20, 047, 000	10, 024, 000	Dec. 18, 1951	50
[1] 5945	do	833, 000	833, 000	208, 000	Mar. 18, 1952	25
[1] 5948	do	899, 000	726, 000	181, 000	Mar. 19, 1952	25
[1] 20507	do	1, 034, 000	1, 034, 000	414, 000	Apr. 24, 1953	40
	Total power	[3] 70, 678, 000	[3] 69, 160, 000	[3] 40, 941, 000		
	State all industry total [2]	41, 488, 000	40, 473, 000	22, 170, 000		
	Idaho project in "United States at large" classification [1]	[3] 70, 678, 000	[3] 69, 160, 000	[3] 40, 941, 000		
	Total	112, 066, 000	109, 633, 000	63, 111, 000		
	Utah:					
[1] 11907	Utah Power & Light Co	171, 000	171, 000	68, 000	Mar. 19, 1952	40
[1] 28468	do	2, 283, 000	2, 283, 000	1, 826, 000	Jan. 3, 1955	80
	Total power	2, 454, 000	2, 454, 000	1, 894, 000		
	State all industry total [2]	135, 965, 000	134, 202, 000	94, 158, 000		
	Utah projects in "United States at large" classification	2, 454, 000	2, 454, 000	1, 894, 000		
	Total	138, 419, 000	136, 656, 000	96, 052, 000		
	Wyoming:					
30383	Pacific Power & Light Co	22, 950, 000	22, 950, 000	14, 918, 000	Dec. 15, 1955	65
	State all industry total [2]	67, 559, 000	66, 092, 000	39, 660, 000		
	Wyoming projects in "United States at large" classification					
	Total Northwestern States	1, 259, 181, 000	1, 228, 211, 000	793, 109, 000		

[1] Indicates certificate grouped with "United States at large" in ODM public reference tabulation. State location determined by information contained in ODM (DPA) press releases.

[2] ODM tabulation by States.

[3] Does not include certificates issued Apr. 17, 1957, on Oxbow and Brownlee projects.

[From the New York Times of May 1, 1957]

ODM DEFENDED ON AID TO TWO DAMS—AGENCY HEAD SAYS FAIRNESS REQUIRED HELLS CANYON TAX WRITEOFFS FOR UTILITY

WASHINGTON, April 30.—Gordon Gray, Director of the Office of Defense Mobilization, defended today his award of special tax incentives to the Idaho Power Co. for the construction of two power dams on the Snake River in Idaho. Several Congressional Democrats have assailed the award.

Mr. Gray said at a news conference that the two dams, at Brownlee and Oxbow, met the standards for such benefits and fairness required the award.

The dams figured in the Hells Canyon controversy over public or private development of the river's power potential. The Federal Power Commission authorized Idaho Power to build three dams.

In the award last week to Idaho Power the ODM authorized it to write off part of the $103 million cost of two of the dams against its earnings in 5 years. Writeoff periods usually are 20 years or more. The company sought no benefits for the third dam.

BACKGROUND PROPOSAL

In the background is a bill in Congress that would authorize the Government to build in Hells Canyon a high dam that would flood the Idaho Power dams. The Senate Interior Committee approved the bill today, as it had in earlier years, but the proposal has never gone much further.

The ODM has approved fast writeoffs on about half the cost of 913 power projects. The cost of these projects is estimated at more than $6,650,000,000.

The effect of the Idaho Power award is to permit the postponing of about $31 million of taxes in the first 5 years the dams are in operation. The writeoffs amount to an interest-free loan, which the company will repay in the form of higher taxes in subsequent years.

Mr. Gray said that the two dams covered by last week's award were among 33 power projects approved for rapid tax writeoffs (amortization) after the ODM had stopped accepting applications almost 15 months ago. All the applications approved were filed before the deadline, he added.

The last approval before that for the Idaho Power dams, he said, was for a $21,500,000 project of the Virginia Electric Power Co.

Mr. Gray was asked whether there had been any objection to the Idaho Power award by Senator HARRY F. BYRD, Virginia Democrat, a critic of the project. Mr. Gray replied that he knew of nothing to indicate that the Senator objected.

ROBERTSON PROPOSAL CITED

Part of the criticism of the ODM action on the Idaho Power dams is based on the proposal of Senator A. WILLIS ROBERTSON, Democrat, of Virginia that a study of the writeoff applications be made by the Joint Committee on Defense Production, of which he is chairman. Mr. Gray said that he had been unable to find any commitment by the ODM to delay action.

Mr. Gray declared that he acted on his own responsibility in the Idaho Power case, without any instruction from the White House. He has indicated that the ODM writeoff certification might have come much earlier had it not been for suit challenging the project. He said today that the legal problems were cleared away early this month when the Supreme Court refused to hear an appeal of the challenge.

In justification of the two dams in the defense mobilization program, an aid of Mr. Gray noted that the power they generate is to go into a grid system serving a wide area. He stressed that there was a power shortage in the Pacific Northwest.

The Interior Department, in recommending approval of the applications, argued that the normal demand for power in the area was growing, that Idaho Power was soon to lose the power it had been buying from the Utah Power Co. and that the Atomic Energy Commission had created new demand for power in the area.

It declared that the Idaho Power project was needed by defense industries in the area.

The Senate Interior Committee also approved today construction of the $152 million Fryingpan-Arkansas reclamation project to carry water across the Rocky Mountains. The bill was substantially the same as that passed by the Senate last year, but which died in the House.

ORDER OF BUSINESS

Mr. MALONE obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield to me temporarily so that I may suggest the absence of a quorum?

Mr. MALONE. I shall be happy to yield for that purpose to the distinguished minority leader, the Senator from California.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. JOHNSON of Texas. Mr. President, has the morning hour been concluded?

The PRESIDING OFFICER. The morning hour has not been concluded. Is there further morning business?

Mr. MALONE. Mr. President——

Mr. JOHNSON of Texas. The Senator from Nevada will need more time than is permitted in the morning hour. If the Senator from Nevada will yield to me temporarily, I will protect his rights.

Mr. MALONE. I yield.

Mr. JOHNSON of Texas. Mr. President, again I inquire, has the morning hour been concluded?

The PRESIDING OFFICER. If there is no further morning business, the morning hour is concluded.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Virginia momentarily.

NECESSITY FOR KEY NATIONS TO CURTAIL GOVERNMENT SPENDING

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, extracts from a very able address made by a great and highly respected economist, Mr. Per Jacobsson, Managing Director of the International Monetary Fund, before the Economic and Social Council of the United Nations, on April 17, 1957.

In this speech Mr. Jacobsson warned of increasing acute dangers unless key nations, particularly the United States, curtailed Government spending.

He said:

A stage has now been reached where a return to monetary stability is demanded with growing insistence by the public.

After expressing uneasiness in regard to recurrent increases in the cost of living, he then said:

History has shown that those countries that have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment.

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

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

I am afraid that after this examination of the more recent activities of the International Monetary Fund, there remains little time for a discussion of general monetary developments. There are, however, certain trends in the present situation to which reference should briefly be made. We may note, I think, as one of the most important achievements that notwithstanding the strain caused largely by political events, there have been no grave monetary disturbances and no very serious setback to the liberalization of trade and payments which had already been attained. In several respects continued progress has been made: A certain number of countries, including Belgium, Italy, the Netherlands, and Sweden, have extended the area of transferability of their currencies, these measures representing a further approach to multilateralism. The same may be said about the progress made in the elimination of discriminatory currency arrangements in bilateral agreements.

Inherent strength has thus been revealed, but there is, even so, a distinct feeling of uneasiness in many countries reflecting the concern felt with regard to recurrent increases in the cost of living. In the United States, consumer prices rose in 1956 by 3 percent; in the United Kingdom by 4 percent; and in certain other countries at an even higher rate. Such increases may appear moderate as measured by wartime experiences but they cannot be regarded as negligible when they occur in peacetime.

As we all only too well remember, the rise in prices during the war was due to the great pressure of heavy budget deficits which were met by an excessive credit expansion. At present, the situation is, of course, very different; financial order has been restored in a great number of countries. But it cannot be overlooked that several governments still turn in a dangerous degree to the banking system for the cover of part of their expenditure and, even when the budget is fully balanced, the overall level may be so high that under the conditions of the present boom, a downward adjustment would not be out of place—a question to which I will return in a moment.

Another cause of inflation has often been a sharp increase in inventories financed by the banking system as happened for instance after the outbreak of the Korean conflict. That has not conspicuously been the case in recent years in which the commodity stocks of merchants and industrialists have generally risen no more than motivated by the increase in the general business activity.

Neither has there been, in the majority of countries, any inordinate increase in consumption, for the truth is that savings have generally kept up quite well. In some countries the share paid out to consumers either as wages or via the budget has, it is true, been allowed to increase out of proportion to any improvement in productivity with marked effect on prices and, in several cases, on the balance of payments.

But even taking into account such distortions, the distinguishing mark of the present economic upsurge has generally been the pronounced increase of private business investments, the financing of which has had its monetary repercussions. A record figure for private business investments was attained in the United States in 1956, and data recently collected by the Department of Commerce and the Securities and Exchange Commission indicate that for 1957 the planned private business investment in plant and equipment amount to an even higher figure. For Western Europe, estimates by the OEEC show a similar trend as does the material available for quite a number of countries on other continents. This is a very interesting development for it runs exactly contrary to many dire forecasts during the great depression when we were told that one could not, in the future, count on sufficient outlets in the form of fresh investment possibilities for the relatively ample savings in the already industrialized countries.

When we ask what may be the cause of the change which has taken place, we have in the first place to remember the role played by new inventions as a dynamic factor—a matter to which reference was made already before 1914 by such great economists as Knut Wicksell and Joseph Schumpeter. As we all know there has been a surprising spate of new inventions over the last 20 years. We also have to remember that with an increased standard of living and a growing population, more roads and schools, more houses, hospitals, and holiday resorts are needed, the individual items of which add up to a large total. It is also important to remember that past periods of active business investments have been characterized by a state of strong world demand for goods and services. Whatever may have been the reasons for this strong demand in the past, there can be little doubt that over recent years considerable support to world liquidity and to world demand has been produced by United States expenditure abroad (either military expenditure or aid or business investment); for this expenditure has helped to make dollar earnings available through trade to a great number of countries in addition to those which were the original recipients of the expenditure. Even the United States has profited from this state of affairs, because in the recession of 1953–54 it was found that the level of United States exports kept up remarkably well; this would hardly have been possible had there not been this high volume of world demand. In these conditions of intense world demand, in contrast to the experience in the depression of the 1930's, it has generally been sufficient for countries to restrain their domestic demand in order to secure an increase in their exports.

The general conditions for increased business investments have indeed been favorable, and the fact that the increase actually occurred may be taken as a sign of the existence in most countries of vigorous economies in which jobs are easy to find, and the goods produced are taken off the market by a sufficiently strong consumer demand.

If to this high level of private business investment are added the outlays under development schemes inaugurated by a number of governments, a record level of investment is reached. Satisfactory as this may be from many points of view, the fact has to be faced that in country after country the requirements for financing have tended to outrun the flow of current savings. In such a situation, the ordinary means of investment financing (through the ploughing back of profits, market issues, etc.) will prove insufficient and private firms and governments alike will be tempted to turn to the commercial banks for increased credits, short- as well as long-term.

We know, however, that when commercial banks exceed certain limits in their credit expansion, there is a risk that too much money will suddenly be put into circulation and a volume of demand be generated which, since it cannot physically be met by an increased supply of goods and services, can only lead to higher prices. For a time, wages may lag behind prices with the result that a certain amount of "forced savings" will be produced, but once people wake up to the hurts thus inflicted upon them, they will not only demand increased wages but also hasten to buy whatever they can, with the result that even the normal flow of savings will be diminished. When such a state is reached, the governments have no choice but to alter their policies and adopt effective stabilization programs. This has been the course of events in more than one country in these postwar years; and if we look further back, we find that those countries which have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment. Credit creation can never be a reliable substitute for savings. It is only on the basis of genuine savings that extensive development plans can be successfully carried out.

Once a check has to be put on an excessive credit expansion, it becomes natural to employ in the first place flexible credit policies (higher interest rates, open market operations, etc.). After the Second World War it was really only during the Korean crisis that the usefulness of flexible credit policies was rediscovered; but these policies are today generally accepted and applied under the most varied conditions all over the world.

One difficulty is, however, that the public sector, representing a greater percentage of the economic life than it ever did before in peacetime, is not influenced in the same way as the private sector by the ordinary means of credit policy and that is the reason why these means alone are no longer capable of insuring a sufficient balance in the economy. For such a balance to be attained there must be a certain flexibility in the public sector as well.

Returning once again to the experiences of the 1930's, it is interesting to recall that it was in relation to those experiences that the theory of compensatory budgets was evolved. According to this theory Government expenditure on current and capital account ought to be increased in periods of a small volume of private business investment while contrariwise, Government expenditures should be curtailed when private business investment has risen and remains on a high level. It now seems as if the authorities were quite ready to accept and apply the first part of this theory—the increased spending in times of depression—but that they show great hesitation and unwillingness to carry out the necessary retrenchment in a period of boom. There are, however, some countries which recently have taken steps to cut down effectively the volume of their Government expenditure in addition to such credit measures as they had introduced; among them I would especially mention Belgium, the Netherlands, Great Britain, and, as far as investment expenditure is concerned, Austria. Austria, indeed, was the first to do so after having run up a substantial deficit in its balance of payments in 1955, and it has been interesting to witness that already in 1956 its balance of payments difficulties were overcome. Under the influence of the examples set by these countries it is not excluded that a new fashion, involving a curtailment of Government expenditure will gain ground instead of the practice of evermounting budgets followed in most countries during these postwar years. For such a fashion to be firmly established it is probably necessary, however, that some extra European countries—and particularly the United States—should partake in the movement.

When a considerable part of Government expenditure is not covered by current revenue, the danger of an inflationary effect becomes, of course, increasingly acute and, in such cases, steps to put the finances in order are all the more urgent. For anyone who has had the occasion to examine the internal position of a number of countries in various parts of the world, it is difficult to avoid the conclusion that if only the budget deficit could be brought down to manageable proportions, the greatest obstacle to monetary order would have been eliminated.

While there can be little doubt as to what must be regarded as the proper policy for a country to follow in order to establish monetary balance, it has, of course, to be admitted that curtailment of expenditure programs on current as well as capital account requires much political courage and determination. But in many instances, the authorities may have little choice if they really want to establish a satisfactory balance internally and externally. As far as foreign funds are needed to pay for imports of machinery and other goods, it is today an important fact that because of increased domestic investments, practically no European country has at the moment any surplus funds available for new foreign loans. Even in Switzerland with its ample flow of savings, the amounts becoming available on the capital markets seem at present to be invested altogether within the country, with the result that in the second half of 1956, there was no foreign loans issued on the Swiss market. In this respect the change has been as sudden as it was unexpected. Nobody can be blamed for not having foreseen the abrupt change which occurred but the responsible authorities in a great number of countries are naturally faced with the task of having to adjust their own investment policies to the altered conditions, especially in the field of foreign financing.

It would be a brave man who would try to foretell how long the present active investment boom will last. There are reports of a weakening of demand in particular sectors but the volume of aggregate investments seems to be holding up well with the result that for the general run of countries, resistance against inflationary tendencies remains a primary task. Therefore, measures which are often unpopular will still have to be imposed. In those countries, in Europe and elsewhere, where the currencies have once or twice in one generation suffered almost complete destruction, public opinion has for long been ready to react against inflation and when that was the case, it was not difficult to decide upon and apply even very harsh remedies. But, strange as it may seem, it is only recently that, for instance, in the Anglo-Saxon and the Scandinavian countries the general public has lost its fear of a postwar depression and has begun really to worry about inflation. Now, fortunately, people are almost everywhere tired of inflation—and this should make it easier for the authorities to take without fear or hesitation, the necessary measures whether these are popular or not. At the time of a great war, the reappearance of a rise in prices is almost taken for granted, but once peace is restored and the supply of goods and services, even per head of population, exceeds prewar levels, the public becomes less forbearing and is not likely to forgive those in power, if it continues to be harassed by an inflationary rise in prices.

In this connection it is important to realize that neither in the United States nor in Great Britain did the money volume, defined as notes in circulation plus demand deposits, rise in 1956 by more than 1 percent. As is usual in periods of boom, the existing stock of money was more effectively utilized in that previously dormant deposits became activated and cash changed hands more quickly; for the time being such an increase in velocity may be said to have effects similar to those of an increase in the money supply. There are, however, definite limits to the extent to which an increase in velocity will take place in the case of a currency which has retained the confidence of the public and it is therefore likely that the present policies aiming at a limitation of the money supply will succeed before long in preventing any appreciable further rise in prices. It is, I think, advisable for most countries to remember that if they continue to allow their costs and prices to rise they may not be able in the future to count on an increase in the general level of world market prices, but become exposed to the risk of getting into an unbalanced position, internally and externally.

Nobody will, of course, deny that countries which proceed to carry out effective

stabilization programs, will be faced with considerable immediate difficulties. But a stage has now been reached where a return to monetary stability is demanded with growing insistence by the public. It seems to be realized in ever widening circles that without stable money neither justice nor progress can be assured. Some of the periods of the highest civilization that the world has ever known—in ancient Greece, in the Renaissance towns of Italy and generally in the 19th Century—have been characterized by a remarkable monetary stability. It seems that the human spirit cannot give of its best if it is harassed by all the uncertainties to which rapidly changing money values give rise. We must, of course, not pretend that the realization of monetary stability will solve all our problems, but, if we could attain it, it would undoubtedly help us to provide a better basis for the gradual solution of a great many problems which now occupy the minds of the general public and of the authorities, and which therefore must also concern the Economic and Social Council of the United Nations.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 6871.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6871) making appropriations for the Departments of State, Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, with the exception of the committee amendment on line 6, page 33, and that the bill as thus amended be considered as original text for the purpose of amendment, and that points of order shall not be waived.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, I understand the item referred to as excepted from the unanimous consent request relates to the United States Information Agency. Is that correct?

Mr. JOHNSON of Texas. It does.

Mr. JAVITS. I thank the Senator. I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of State—Administration of Foreign Affairs", on page 1, line 10, after the word "including", to strike out "the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects under such regulations as the Secretary may prescribe"; on page 2, line 20, after the word "exceed", to strike out "ten" and insert "twenty"; on page 3, line 20, after the word "aids", to strike out "$93,088,500" and insert "$99,088,500"; on page 4, line 2, after the word "replacement", to insert "or additional vehicle"; in line 3, after the word "exceed", to strike out "$3,000" and insert "$5,500," and, in the same line, after the word "of", where it appears the first time, to strike out "the chief of mission automobile at each diplomatic mission (except that 11 such vehicles may be purchased at not to exceed $5,000 each) and $1,500 in the case of all other such vehicles except station wagons" and insert "vehicles for the Chiefs of Missions."

On page 4, line 10, after "(22 U. S. C. 1131)", to strike out "$600,000" and insert "$800,000."

Under the subhead "International Organizations and Conferences", on page 6, line 20, after the word "chauffeurs", to strike out "$1,350,000" and insert "$1,357,500."

Under the subhead "Passamaquoddy Tidal Power Survey", on page 11, line 14, after "(5 U. S. C. 55a)", to insert "but not to exceed ten temporary employees at any one time"; in line 15, after the word "exceed", to strike out "$50" and insert "$75", and, in line 18, after the word "appropriation", to strike out "$935,000" and insert "$1,344,000."

Under the subhead "International Fisheries Commissions", on page 12, line 1, after the word "Congress", to strike out "$1,600,000" and insert "$1,654,000."

Under the subhead "Educational Exchange", on page 12, line 21, after the word "exceed", to strike out "$1,000" and insert "$5,000"; on page 13, line 1, after the word "amended", to strike out "$17,575,000" and insert "$24,000,000", and, in line 4, after the word "exceed", to strike out "$1,275,000" and insert "$1,500,000."

Under the subhead "General Provisions—Department of State", on page 14, after line 14, to insert:

"SEC. 106. The Secretary of State, under such regulations as he may prescribe, may pay the cost of transportation to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects."

Under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration", on page 15, line 10, after the word "Assistant", to strike out $3,250,000" and insert $3,175,000."

Under the subhead "Salaries and Expenses, General Legal Activities", on page 15, line 18, after "(31 U. S. C. 529)", to strike out "$10,800,000" and insert "$10,650,000."

Under the subhead "Special Temporary Attorneys and Assistants", on page 17, line 1, after the word "laws", to strike out "$150,000" and insert "$300,000."

Under the subhead "Federal Bureau of Investigation—Salaries and Expenses", on page 18, line 21, after the word "certificate", to strike out "$101,450,000" and insert "$101,300,000".

Under the subhead "Immigration and Naturalization Service—Salaries and Expenses", on page 20, line 9, after the word "General", to strike out "$50,000,000" and insert "$49,500,000."

Under the subhead "Buildings and Facilities", on page 21, line 19, after the word "account", to strike out "$1,750,000" and insert "$1,000,000."

Under the subhead "General Provisions—Department of Justice," on page 24, line 2, after "(5 U. S. C. 55a)", to insert "at rates not to exceed $75 per diem for individuals."

On page 24, after line 11, to insert:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Under the heading "Title III—The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services", on page 29, line 5, after the word "exceed" to strike out "$10,000" and insert "$17,500."

On page 29, line 13, after the word "elsewhere," to strike out "$840,450" and insert "$915,450."

Under the heading "Title IV—United States Information Agency," on page 31, line 7, after the word "States," to insert "and their dependents"; in line 14, after the word "exceed," to strike out "$500" and insert "$3,000"; in line 9, after the word "States," to insert "and of which sum not less than $350,000 shall be available by contracts with one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, Africa, as well as other areas of the free world, which programs shall be designated to cultivate friendship with the peoples of the countries in those areas, and to build improved international understanding:"; in line 19, after the word "exceed" to strike out "$50,000" and insert "$250,000"; on page 34, line 13, after the word "vehicles," to strike out "and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,500" and insert a colon and *"Provided further,* That not to exceed 15 passenger carrying motor vehicles may be purchased as replacements for an equal number of truck-type vehicles for use abroad and the proceeds of the sale of such truck-type vehicles shall be available for such replacement:", and on page 35, line 10, after the word "authorized," to insert a colon and *"Provided further,* That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Under the heading "Title V—Funds Appropriated to the President—President's Special Internatinoal Program," on page 36, line 18, after the numerals "1956," to strike out "$10,900,000" and insert "$14,390,000"; in line 19, after the word "which," to strike out "$5,000,000" and insert "$8,490,000"; in line 21, after the numerals "1958" to insert "including uniforms or allowance therefor as authorized by the act of September 1, 1954," as amended (5 U. S. C. 2131)," and in line 24, after the word "expended," to strike out the colon and *"Provided,* That not to exceed a total of $25,000 may be expended for representation."

Mr. JOHNSON of Texas. Mr. President, I wish to express my deep gratitude to my friend from Nevada for his cooperation at all times and his unfailing courtesy, and I yield the floor back to him, so he may continue his address.

Mr. MALONE. I thank my good friend from Texas.

Mr. JOHNSON of Texas. Mr. President, I desire to announce that at the conclusion of the address to be made by my friend, the Senator from Nevada [Mr. MALONE], I expect to suggest the absence of a quorum; and we desire to have a live quorum present. I make this announcement in order that at-

tachés of the Senate may notify the Members on both sides of the aisle.

After a quorum is developed, the chairman of the subcommittee will make his statement on the appropriation bill.

FOREIGN TRADE AND THE NATIONAL ECONOMY

TEN WESTERN STATES, MAY 4, 1957

Mr. MALONE. Mr. President, on May 4, 1957, the Republican regional conference, at Salt Lake City, Utah, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, unanimously passed a resolution urging the Congress of the United States to "allow the 1934 Trade Agreements Act to expire in June, 1958."

Mr. President, I ask unanimous permission to include in the RECORD, as a part of my remarks, the resolution passed by the Salt Lake City conference.

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

FOREIGN TRADE AND THE NATIONAL ECONOMY

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multilateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and

Whereas, this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Whereas, under this act more than $30 billion dollars of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electro-chemical, and several hundred other fields: Therefore be it

Resolved, That the 10 State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts and excises (art. I, sec. 8) through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June, 1958.

The resolution reads in part as follows:

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multi-lateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and—

That is the famous GATT, Mr. President—some have said the word should be infamous:

Whereas this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Mr. President, the 73d Congress passed the Trade Agreements Act in 1934 for 3 years as an emergency measure—it has continually been extended always as an emergency—and now expires in June of 1958:

Whereas under this act more than $30 billion of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electrochemical, and several hundred other fields: Therefore be it resolved

I digress to say that under the virtually free trade regulated at Geneva authorized by the 1934 Trade Agreements Act, the cheap labor of the world is directly competing with American workingmen and investors:

Resolved, That the 10-State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts, and exercise (art. I, sec. 8), through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June 1958.

THE SALT LAKE CITY CONFERENCE, 10 WESTERN STATES

Mr. President, at that conference there were several committees. One committee was the Republican Goals' Objectives Committee, of the National Republican Party. This is one of the several regional conferences held or to be held in the United States by the chairman of the National Republican Party Committee to determine the feeling of the people of the respective regions.

The chairman of this particular committee was the former Senator E. D. Crippa, of Wyoming. The vice chairman was Mrs. Bertha Weiloff, of Montana. The members were Albert K. Mitchell, New Mexico; James P. Gossett, Idaho; Emery Graunke, Nevada; William C. Sanford, Nevada; Kenneth B. Bentson, Arizona; Mrs. George B. Jex, Washington State; Mrs. Collis P. Moore, Oregon; Mrs. Emery C. Johnson, Arizona; Mrs. Kathryn K. Meloney, Wyoming; Mrs. Jane Zimmerman, California; Mrs. Ora J. Lewis, Utah; Mrs. Helen Sullivan, Montana; Thomas Brewer, California; E. Stanley Goodell, Oregon; Hersh Gay, Jr., New Mexico; Mrs. Gertrude Chamberlain, Wyoming.

Mr. TALMADGE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I am happy to yield to my distinguished colleague from Georgia.

Mr. TALMADGE. I wish to compliment my friend, the distinguished Senator from Nevada, for his comments on the subject he is discussing. If I may, I should like to ask one or two pertinent questions?

First, is there any difference between the so-called trade agreement and the so-called GATT agreement?

Mr. MALONE. The Trade Agreements Act of 1934 not only transferred to the President the constitutional responsibility of the Congress, under Article I, section 8 of the Constitution, to regulate foreign trade and the national economy, but gave the President in that act full authority to transfer that constitutional responsibility of Congress to any area on earth, under the auspices of any organization which he might cause to be organized.

That was so testified by the Secretary of State, Mr. Dulles, before the Senate Committee on Finance, when the 3-year extension of that act was granted in 1955.

Therefore, the so-called GATT, the General Agreement on Tariffs and Trade, was organized directly under the authority granted by the 1934 Trade Agreements Act passed by Congress.

The 1934 Trade Agreements Act authorized the President to spearhead the General Agreements on Tariffs and Trade—GATT.

THIRTY-FOUR FOREIGN COMPETITORS REGULATE OUR FOREIGN TRADE

Mr. TALMADGE. Is that the international trade agreement in which some 30 countries participate?

Mr. MALONE. That is the result of the transfer of the constitutional responsibility of Congress to regulate foreign trade to Geneva in 1947.

The 1934 Trade Agreements Act authorized the transfer to any area that the President might choose. In 1947 he did cause to be organized the General Agreement on Tariffs and Trade—GATT—and located it in Geneva. From that time on the foreign nations—and at this time the 34 foreign nations involved, since we are the 35th member, and each nation has one vote—are in complete control of our foreign trade and national economy.

Mr. TALMADGE. Am I correctly informed that that organization gives the United States of America one thirty-fourth of the power to regulate our tariffs?

Mr. MALONE. One thirty-fifth. We have 1 vote out of 35.

Mr. TALMADGE. One thirty-fifth.

I should like to read to the distinguished Senator a provision of the Constitution of the United States and ask him if his interpretation of it is the same as mine. I read from article I, section 8, of the Constitution of the United States:

The Congress shall have power * * * to regulate commerce with foreign Nations, and among the several States, and with the Indian tribes.

Does the Senator from Nevada understand that to mean what it says and to say what it means?

Mr. MALONE. The Senator from Nevada understands it to mean—and has argued on the floor of the Senate for 11 years—that the Constitution of the United States, article I, section 8, which has just been read, in part, by the distinguished Senator from Georgia explicitly and completely places the responsibility for the regulation of foreign trade and the national economy in the Congress of the United States, when it says that Congress shall regulate foreign commerce and "shall have the power to lay and collect duties, imposts, and excises," which we refer to as tariffs.

WORKINGMEN'S JOBS—INVESTORS' MONEY

Mr. TALMADGE. The Senator from Nevada is extremely well informed on trade matters. The largest industry in my State is the textile industry. The average hourly wage in the textile industry there is from $1.35 to $1.50. In

Japan the average hourly wage is from 13 cents to 15 cents, or only one-tenth of what it is in my State.

Does the Senator from Nevada think that our textile mills can continue to operate without some tariff protection from such cheap imports?

Mr. MALONE. I would say to the distinguished Senator from Georgia that it is absolutely impossible; and it was so intended, in the opinion of the Senator from Nevada, by the people behind the framing of the act. In other words, the people who were behind the 1934 Trade Agreements Act in the first place were of the Harry Dexter White and Alger Hiss group, who first formulated the legislation.

Not only are the wages in Japan much lower, but American investments have moved in and installed the best possible textile machinery. Part of the $30 billion of foreign investment of American capital has gone into Japan, for the installation of the latest textile-making machinery. Therefore, since no one would say that a Japanese could not perform as much labor as an American, they are on an equal basis except for wages. That is the only difference except the low water transportation cost from Japan to here.

As a matter of fact, the present Secretary of State was working under Mr. Acheson, who was then Secretary of State, and made the treaty with Japan; that is to say, he set it up. It was adopted by this body, over my protest.

The senior Senator from Nevada made a speech on the floor against it at the time, and pointed out just exactly what the distinguished Senator from Georgia is saying now; that there is no possible way to compete on an even basis with a nation paying such wages.

JAPANESE FREE TRADE

Mr. President, I ask unanimous consent to have included in the RECORD as a part of my remarks an excerpt from my September 11, 1951, debate on the Japanese Treaty.

There being no objection, it is so ordered.

We now have free trade with Japan. They are sending their sewing machines, Christmas cards, precision instruments, and 101 other things, which under normal conditions would disarrange our American economy through eliminating American workingmen's jobs and wiping out American investments. However, by continued emergencies, bringing in constantly increasing taxes and new money from the sale of bonds to the American people, we are able to keep our economy going. Eventually we must protect our own higher standard of living from that of the 7 to 15 cents per hour Japanese labor.

And I might add, Mr. President, textiles constitute one of their greatest exports.

Mr. TALMADGE. I thank the distinguished Senator. His answers to my inquiries have been very helpful.

I understand that by the Constitution of the United States power over foreign trade is vested in the Congress. I for one do not propose to abdicate it.

Mr. MALONE. All Congress has to do is to sit still in 1958—not extend the 1934 Trade Agreements Act beyond June 30, 1958, and the constitutional responsibility of regulating foreign trade and the national economy automatically reverts to the Tariff Commission, an agent of Congress. I would say to the Senator from Georgia that George Washington, our first President, had a few pertinent remarks to make on that subject—in his farewell address he said:

> If in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation: for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

I thank the distinguished Senator from Georgia for his pertinent questions.

REPUBLICAN STATE CENTRAL COMMITTEE

Mr. President, the Republican State Central Committee of my State of Nevada passed a resolution on December 15, 1956, for sound money, protection of American jobs and investments, through the adjustment of the duties as provided in the Constitution, and States' rights. I ask unanimous consent to have printed in the RECORD as a part of my remarks the resolution passed by the Nevada Republican State Central Committee, on December 16, 1956.

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

> The Republican Party of the State of Nevada strongly advocates the return to constitutional government by adopting the following principles which have been the basic tenets of the Republican Party since its inception more than 100 years ago.
>
> We believe the Republican Party must advocate a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership, and a return to the traditional hard-money standard using gold and silver certificates redeemable in the respective metals.
>
> We believe the Republican Party must urge the Congress of the United States to resume its constitutional responsibility of regulating foreign commerce through the adjustment of duties, imports, and excises, through its agent, the Tariff Commission, and allow the so-called Reciprocal Trade Act, which transferred such responsibility to the President, to expire in 1958.
>
> We believe the Republican Party should urge Congress to respect the rights of the individual States in all those matters which have been historically matters of State concern.

MUST WORK THROUGH MAJOR POLITICAL PARTIES

Mr. MALONE. I will say at this point to my distinguished colleague from Georgia that it is my opinion, after 11 years in the Senate, and a good many years watching the 1934 free-trade theory progressively tearing down and destroying the small-business man and the wage earners of America, and moving us over on a war economy, that I believe each of us must work through his own major political party.

That is the reason we are working through the Republican Party, as Republicans who believe in constitutional government, and who believe that 34 foreign nations sitting in Geneva should not control and regulate our foreign trade and our national economy.

Mr. President, I believe that members of the Democratic Party who believe, as we do, that we should return to constitutional government, must work through their own party, and help to reestablish the constitutional principle as enunciated at Salt Lake City by the representatives of the 10 Western States.

That firm stand for the principles of Washington, Jefferson, and Lincoln by the Republican State Central Committee of my State of Nevada was immediately supported by most of the State newspapers, including Republican and Democrat alike.

When the Congress does not extend the 1934 Trade Agreements Act (so-called Reciprocal Trade Act) expiring in June of 1958—the regulation of our foreign trade and national economy reverts to the Congress under Article I, Section 8, of the Constitution. The Tariff Commission, an agent of Congress, under existing law through adjusting the flexible duty or tariff to continually represent the difference in the effective wages and cost of doing business here and in the chief competing nation on each product.

NEVADA STATE LEGISLATURE

Mr. President, the Legislature of my State of Nevada also passed strong resolutions against the extension of the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—when it expires in June 1958. I ask unanimous consent to have the Senate joint resolution of that body printed in the RECORD at this point as a part of my remarks.

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

Senate Joint Resolution 14

Joint resolution memorializing the Congress of the United States to resume its responsibility of regulating foreign commerce, and to allow the 1934 Trade Agreements Act to expire in June 1958

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the American workingmen's jobs or American investments; and

Whereas article I, section 6, of the Constitution of the United States, provides that the Congress shall have the power to lay and collect taxes, duties, imposts, and excises, and shall regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act, as extended to June 1958, with authority to transfer such responsibility to Geneva under the general agreements on tariffs and trade: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act, which transferred such responsibility to the President, to expire in June 1958; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit copies of this

resolution to each member of the Nevada Congressional delegation.

Adopted by the senate, March 11, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly March 15, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

CALIFORNIA STATE LEGISLATURE—RESOLUTION

Mr. MALONE. The State of California passed a similar resolution asking that the 1934 Trade Agreements Act be not renewed when it expires.

I ask unanimous consent that the resolution be printed at this point in the RECORD as an extension of my remarks.

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

Following is a joint resolution of the Legislature of the State of California, 1953 session:

"Joint resolution concerning the restoration to Congress of the fixing of tariffs

"Whereas it is essential to the protection of the American standard of living and the American way of life that products of foreign countries be admitted to this country only on a basis which will not endanger the living standards of the American workingman and the American farmer and will not threaten serious economic injury to any domestic industry; and

"Whereas promotion of world trade by the Government of the United States should adhere to this principle so that the economic status of the American people may be maintained and not reduced to that in the depressed areas of the world where work is performed behind the sweatshops curtain; and

"Whereas while recent imports of live cattle and frozen and canned beef from Mexico, Canada, New Zealand, and other areas have dramatically high-lighted the problem with respect to one industry, yet it is a problem affecting all of the branches of agriculture, industry, and commercial production; and

"Whereas the Congress of the United States abandoned its traditional function of fixing tariffs on foreign commerce entering the United States under the Trade Agreements Act of 1934 to the executive department of the Government, which has carried out policies inconsistent with the welfare of American agriculture, industry, and commerce: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California most respectfully memorializes the Congress of the United States to return to its traditional method of fixing tariffs based on principles of protection of American agriculture, industry, and commerce, and the standard of living for all American citizens created thereby; and be it further

"*Resolved*, That until Congress so acts, the executive department of the Government exercises its powers of fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution; and be it further

"*Resolved*, That the secretary of the senate send copies of this resolution to the President of the United States, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the President of the United States Senate, the Speaker of the House of Representatives, and each Senator and Representative from California in the Congress of the United States."

THE UTAH MINING CONGRESS—RESOLUTION

Mr. MALONE. Mr. President, delegates and members of the last meeting of the Utah Mining Congress adopted a resolution opposing extension of the Trade Agreements Act of 1934. I ask unanimous consent that the resolution be printed in the RECORD as an extension of my remarks.

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

United States membership is vital to establishment of the Commission on International Commodity Trade and therefore strong pressure is being used to get the United States to accept the membership despite her stated objections. Acceptance by the United States would give life to the Commission and would involve the United States in its schemes.

We strongly oppose the United States Government accepting membership and concur wholly with the reasons given by her in opposing the organization to date. The first meeting of the Commission is scheduled for January 17, 1955, and it is therefore directed that a statement of our opposition to United States acceptance of membership be directed forthwith to Utah's Congressional delegation, the State Department, and the President.

INTERNATIONAL TRADE, 1955

We oppose extension of the Reciprocal Trade Agreements Act of 1934, as extended, beyond its termination date of June 12, 1955. The peril point and escape-clause provisions of the act, designed by the Congress to afford protection for American workers, miners, farmers, or producers, have been willfully ignored by the executive department in several specific cases which were reported favorable for upward tariff adjustments by the Tariff Commission.

The State Department has used the act to progressively weaken tariff protection, particularly on raw materials, and to increasingly involve the matter of domestic tariff control in international trade organizations. Present domestic tariff policy is controlled largely by the General Agreement on Tariffs and Trade (GATT), a foster child of the State Department which was developed following refusal of the United States Congress to approve the International Trade Organization.

Refusal to extend the Trade Agreements Act would serve to restore to the Congress their constitutional power and responsibility relating to tariff and trade regulation.

We have in the past strongly opposed the United States becoming involved in international trade organizations which were designed to regulate production, prices, and distribution of raw materials and goods. We joined vigorously in the campaign to withdraw United States support from the International Materials Conference, successfully sponsored by Senator Ferguson.

The United Nations Economic and Social Council has recently proposed another such organization under the title of the United Nations Commission on International Commodity Trade. The new organization would examine further, as a matter of urgency, the possibilities of establishing a parity relationship between the prices of primary commodities and manufactured goods.

The United States was elected to membership of this group on November 23, 1954, despite the fact that in response to an invitation made April 30, 1954, to comment on the new organization, the United States Government expressed opposition to the establishment of this Commission.

MR. ACHESON AND MR. THORPE—THE THREE-PART, LONG-RANGE PLAN

Mr. MALONE. Mr. President, as a further warning to the Members of Congress who still may have faith that each offering of legislation along the line of free trade—billions to Europe and Asia—and a continual disintegration of the money system through 24 years of inflation, the pronounced long-range, three-part foreign policy by the Assistant Secretary of State, Willard H. Thorpe, outlined before the House Ways and Means Committee, in 1950, should be interesting:

1. The European recovery program (Marshall plan or ECA) extends immediate assistance on a short-term basis to put the European countries back on their feet.

2. The trade agreements (act) program is an integral part of our overall program for world economic recovery.

3. The International Trade Organization upon which Congress will soon be asked to take favorable action, provides a long-term mechanism—each part of this program is important. Each contributes to an effective and consistent whole.

It will be remembered that the Congress turned down the International Trade Organization in 1951.

Now we have been offered the Office of Trade Cooperation, which is exactly the same as the International Trade Organization.

That proposal is now before Congressional committees. It is before the Senate Finance Committee, of which I am a member.

DOLLAR DIPLOMACY WITH A VENGEANCE

The former Secretary of State, Dean Acheson, said:

It is hardly possible any longer to draw a sharp dividing line between the economic affairs and political affairs.

Each complements and supplements the other. They must be combined in a single unified and rounded policy.

DOLLAR DIPLOMACY

That was and is the reasoning of the State Department—to tie the regulation of our foreign trade to the regulation of our foreign policy, which the Constitution of the United States so pointedly separated.

The senior Senator from Nevada would call it "dollar diplomacy" with a vengeance.

We are buying treaties through the division of our markets with the nations of the world and with billions of dollars of our taxpayers' money through gifts to such foreign nations.

The pressure to combine the regulation of our foreign trade and national economy with the fixing of foreign policy all under the executive branch of our Government, contrary to the specific provisions of the Constitution in article 1, section 8, is so flagrant that it is beyond belief that a Congress of the United States should continue to extend the life of such an act.

FEW MEMBERS OF CONGRESS UNDERSTOOD THE PLAN

Certainly few Members of Congress understood, in 1934—when they voted for the Trade Agreements Act—that they were not only transferring their constitutional responsibility to regulate foreign trade and the national economy to

the executive branch of the Government, but included in that act was complete authority to transfer that responsibility to 34 competitive nations at Geneva, Switzerland.

TRANSFERRED TO GENEVA IN 1947

Following the 1934 Trade Agreements Act in 1947, the President of the United States did make the transfer and the Secretary of State, Mr. Dulles, has testified that such authority was and is included in the 1934 Trade Agreements Act, as extended to June 30, 1958. The transfer was made under the General Agreements on Tariffs and Trade—GATT.

The Secretary of State has testified that the 1934 Trade Agreements Act included all the authority necessary to transfer the regulation of the foreign trade and the national economy of the United States to the 34 foreign nations whose representatives are sitting at Geneva as a part of the General Agreement on Tariffs and Trade.

THE 34 FOREIGN COMPETITIVE NATIONS REGULATING OUR FOREIGN TRADE

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield to the distinguished Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Does the distinguished Senator have a list of the 34 countries which he can insert in the RECORD?

Mr. MALONE. The following foreign competitive nations sit in judgment on our foreign trade in Geneva—dividing our markets among themselves through multilateral trade treaties—under the the General Agreement on Tariffs and Trade—GATT—through the authority granted them under the 1934 Trade Agreements Act.

THIRTY-FOUR FOREIGN COMPETITIVE NATIONS

Australia, Austria, Belgium, Brazil, Burma, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Dominican Republic, Finland, France, Federal Republic of Germany, Greece, Haiti, India, Indonesia, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Peru, Rhodesia and Nyasaland, Sweden, Turkey, Union of South Africa, United Kingdom, and Uruguay.

Mr. MARTIN of Pennsylvania. These items are all educational, and I think the American people should know the names of those countries.

Mr. MALONE. I think the people should know them; and I think Members of Congress should know them, and I further believe that the Members of Congress should understand that they have transferred their constitutional responsibility to regulate our foreign trade and national economy to the 34 competitive foreign nations at Geneva. I have worked over the problem for 11 years in the Senate.

UTTERLY UNBELIEVABLE—TRANSFER REGULATION TO GENEVA

It is utterly unbelievable, however, that the Members of Congress understood the full implications of their action when they voted on May 4, 1955, to extend that act for 3 years to June 1958.

They most certainly did not know that through the creation of another innocuous looking piece of international machinery now before Congress under the "come on" title of Office of Trade Cooperation—OTC—that once created, through its own manipulation the administration of the general agreements on tariffs and trade could be transferred to the United Nations, and operated on the principle of equal distribution of the production and consumption throughout all of the nations of the world.

ONE AT A TIME—EACH INNOCUOUS BY ITSELF

Mr. President, those things come along one at a time, each of them looking innocuous by itself.

There was a great President who had something to say on this subject. I shall quote him directly. He gave us the key to how we could recognize an overall plan coming along one part at a time.

It was Abraham Lincoln who said:

> We cannot absolutely know that all these exact adaptat'ons are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know have been gotten out at different times and places and by different workmen, and when we see these timbers joined together, and see they exactly make the frame of a house or a mill, all the tenons and mortises exactly adapted to their respective places, and not a piece too many or too few, not omitting even scaffolding—or, if a single piece be lacking, we see the place in the frame exactly fitted and prepared yet to bring such piece in—in such a case, we find it impossible not to believe that all worked upon a common plan or draft drawn up before the first blow was struck.

THE FIRST LEGISLATIVE MOVE—THE 1934 TRADE AGREEMENTS ACT

When the 1934 Trade Agreements Act was passed, in an economic frenzy by a subservient Congress, it looked innocuous enough. It was said, "Let the President try to do this job for a while in the interest of economic recovery." Nobody seemed to know or care what might happen, and nobody seemed to know that hidden in that act was the authority for the President to transfer the constitutional responsibility of Congress to regulate the foreign trade and national economy to 34 competitive foreign countries. He could transfer the whole thing to Peking or to Moscow tomorrow if he so desired. There may be 50 nations eventually that will be involved if they are accepted into that group. It will be remembered that Japan was only recently accepted into that restricted group. That laid the foundation for the destruction of the textile, crockery, and precision instruments businesses in this Nation. These nations sit around a table at Geneva, Switzerland, a city that most people who are not in the trade must check to determine exactly where it is located in the world, and they regulate our foreign trade and national economy. Through a continual lowering of duties or tariffs by the authority granted them by Congress through the 1934 Trade Agreements Act, those nations can make or break any production business anywhere in the United States of America for their own benefit.

They do break them, Mr. President. There is no comparison between the living standards, as the distinguished Senator from Georgia outlined, between Georgia and Japan, for example, when there is practically free trade in textiles, which is destroying the textile industry in the United States.

UNITED NATIONS RESOLUTION

I have in my hand a resolution passed by the United Nations on February 20, 1957. That resolution should be warning enough to Members of Congress to read the whole script this time, beginning with 1934, instead of just passing the immediately proposed legislation which provides just another step in stifling the economic development of this Nation.

The proposed legislation of OTC merely follows the pattern already laid down, and is in line with the pattern referred to by Abraham Lincoln when he spoke about timbers, all exactly fitting, and not one too few or one too many. There must be a plan, Mr. President.

The United Nations is headed toward the regulation of our foreign trade and national economy through progressive legislation—on the basis of equal production and consumption in every nation in the world based on population. When they reach that control then that is what will happen.

Mr. President, I ask unanimous consent to have the entire United Nations resolution printed in the RECORD at this point in my remarks.

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

> 1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular:
>
> (a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade, and to continue to avail themselves of services offered in the field of trade by these organizations;
>
> (b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance-of-payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries;
>
> (c) To conduct their trade policies with due regard to their possible harmful effects on the economies of other countries, especially countries which are dependent on exports of relatively few commodities;
>
> (d) To follow internal economic, monetary, and fiscal policies which promote high levels of production, employment, and investment, keeping in mind the relationship between such internal policies and the possibilities of expanding world trade;
>
> 2. Endorses Economic and Social Council Resolution 614 (XXII) of August 9, 1956, and requests the Council to continue to give particular attention to developments in the field of international trade;
>
> 3. Looks forward with interest to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.
>
> Source: United Nations press release, GA 1450, February 20, 1957.

Mr. MALONE. Mr. President, the resolution, in part, provides as follows:

1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular—

I digress to say that no other nation needs a tariff or a duty to equalize wages. Our wage standard of living is the highest in the world.

(a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade—

They make these agreements without the people of the United States knowing anything about them. They are secretive. Congress is not allowed to know anything about it, until they are signed, sealed, and delivered. Then it is too late to object, since the agreement is already in effect for a definite period under the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—as extended by Congress for 24 long years; and through that act they have transferred their authority to 34 foreign competitive nations.

The resolution continues:

and to continue to avail themselves of services offered in the field of trade by these organizations.

(b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance of payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries—

As long as these nations can say they are still not as well off as we are, they do not have to meet these restrictions. They can sign a trade agreement which lowers duties and tariffs, and then install import permits and exchange permits, and every kind of restriction, including the manipulation of the valuation of their money in terms of the dollar.

THE DOLLAR SHORTAGE CATCH PHRASE

That is where the dollar shortage catchword was coined. They fix a price on their money in terms of the American dollar higher than the market price, and nobody will buy it at the fictitious price except a misguided American Congress who makes up the difference.

When they speak about barriers, what do they mean? They mean barriers to their trade. In the case of textiles, the difference in the wage standard of living between the people in the United States and the people in Japan, represented by a duty or tariff is the barrier about which they are complaining.

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

Mr. MALONE. I am glad to yield to the Senator from Wyoming.

Mr. BARRETT. At the outset let me commend my distinguished friend from Nevada for his splendid statement this afternoon. I should like to make an observation. My State of Wyoming is the second largest producer of wool in the country. As a result of that situation we are intensely interested in the matter of tariffs. I have been concerned for some time because of the competition from offshore wool, particularly from Australia and from many other countries, including South Africa, as well as from woolen fabrics coming in from nearly every country on earth.

I may say to the Senator from Nevada that there was a time when our textile plants in this country were far superior to the plants anywhere else in the world, but since World War II we have furnished funds to foreign countries, with the result that practically every country on earth now has just as efficient plants with which to process wool and to make up fabrics as we have in this country.

I may say to my colleague that we in Wyoming are very much appreciative of the Wool Act. At the same time, we find that the competition from the imports of woolen fabrics is devastating, so far as the producers of wool in the United States are concerned. My information is that 184 wool-textile plants in the United States were closed in the period from 1947 to 1954. As a result, the employment in the textile mills of America has dropped 51 percent. There have been losses incidental thereto, such as in the manufacturing of machinery for those plants, and in other ways, as well. It is very difficult to determine the exact effect of the closing of these woolen mills.

As the distinguished Senator from Nevada has pointed out, it is extremely difficult for American manufacturers of wool products to compete with wool-manufacturing plants in Japan, when the Japanese manufacturers have machinery which is just as up to date as that which is used in this country. Also, the Japanese manufacturers employ skilled mechanics, but their payrolls are approximately 10 or 11 percent of what they are in this country. Because of that competition, it is impossible for American wool manufacturers to meet the prices of products coming from Japan, and also from a good many European countries, such as England, France, Italy, and some of the countries behind the Iron Curtain.

I have been considerably disturbed recently because of actions which are being taken by two different agencies of our Government. First, the Secretary of Commerce has sent a mission to Japan. That mission, as I have been told, has been urging the manufacturers in Japan to produce quality goods to compete with the products of the textile mills in the United States. The fact of the matter is that the competition from the low-paid, high-class labor in Japan will hurt America the most. We may end by having all the quality woolen mills in this country closing down if the Japanese manufacturers are permitted to export to the United States quality fabrics in unlimited quantities.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield so that I may make an observation?

Mr. BARRETT. With the consent of the Senator from Nevada, I shall be delighted to yield for that purpose.

Mr. MARTIN of Pennsylvania. We have heard much during this session of Congress about aiding small business in the United States. Many persons say that small business is the strength of our economy. The manufacturers of the textile goods mentioned by the distinguished Senator from Wyoming are generally small-business men, who employ a small number of very skilled workers. The foreign competition in woolen fabrics is damaging to concerns of that kind.

In my own State of Pennsylvania, an enormous amount of woolen goods used to be manufactured. Most of those factories are now closed, and there is no other kind of work suitable for workmen skilled in that field. They cannot go to work in a steel mill or a wire mill, and they cannot work in the mines.

So a great many of what we call small-business concerns in the United States are being destroyed because the Government is not taking into consideration the protection those industries need in order to enable them to compete with the importations now entering the United States.

Mr. BARRETT. I thank the distinguished Senator from Pennsylvania for that observation. The quantity of Japanese woolen fabrics imported into the United States has increased from 178,000 yards in 1951 to more than 6 million yards in 1956. I do not know the proportion of the increase, but I should suppose it is away up in the thousands.

We in the West are vitally interested in this matter, because the only market we have for the wool shorn from the sheep of Wyoming and the other Western States is the domestic mills of America. If the mills continue to close at the rate at which they have been closing in the past 10 years, we will not have any market for our wool after it has been produced.

Another item to which I wish to call the attention of my colleague from Nevada and my colleague from Pennsylvania is the proposal which is being made at present to make a change in the so-called Geneva wool fabric reservation. Under that reservation, it is provided that when the annual volume of imports exceeds by 5 percent the annual average of United States production of wool fabrics, the ad valorem duty may be increased from 25 percent to 45 percent. A hearing was held on that matter last fall, at which that provision was reaffirmed, and the administration took the position that it should stand on that basis.

I now understand that the State Department officials and other persons are proposing that the percentage be increased from 5 percent to 7 percent, so that additional imports may come into the United States before there will be any obligation to consider, at least, if not to impose, a higher ad valorem rate on the imported fabrics. That is very disturbing to me. I am very hopeful that the administration will see fit to maintain the agreements which were entered into under the Geneva fabric reservation, and will hold the figure to 5 percent. That is, if the importations exceed by 5 percent the annual average imports of previous years, then it will be necessary to give us some protection by increasing the duty, on the ad valorem basis, from 25 percent to 45 percent.

I appreciate the opportunity to make these observations and to tell the distinguished Senator from Nevada that I think he is rendering a very useful service in bringing these matters to the attention of the Senate. I hope the Committee on Finance will take a good, long look at proposals with respect to OTC and GATT before they bring them out on the floor.

HOPE OTC-GATT OR 1934 TRADE AGREEMENTS ACT NEVER REACHES FLOOR

Mr. MALONE. I join with the distinguished Senator from Wyoming, but I further hope that OTC and GATT will never get to the floor this year—and that the proposal to extend the 1934 Trade Agreements Act will never reach the floor next year. Would the distinguished Senator from Wyoming join with me in that hope?

Mr. BARRETT. I certainly would join with my colleague in that hope.

Mr. MALONE. I may say to the distinguished Senator from Wyoming that one of the things that has been done in the 24 years by our State Department, is to build an intricate mechanism for the regulation of foreign trade through the General Agreement on Tariffs and Trade and through the multilateral agreements, in various ways, so that it is almost impossible for anyone to understand what is happening.

All of this under the 1934 Trade Agreements Act which is the parent legislation for the international Socialist idea of division of wealth through division of our markets.

I point out to my distinguished friend from Wyoming that a sheep unit—a ewe and a lamb—can be produced in Australia for about 20 percent of what it can be produced for in the United States. Therefore, the only solution to the problem—and the same is true of 5,000 other products—is to return to the Constitution of the United States in the regulation of our foreign trade and national economy, which provides that Congress shall regulate foreign trade and the national economy, and shall through the Tariff Commission, an agent of Congress, set duties, imposts, and excises for that purpose—methods to determine the difference in cost between an article produced in the United States and a like article produced in a foreign country, and to recommend that that amount shall be the duty. That will make up the difference in the wage standard of living; it will make up the difference in the cost of doing business in the United States and in the chief competing country, such as Australia.

I point out that we pay more in the United States for industrial insurance and social security than the competitive nations pay in wages.

Mr. President, I wish to call attention to paragraph 3 of the resolution adopted by the United Nations:

> The United Nations look forward with interest to the establishment of the Organization for Trade Cooperation, and urge the state-members of the United Nations and members of specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.

Mr. President, that is a tipoff that they expect to supervise, through the action of the same organization, if it is created, an organization, under the United Nations, which will control the trade of all the nations of the world.

CONGRESS SURRENDERED ECONOMIC INDEPENDENCE

Mr. President, in 1934—23 years ago, and 158 years following the Declaration of Independence—a subservient Congress surrendered the social and economic independence that Washington's Continental Army had left bloody tracks in the snow to gain. That surrender took place through passage of the 1934 Trade Agreements Act, named "Reciprocal Trade" by the economic "one worlders" of the day. This act marked the betrayal and complete abandonment of the American workingmen and investors into direct competition with the sweatshop labor of old Europe and Asia. The Constitution pointedly separated the regulation of our foreign trade and national economy from the fixing of our foreign policy. The first was delegated to the legislative branch, and the second to the executive branch of our Government.

The 1934 Trade Agreements Act tied together the two jobs. As a result, both came under the executive branch for the first time since the adoption of our Constitution in 1789. Our economic independence of old Europe—declared in 1776, and guaranteed by the Constitution in 1789, under which we developed the highest standard of living in the whole world—lasted just a little more than a century and a half.

Twelve years ago, in 1947—171 years following the Declaration of Independence—the President of the United States transferred that constitutional responsibility of Congress to regulate our foreign trade and national economy, under article 1, section 8, of the Constitution, to Geneva, Switzerland, under the organization known as GATT, the General Agreement on Tariffs and Trade, which he caused to be organized under his claimed authority of the same 1934 Trade Agreements Act.

BETRAYED INTO THE POWER OF OLD EUROPE

Since that betrayal into the power of old Europe and Asia, 35 nations, of which we are one—each with 1 vote—have quietly proceeded to divide the American markets among themselves, through multilateral trade agreements, under the pretext of preserving the peace. It is utterly unbelievable that the Congress could have been coerced into transferring its constitutional responsibility to maintain the economic integrity of this Nation into the grasping hands of old Europe, but it is even more amazing that the 84th Congress in 1955 extended the act for 3 years. It now expires in June of 1958.

This Nation is now being blackmailed through continued threats of retaliation if we even attempt to regain our economic independence, guaranteed by the Constitution of the United States.

THE PROPOSED ITO, 1950—OTC 1956

The Congress refused to approve the International Trade Organization (ITO) in 1950, and it refused to approve the Organization for Trade Cooperation (OTC) in 1956; but the original authorization in the 1934 Trade Agreements Act was extended to 1958.

RETURN TO CONSTITUTION AND BILL OF RIGHTS

Mr. President, let us return to the Constitution and the Bill of Rights, the greatest man-made documents in 5,000 years of recorded history, just as the 10 Western States, assembled at Salt Lake City on May 4, asked the Congress to do; and just as my own State, through its legislature and in editorials published in both Democratic and Republican newspapers, has requested.

Let us return to article 1, section 8 of the Constitution, which places directly upon the Congress, the legislative marr upon the Congress, the legislative branch of our Government, the responsibility of regulating our foreign commerce and our national economy. If the Congress shall not extend the 1934 Trade Agreements Act in 1958, thereby reverting to the Constitution, as the resolution sets out, then the Tariff Commission, an agent of Congress, would be guided by the section 336 of the 1930 Tariff Act on principle which says:

> If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the difference in the cost of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize.

NOT HIGH OR LOW DUTY—BUT FLEXIBLE

Mr. President, it will be noted that the principle of fair and reasonable competition is laid down in existing law—not a high or low duty or tariff but the flexible duty continually adjusted by the Tariff Commission to represent the difference in the effective wages here and in the chief competing country on each product—the duty would be lowered as their living standard improved—and when they approached our standard then free trade would be almost automatic and immediate.

It is time for the Congress—not the President of the United States, not 34 foreign nations assembled at Geneva—to adjust the duties and tariffs, in the regulation of the foreign trade and the national economy of the United States just as the 10 Western States have requested—and just as the distinguished Senators, Mr. TALMADGE of Georgia and Mr. BARRETT of Wyoming have requested.

Mr. President, I yield the floor.

STUDY OF CRITICAL RAW MATERIAL AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate resume the consideration of the State, Justice, and judiciary appropriations bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 6871) making appropriations for the Departments of State, Justice, and judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I as unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

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

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Goldwater	Morton
Barrett	Gore	Mundt
Beall	Green	Murray
Bennett	Hayden	Neuberger
Bible	Hickenlooper	O'Mahoney
Bricker	Hill	Pastore
Bridges	Holland	Potter
Bush	Hruska	Purtell
Butler	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Church	Knowland	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Talmadge
Cotton	Long	Thurmond
Curtis	Magnuson	Thye
Dirksen	Malone	Watkins
Douglas	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Yarborough
Ellender	McClellan	Young
Ervin	McNamara	

Mr. MANSFIELD. I announce that the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. FLANDERS] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

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

Mr. JOHNSON of Texas. Mr. President, we are considering today one of the most important appropriation bills that will come before the Senate at this session. It is a measure which affects both the internal and the external security of our country.

The bill provides the funds for fiscal 1958 for the State and Justice Departments, the Federal Judiciary, and a number of related agencies. The Committee on Appropriations recommends an overall amount of $563,085,293.

In arriving at this figure, we have tried to find what the President describes as "the proper dividing line between national danger on the one hand and excessive expenditures on the other." We have tried to find a program that is adequate to our needs without imposing an unnecessary burden on our taxpayers.

The total figure in the bill reported by the Senate Committee on Appropriations is $714,500 below the amount recommended by the House and $102,564,509 below the amount recommended by the President and the Bureau of the Budget.

The PRESIDING OFFICER. Will the Senator from Texas please repeat the last figure?

Mr. JOHNSON of Texas. The bill as reported to the Senate is $102,564,509 below the amount recommended by the President and the Director of the Bureau of the Budget, which is approximately a 15-percent reduction below the estimate of the Bureau of the Budget. We consider these real savings—savings in the sense that they have been made with prudent thought and what we consider to be selective care. They represent our best judgment on the basis of all the information which was made available to conscientious Members of the Senate. We sat early in the morning and late in the afternoon, until we compiled one of the longest and largest records of any subcommittee in the history of the Senate—1,249 pages of testimony in the volume which is now on the desk of each Senator.

After listening to all the evidence, the committee felt that it could not justify raising the appropriation made by the House of Representatives. That left us with the problem of how to divide the approximately $565 million appropriated by the House.

It was our conclusion that our primary objective must be to keep the State Department and our Foreign Service as strong as possible. We felt that the regular Foreign Service, the Foreign Service Institute, and the International Education Exchange program were more important than extra employees for the USIA, the United States Information Agency.

We also believed that it was of great importance for the United States to carry out its public commitment to participate in the Brussels Fair.

On that basis, we reduced the appropriation for USIA as provided in the House bill by $16 million, and applied the savings as follows:

To the State Department, $6 million, which will enable the Department to carry out a balanced program, including the training of its officers in foreign languages and supplying them with representation allowances and adequate facilities including recreation at hardship posts.

To the International Education program, $6,425,000 which will strengthen an imaginative program for promoting understanding.

To the Brussels fair, $3.5 million, which will provide facilities to afford perhaps millions of people from foreign lands an adequate picture of our country. It will also enable us to carry out a commitment we have already made.

There may be some who did not attend the hearings, or who did not read the hearings, or who did not agree with the testimony presented, who may think that these activities should have second priority to one providing more employees for the United States Information Agency. Candor requires me to say, Mr. President, that that does not accord with the judgment we reached after hearing the evidence for days.

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

Mr. JOHNSON of Texas. Yes; but I would prefer to complete my statement. I expect to be on the floor for some time.

Mr. KUCHEL. For one question.

Mr. JOHNSON of Texas. I do not wish to interrupt the continuity of my statement. If I set an example of yielding to my friend from California, other Senators may follow with similar requests. However, I am glad to yield now.

Mr. KUCHEL. When the Senator says "we," does he mean that the committee unanimously reported that action?

Mr. JOHNSON of Texas. The subcommittee unanimously reported the bill to the full committee. The full committee unanimously reported the bill to the Senate.

It was suggested in the subcommittee, by the distinguished Senator from Illinois [Mr. DIRKSEN], that the subcommittee vote $96 million to the USIA. The distinguished Senator from Montana [Mr. MANSFIELD], a member of the Committee on Foreign Relations, made a motion to reduce the appropriations for the USIA to $60 million. So the subcommittee had before it two suggestions in the form of motions.

Some suggestions were made that we should provide the amount of the House figure, $106 million. As chairman of the subcommittee, I asked the members to consider the fact that this administration had been in office 4 years, and that in 3 of those 4 years there had been appropriated for the USIA sums in the 70 millions, in the 80 millions, and in 1 year $113 million. The 4-year average was $90 million. I asked if any member of the committee could demonstrate from that record a justification which would permit a conscientious, informed Senator to say that this Agency was entitled, on its record, to more this year than it had received for the average of the 4 years.

The Senator from Illinois [Mr. DIRKSEN] was diligent throughout the hearings. He was present during almost all the testimony, and he presented his suggestions step by step, bracket by bracket, and area by area, and suggested $96 million. The chairman cited the 1956 budget, and pointed out that one year under the Republican Congress, and under the leadership of the late Senator Taft, this Agency had received 79 million. Under the leadership of the Senator from California [Mr. KNOWLAND], it had received $84 million. In the third year, under Democratic leadership, it had received $89 million, and in the fourth year $113 million.

Therefore, in the light of this record, the chairman of the subcommittee did not feel that he could ask any Senator to go along with us if we asked for more than the average of the 4 years.

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

Mr. JOHNSON of Texas. I will not yield at this time. I wish to complete my statement. I do not wish to depart from my main speech. I ask Senators to indulge me for 10 minutes. Then I shall be glad to answer questions for the remainder of the day.

I asked for the right to submit my motion and the committee accorded me that right. The roll was called. As I recall, the vote was 10 to 4. The proxy of the Senator from Iowa [Mr. HICKENLOOPER] was voted, which made the vote 10 to 5. The proxy of the Senator from Arkansas [Mr. MCCLELLAN] was then voted, which made the vote 11 to 5. So the $90 million suggestion prevailed over the suggestion of the Senator from Montana, which was $60 million, over the suggestion of the Senator from Illinois, in the form of a motion, of $96 million, and over the suggestion of the Senator from California [Mr. KNOWLAND], and other Senators who had discussed the House figures.

So the figure was reached by a vote, if I remember correctly, of 11 to 5. Roughly, we divided the $16 million which had been affected into two parts. Twelve million five hundred thousand dollars went to the State Department, and $3.5 million went to the Brussels Fair. There was a redistribution. The bill is within three-quarters of a million of the House figure. I do not believe the House will approve a larger amount for these agencies.

It then became a question of how to distribute the savings, and we have distributed them as I have outlined.

We thought that the top priority in this bill should go to the career Foreign Service and the vital activities of the State Department.

The USIA budget was presented to a committee basically friendly to an information program. We are deeply aware of the cold war against communism and are ready to support an agency that prosecutes it with vigor and intelligence.

We proceeded with care to gather all the facts. Again and again and again we asked the heads of the Agency to submit all the details and all the justifications that would enable us to make a judicious, intelligent decision.

I should like to have the RECORD show—though I am not proud of it and am somewhat disappointed, not only at the Agency, but at my own poor judgment—that last year the Senator from Texas was chairman of the subcommittee which raised the appropriations for this Agency from approximately $87 million to $113 million. It was in the hope that we would have an expanded educational program; that we would have an expanded Voice of America and expanded radio facilities; that we would have an expanded low-cost book program; that we would reduce the sum of the expenditures involved in trying to teach culture to the English and trying to supply the French with modern libraries. It was hoped that, instead, we could engage in a truly effective propaganda war.

The low-cost-book program was expanded, but high-cost books were maintained. What was most disappointing was the competition of the Government press service with private industry. We issued warnings, and we admonished. We placed in the law a provision that the Government press service must not compete with existing news agencies.

What did the Agency do? It added 200 employees, in defiance of the most generous friend the Agency has had. Some Senators may take pride in supporting programs upon the request of people who do not know what is in the programs, but I am not one of them.

We found a jazz-band television program in Mexico City. The program meant $1,400 in a week to win friends and influence people in Mexico City. I ask Senators to go home and look their constituents in the face and tell them whether or not such expenditures can be justified. I cannot do it, and I live on the border.

We found 2 USIA officers and 12 "locals" in Ethiopia, a country of 12 million people, where fewer than 100,000 speak, write, or read English, and where there are only 4 newspapers—2 weeklies and 2 bidailies—and 2 radio stations. The USIA said it had hired an assistant and needed 8 more locals to help propagandize 2 weeklies and 2 bidailies.

The general proposition which the USIA presented to us was a simple one. They asked that we take the highest level of their spending in the past 4 years—fiscal 1957—and build up from there. They asked for a thousand new employees, with all the emoluments which go with the jobs. The committee would have been willing to agree, provided a clear justification could have been shown in terms of the national interest. We pressed for a detailed explanation of the present program and the needs for expansion. That detailed explanation never appeared.

We tried to find out whether the 1957 spending was justified. The reply was that the 1957 spending level was the starting point for the 1958 budget estimates.

We tried to find out how the 1,200 new jobs requested by the agency would be used to fight communism. The reply was that the Communists are spending millions of dollars to fight democracy.

We tried to find out whether the programs of the USIA were effective. The reply was that this year will offer a glorious opportunity to combat Communist imperialism—as though such Senators as the Senator from California [Mr. KNOWLAND], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. MUNDT], and the Senator from Maine [Mrs. SMITH] needed an opportunity "to combat Communist imperialism."

All of us have been trying to combat it in every way we know how. I have no authority to speak for them, but, on the basis of 25 years' experience, I know they will support appropriations for any missile or any bomb or any plane or any propaganda that can be demonstrated to be needed. We have done that. We did it last year.

We did all that, Mr. President, only to have the chickens come home to roost, and some Senators who were opposed to previous appropriations have looked me in the face and have suggested to me that I was wrong then.

The committee consists of reasonably patient, reasonably experienced, and reasonably understanding men. But I doubt whether a single member felt that he had been given facts that demonstrated the effectiveness of USIA. If I am wrong, I shall be glad to be corrected. The only thing that became clear is that the USIA never abandons an activity, but only increases its personnel and spending, unless an abrupt halt is ordered by an outside authority.

I cite as an example the fact that a low-cost-book program was ordered. It was then expanded. It cost $700,000 in 1956, $1,400,000 in 1957, and it was supposed to cost twice that amount in 1958.

But what happened to the high-cost-book program? It became higher.

An officer is stationed in Ethiopia to cover 4 newspapers, 2 radio stations, some magazines, and a library. He also informs the American Ambassador of the text of Presidential speeches.

It is decided to lighten his burdens and another officer is added to the staff—plus some local residents.

A decision is made to foster international exchange of books among American citizens and residents of other lands. This requires a staff to give technical advice in wrapping, mailing, and similar problems.

The programs, in general, are good. Some of them are excellent. But somehow, no effort is made to determine whether they can be handled with fewer people and at a lower cost.

At the conclusion of the committee's hearings, it was obvious that no real basis had been presented for increasing the Agency's appropriation. We had been asked solely to accept, on faith, the 1957 spending and go a bit higher.

This the committee was unwilling to do.

After some discussion of levels, both above and below, it was decided, by substantially more than a 2 to 1 vote, to recommend the average of the past 4 years, $90,200,000.

I should like to remind those Senators who might say that I am trying to use a knife on the President's program, that when they carried the knife they gave this office less money in each of the years their party controlled Congress, than the Democrats have given it. And I am not sure but that they were right and that I was wrong.

The suggestion was made that this Agency should be placed under the State Department. I warned and cautioned each member of the committee that the Secretary of State had on several occasions informed me already that he had no desire to have this Agency in his Department. He did not mean that as any reflection on the United States Information Agency. He merely did not want the additional operating responsibility.

Notwithstanding that warning from the Secretary of State, every member of the committee voted to recommend that the Agency be placed in the State Department, where it can have supervision by the Secretary of State.

In the existing law there is a provision which is designed to prevent the Government developing a Government-kept, Government-controlled, Government-led, and Government-bred press service. That prohibition either has not been understood or has not been followed. I therefore asked the agency counsel to draft a prohibition which would be effective. I did it because we have a substantially effective worldwide press service which serves this Nation and most of the foreign countries. If we continue the course we have been following we will drive from the free enterprise field some of our most reputable news services. Frankness compels me to say that that view is not shared by all such services, but it is shared by some of them.

Counsel drafted a prohibition. We reviewed it. It looked as thought it weakened the present prohibition instead of strengthening it. It seemed to us that it permitted greater instead of less competition. I cite that experience to demonstrate the general attitude with which we were confronted.

Therefore, as Justice Vinson used to say, we got out our own lead pencils and sat down and drafted a prohibition, which was unanimously adopted by the committee yesterday. It will be found in the bill at page 35, line 11. I call this provision to the attention of all exponents of free enterprise, to all those who want to combat communism, and to all those who abhor a controlled press, such as exists in Russia. God forbid that the day will ever come when we have the same kind of controlled press in this country. This is how the provision reads:

Provided further, That no part of the appropriation made by this title shall be used for any overseas Government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I hope that provision will be adopted unanimously by the Senate, as it was by the committee. Here again we can say, "Stop, look, listen."

The recommended sum includes $89,100,000 for salaries and expenses and $1,100,000 for construction of a new transmitter. It is adequate for all USIA programs, provided ingenuity and enterprise are exercised. It is more money than the Agency has had to do the job in the past 3 years out of 4. Only 2 years ago, a full program was operated on less money—$87,089,000. It is fair to say, of course, that there have been some salary adjustments and some mandatory retirement benefits that will have to be added to the $87 million.

The committee does not believe that a larger sum can be justified until the Agency reaches a point of control where it can present detailed explanations and adequate justifications.

For the State Department, the committee recommends the restoration of some of the funds cut by the House. They are more than balanced, of course, by the recommendation for reduced expenditures for USIA.

I point out to my friends on the minority side, without any thought of chastising them, that the former Secretary of State, Mr. Acheson, suggested a budget of $150 million in 1953, before he left office—and he left with the approval of, as I remember, many Senators who sit on the other side.

His successor appeared before the Committee on Appropriations, then headed by the distinguished Senator from New Hampshire [Mr. BRIDGES], the chairman of the Republican policy group, and testified that he could get along with the $107 million the prudent New Englanders were willing to give him. So the State Department, in its first year under the Republican administration, operated with $107 million.

The House gave the State Department $180 million this year. The Senator from Texas thought the House had cut too deep. He thought the Senate ought to increase the representation allowances, though he is aware of all the controversy that can be stirred up on that issue. The Senator from Texas thought the State Department ought to have some additional money for its employees. He thought they ought to have some of the hardship-post recreational facilities which have been discussed. He thought the Department ought to have a better educational program.

So what happened? Approximately $13 million was added to the House figure. The House provided some $180 million. The Senator from Texas did not take $16 million down to Texas for flood-control purposes, although it is probably needed there more than it is in some other places.

The Senator from Texas took the $16 million and gave most of it to the State Department, so that they could have the $193 million which is recommended in the bill, and which is $13 million more than the House provided for the State Department. The Senator from Texas thought that Deputy Under Secretary of State Loy Henderson, made a good case. Mr. Henderson said, in effect, "If you will restore the $13 million, I will try to live with it, and I believe all my employees will make a conscientious effort to economize." Therefore that sum went back in the bill for salaries and the international education exchange program, and the balance for other necessary items.

Eight million four hundred and ninety thousand dollars is included in the bill for the Brussels Fair. The House had cut the appropriation for this purpose to $5 million. We were faced with three alternatives: We could have a good exhibit; we could have no exhibit; or we could have a third-class exhibit.

The Senator from Texas does not want his country to be traveling third class. If the building which is already under construction were to be abandoned, millions of dollars would be wasted. So we had no choice, as I saw it, except to appropriate $3,500,000 more than the amount provided by the House.

So, roughly, we saved $16 million on the USIA, but gave that Agency more than they had for 3 out of the past 4 years, or an average of the 4 years. We allotted $6 million of the saving to salaries, $6,500,000 to education, and $3,500,000 to the Brussels Fair.

We made some minor adjustments. One was in connection with the Passamaquoddy survey, for $409,000. The House had cut that out. The House also had cut out $30,000 for a Texas project, which we did not put back in. But when we inquired of the expert witnesses on Passamaquoddy they said it would cost more to spread the cost over 2 years than to include the full item this year. So I voted for economy, and I am prepared to defend my action.

The Federal Bureau of Investigation asked for 42 more agents and 21 more clerks. We considered the request. We recognize that the Federal Bureau of Investigation is headed by a career officer. We recognize that he is the head of one of the most efficient, one of the most economical bureaus in the entire Government. But I called him on the telephone and said that every day I had to look Senator BYRD in the face, and also Senator RUSSELL, Senator KNOWLAND, Senator SMITH of Maine, Senator WILEY, Senator BRIDGES, Senator DIRKSEN, and many other Senators.

I said: "This is a year when we want to be careful; when we want to avoid or to postpone any expenditure which can be avoided or postponed. We want to reduce the additional personnel appropriations which you requested about 10 percent. But we want to ask you, if that is done, whether you will not try to have your staff absorb the work, and have them work a little more overtime."

All of us know that the Director and everyone who works under him do not watch the clock. They probably contribute more overtime than do the employees of any other agency of the Government.

The Director said, "If that is the policy of Congress, of the Senate, and of the chairman, and if they establish that policy, I will carry it out as best I can."

I praise the Director of the Federal Bureau of Investigation for his attitude, and express the hope that other agencies will emulate it.

The committee recommended a reduction of $8,200,000 in the budget estimate for the Justice Department, and $1,475,000 from the House appropriation. In that amount is a reduction of $150,000 for the FBI.

It was our conclusion, based upon the evidence, that it was necessary to include the funds for the Brussels Fair. Otherwise, everything which had been done so far would be wasted. I have already told the Senate about the restoration of the $3,490,000 for the Brussels Fair. I want the RECORD to show that $4 million has heretofore been appropriated for the building, and the building is already under construction. Another $1,500,000 is pending in a supplemental appropriation bill to be considered by the committee in the next day or two. Our failure to appropriate the money recommended in the bill would result in waste of what has been spent already on this project.

I believe most of us heard the President of the United States last night as he addressed the Nation. He reviewed the need for a strong national defense. I believe we all recognize that need, and we all respect the President's judgment in that field although last year I voted to spend more for defense than the President had recommended.

The President told the Nation that he is engaged in a constant search for "ways to save money and manpower so that government does not further add to the inflationary pressure on the economy." In this search, he invited the cooperation of Congress.

Mr. President, I think we can make reductions if we are careful and prudent, and if we are nonpartisan as to each of the bills which come before us. The President himself said last night, in effect, that the businessmen in his administration had submitted requests to him, and that he had had to reduce them by $13 billion. So he has cut $13 billion from the budget already.

If the President in exercising his constitutional prerogatives can cut $13 billion from budget requests, why cannot Congress, in the exercise of its prerogatives and responsibilities, cut the budget further when the reduction can be justified?

I think this bill represents an opportunity to cut some fat. Our recommendations are the product of long hearings, of careful thought, and of deep study. The savings are selective and are based upon a desire that the national interests shall be served adequately.

I would be less than frank if I did not say to my colleagues that I would like to have a better Information Agency than we have. I look forward to the day when we can have the best Information Agency in the world. But there is not one scintilla of evidence in the more than 1,200 pages of the hearings which would justify the assertion by a judicious, prudent man that the $90 million we have recommended will be wisely spent. I would not so recommend except for the hope, trust, and confidence I have in my colleagues and in their willingness to put the Information Agency back in the State Department.

I would be extremely reluctant to go along with the $90 million in the bill now, because time and time again we heard witnesses who did not know the number of persons who were working for them, where they were, or what they were doing. Yet, those witnesses were asking for more and more money.

Mr. BRIDGES rose.

Mr. JOHNSON of Texas. I yield to my friend, the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, let me inquire whether the Senator from Texas has concluded.

Mr. JOHNSON of Texas. Yes, I am through.

Mr. BRIDGES. Mr. President, I wish to say to the distinguished Senator from Texas, the chairman of the subcommittee on the State, Justice, and judiciary appropriation bill, as the ranking Republican member of the subcommittee, and also the ranking Republican member of the full Appropriations Committee, that I believe a fair, thoughtful job was done on the bill. It is not easy for all members to agree on all points; and in connection with proposed legislation, we must find a common area of agreement.

I think the bill as reported by the committee—and again I point out that the bill was reported unanimously by both the subcommittee and the full committee—an excellent example of good proposed legislation arrived at by thoughtful members who engaged in a process of giving and taking, and then reported a bill on which they found themselves in an area of agreement.

Personally, I support the bill, as reported. I recognize that not all my views are carried out by the bill, as reported. Similarly, I point out that I do not believe the exact views of any other member of the committee are entirely carried out by the bill, as reported. However, the committee has reported a bill which represents a common ground on which we can meet.

I hope very much that the bill, as reported by the distinguished Senator from Texas, whom I must compliment upon doing an excellent job as chairman of the subcommittee, and for putting in long hours of work and faithful service, will be passed without amendment.

Mr. JOHNSON of Texas. I thank my friend from New Hampshire.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Texas yield to the Senator from Arkansas?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I wish to join in the statement made by the Senator from New Hampshire [Mr. BRIDGES] in regard to the bill, as reported.

This is the first time I have served on a subcommittee of the Appropriations Committee. I tried to follow the committee deliberations as closely as I could. I wish to compliment the chairman of the subcommittee on the very thorough way he handled the witnesses and the material presented to the subcommittee.

In my opinion, the bill, as reported, is a very sound piece of proposed legislation. In several instances I, too, found that exactly the distribution of funds I favored was not provided by the bill, as reported. However, after considering the points of view of other members, I believe the distribution made by the committee is a fair one.

I wish to say that I think the particular contribution made by the chairman of the subcommittee was in assuming the obligation of making judgments as to the value of the various activities. In the past that obligation has sometimes been overlooked; at times the Senate has automatically voted for a certain percentage of increase or a certain percentage of decrease, or has followed some formula in that connection. In the present case, the chairman of the subcommittee undertook to evaluate the various programs and to redistribute the funds.

I think the committee has reached a very fair, sensible, and justifiable distribution of the funds, and I believe that the chairman of the subcommittee did a very fine job. I compliment him.

Mr. JOHNSON of Texas. Mr. President, the Senator from New Hampshire and the Senator from Arkansas know how much their approval means to me. I am very grateful to them for it.

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

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Mr. President, I desire to join my colleagues—the senior Senator from New Hampshire [Mr. BRIDGES], the ranking minority member of the full Appropriations Committee, and also of the subcommittee, and the distinguished Senator from Arkansas [Mr. FULBRIGHT], and other Members—in commending the majority leader, who is the chairman of the subcommittee, for the fine bill he has reported.

Although, by and large, the bill, as reported, represents the consensus of the view of the members of the committee, it must be kept in mind that some members believed that larger cuts should have been made.

Other members felt that further restorations of appropriations should have been made.

However, I desire to call to the attention of the distinguished majority leader, who is the chairman of the subcommittee, the fact that the subcommittee, despite such differences of opinion, agreed to try to hold the line on the bill, as it was reported yesterday and as it is now before the Senate.

Mr. JOHNSON of Texas. Mr. President, if my friend, the Senator from Montana, will yield at this point, I desire to say that some members, who might be called spenders or who might be identified with that group, would like to have the appropriations increased and increased and increased. On the other hand, some members wanted to have the USIA completely abolished. Some members wished to have $60 million appropriated for it; some preferred $96 million; some preferred $106 million; and so forth. However, after the members resolved their differences, following a debate on the subject pro and con, the subcommittee decided that it would come to the Senate with a united front and would ask the Senate to appropriate $90,200,000 for this Agency. I am prepared to stay here and to resist any amendments which would abolish the Agency or would cut the appropriations or would increase the appropriations as reported by the committee. I believe that every other member of the subcommittee is likewise prepared to do so. So I hope the Senate will support the action taken by the subcommittee and, in turn, by the full committee.

Mr. MANSFIELD. Mr. President, I am in wholehearted accord with the statement the Senator from Texas has just made.

I hope that the Senate will not vote to make any changes in the bill as reported by the committee, even though personally I believe larger appropriations should be voted for the State Department, because in peacetime the State Department is our first line of defense, and I believe it

should be given every possible consideration.

However, I am prepared to support the bill as it has been reported by the committee, and I shall be opposed to any amendments which would make any change in the bill as reported by the committee.

Mr. BYRD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Virginia.

Mr. BYRD. Mr. President, I desire to join my colleagues in commending the Senator from Texas for doing what I regard as a very fine job. It is very difficult to cut these appropriations, especially to reduce them below the amounts voted by the House of Representatives. I desire to express to the Senator from Texas my appreciation and my full approval of what he has done.

He has also made one of the most lucid and one of the clearest explanations of an appropriation bill that I have heard during my long service in the Senate.

So, Mr. President, I desire to commend the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator from Virginia.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to my distinguished friend, the minority leader.

Mr. KNOWLAND. Mr. President, at this time I wish to say that I was not a member of the subcommittee during the entire period of the hearings. Although I have been a member of the Appropriations Committee for approximately 11 years, I did not become a member of the subcommittee until the death of the late Senator McCarthy, which created a vacancy among the members of the subcommittee on the Republican side of the aisle.

I did attend a number of the hearings prior to the beginning of my service on this subcommittee, and I attended the sessions which came thereafter.

I believe the distinguished majority leader, who is the chairman of the subcommittee, has made a very fair and very factual presentation to the Senate of the events occurring in the committee.

Personally, I would have been happier if the appropriations carried in the bill, as reported, were closer to those voted by the House of Representatives; and I made such a suggestion.

But as a result of the sum total of the committee's deliberations, a meeting of the minds of the members of the subcommittee has been reached, as must always occur in connection with the deliberations of a legislative body; and in my opinion the appropriations which have been recommended by the committee will not cripple the United States Information Agency.

Mr. President, based on the record made before the subcommittee, including the testimony which has been taken, I wish to state that I hope the USIA will be fortified and will better be able to make a presentation, next year, before the Appropriations Committee, both in regard to being able to state clearly how the expenditures were made this year and in respect to presenting such other programs as the Agency believes can be justified. I hope that on that basis the Agency will thus be able to lay the facts fully and clearly before the committee.

In my opinion the Senator from Texas has stated very clearly that all the members of the committee are interested in the maintenance of a sound foreign policy on the part of the United States and in voting in favor of anything necessary to be done for the defense of the Nation, both in respect to its Armed Forces and in respect to implementing that policy in the Department of State and in the other important agencies. Certainly this particular Agency is an important one. I doubt that any Member of this body believes that it should be completely abolished.

There has been some legitimate criticism that in certain areas of the world, where there is an adequate free press, we still maintain larger staffs than we should. It has been argued that as the situation in one area changed, the staff should have been moved to another area, and that in such case the Agency should have concentrated the talents and abilities of its employees in the other areas of the world, just as, following the end of the war in Europe, our troops were moved from Europe, preparatory to ending the war with Japan.

Mr. President, if the hearings before the subcommittee are very carefully studied, I believe they will prove to be very useful for the Agency itself. Although—as in the case of any large Government agency—there may be in this particular Agency some persons who lack the necessary qualifications, yet there are also in the Agency, as in others, many persons who have the necessary qualifications and who are interested in carrying out the same objectives which the Members of this body have.

Mr. President, I shall support the action taken by the subcommittee and the unanimous action taken by the full Appropriations Committee in reporting the bill to the Senate.

I hope amendments which would either increase or decrease this item will be rejected.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. The Senator from California realizes, does he not, that the bill as passed by the House of Representatives carries an appropriation of $106 million for the United States Information Agency, and that the bill as reported by the Senate Appropriations Committee carries an appropriation of $90,200,000 for the Agency?

If the bill as reported by the committee is passed and goes to conference, there will be in conference the $90 million and the $106 million figures. There are some Members, on both sides of the aisle, who would like to reduce the $90 million, and there are some who would like to increase it. So far as I am concerned, I am not going to prevent the Senate from working its will. If it decides it wants to attempt to increase the item and have a yea-and-nay vote on that subject, and place the conferees in a straitjacket, and say to them that "You cannot go above $90 million," and 70 Members of the Senate have so voted, then, while I will resist amendments, I will certainly give Senators an opportunity to tell the country how they stand. There was an increase in the number of Government employees from 900,000 in the administration of my party in 1939, to 2,400,000 under this administration—and I think the day is coming, and that it is not far away, when we are going to separate the spenders from the cutters. I am willing to stand up and fight to develop my country and its natural resources. I am ready to vote for an adequate defense. I am in favor of our country having an adequate American information agency. But I submit there is not anything in the record that justifies the assertion that an appropriation of $90 million for the USIA should be increased.

Mr. KNOWLAND. I merely wish to conclude by again saying that, based on all the facts, including the parliamentary situation that presents itself, and the fact that the bill will be in conference, I shall support the action of the full committee which reported this bill to the Senate.

I should like to call the attention of the distinguished Senator from Texas to the proviso which he proposed and which I think is very good, and to which I fully subscribed in the committee. It appears on page 35, and reads as follows:

Provided further, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I agree with the Senator that that proviso is better than the provision which had been previously submitted.

I ask the Senator from Texas if he would consider the addition of merely a few words, which I think are in keeping with prior action of the Senate on a number of matters of importance. Although I am not wedded to these exact words, I suggest some such provision as this, "and the Appropriations Committees of the House and Senate are notified in writing of such finding." I think it would have a salutary effect if the Congress of the United States were officially advised that such findings had been made.

Mr. JOHNSON of Texas. As I understand, the language would require only notification—not that there be agreement with the committee. Is that correct?

Mr. KNOWLAND. That is correct.

Mr. JOHNSON of Texas. I will say to the Senator from California, I would have no objection to that. I will ask the staff to draft such a provision, and ask for time to let the members of the committee explore it.

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

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DOUGLAS. I, too, wish to congratulate the eminent Senator from

Texas, who is chairman of the subcommittee, for the bill which he has reported to the Senate. I think it is a very sound measure, and the whole committee deserves a great deal of credit for what it has done.

I suppose the subject which has been most under discussion is the further cut proposed in the appropriation for the information service, and I should like to ask the Senator from Texas a series of questions in that connection.

It is not true that the effectiveness of such a service depends, first, upon the type of direction given to it, and, second, the work of the rank and file of the service?

Mr. JOHNSON of Texas. That is correct.

Mr. DOUGLAS. As I have been reading the testimony before the subcommittee, I have inferred that, based on that testimony, a considerable number of the members had serious doubts about the competence, the knowledge, and the impartiality of the present Director of that service. Am I correct in that statement?

Mr. JOHNSON of Texas. I am not prepared to pass judgment on the gentleman's I. Q. I must say, in all frankness, that he was a very poor witness so far as concerned justifying the details of the proposed expenditures. I think some of the Senators brought into the hearings a speech, or perhaps two speeches, he had made referring to the New Deal and the Fair Deal as an alien philosophy that had been imported from Europe. But I think it was explained that he was speaking in Honolulu and perhaps was not aware of the fact that it might influence people in Europe, if he said it in Honolulu. He has been Director of the Agency for only a short time. He has been there only 6 months. It was the first time he had ever appeared before the Senate Appropriations Committee. I attempted to be helpful to him in getting all the facts he could assemble into the record.

I want to pay great tribute to the distinguished Senator from Illinois [Mr. DIRKSEN]. He is a champion of this administration. I only hope, when my party is in power, he champions it as much as he does this one, because he is an effective advocate. He said to the Director, "Here is how to answer the question," and he spelled it out. Then the Director went off in another direction and would not even follow instructions from his own party.

Mr. DOUGLAS. Will the Senator yield further?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. Am I correct in understanding that speech was delivered on April 16, 1957, in Honolulu?

Mr. JOHNSON of Texas. It was delivered in Honolulu. The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Montana [Mr. MANSFIELD] had a copy of it and asked questions about it on the record. It was in April, just a few weeks ago.

Mr. ELLENDER. April 16.

Mr. JOHNSON of Texas. April 16.

Mr. DOUGLAS. I had always understood that Hawaii was a part of United States territory. Was it in the line of duty that the Director of the United States Information Agency, presumably in charge of our propaganda abroad, should go to Honolulu to make this speech?

Mr. JOHNSON of Texas. No. Like certain members of the Cabinet, and Senators and Representatives, he is a very prominent man. He is the author and spokesman for his party in some fields. I believe he is the author of a book called Modern Republicanism. In fairness to him, I think we should say he accepted the invitation before he became Director of the United States Information Agency.

Mr. DOUGLAS. But he delivered the speech after he became the Director, did he not?

Mr. JOHNSON of Texas. Yes. I think I am correct in saying—some of the Members on the other side of the aisle are familiar with this situation—that we were informed he was extended an invitation to go to Honolulu. I suppose all modern Republicans, and Democrats, too, for that matter, like to go to Honolulu and spend some time there, particularly if someone pays their expenses. He accepted the invitation. Then he got this new job about 6 months ago. The invitation was still in force. He had made a commitment. He felt he should comply with it. While I do not approve either his going to Honolulu and making a speech or what he said——

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois——

Mr. JOHNSON of Texas. The Senator from Illinois is very astute. I do not want him to put the Senator from Texas in the position of defending the Director of the Information Agency.

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois as to whether the Director of the United States Information Agency traveled at the expense of the United States Government or at the expense of the Republican National Committee?

Mr. JOHNSON of Texas. I do not know for certain, but I assume that he traveled at the expense of someone other than the Government; and I hope it reduced the assets of the Republican National Committee.

Mr. DOUGLAS. May I ask the committee to find out about this matter and make a report to the Senate, because I think it is a very important subject. If a man travels at the expense of the Government and makes a partisan political speech, then I would not say he was carrying out a bipartisan foreign policy. As a matter of fact, I would not say he was carrying out a bipartisan foreign policy even if he traveled at the expense of the Republican National Committee.

Mr. JOHNSON of Texas. It is difficult for denials ever to catch up with questions or assertions, but I am informed by a staff member who, so far as I am aware, is entirely nonpartisan in the matter, Mr. Merrick, that it is his information that Mr. Larson traveled to Honolulu at his own personal expense. Although I would prefer the Republicans had paid for it than to see Mr. Larson have to pay for it, that is the information we have.

Mr. DOUGLAS. Can that information be verified?

Mr. JOHNSON of Texas. I shall ask the staff members to pursue the inquiry further, and if we are in error, to tell me. Then I shall correct the error.

Mr. DOUGLAS. Very well. I hold no brief for Mr. Larson, and I happen to believe this speech was a violation of the principles upon which the Information Service should be conducted. I remember when Harry Truman was President he appointed a Republican, Wilson Compton, to be head of what was the United States Information Service, called the Voice of America. President Truman never meant to make the Agency a partisan one. In fact, Mr. Compton went all over the world saying he was a Republican, and I never heard him denounce any party. Now I am really pained that Mr. Larson should have stepped over the line.

Mr. JOHNSON of Texas. If he were going around the world doing that under a Democratic administration, some of us should have pointed that out.

Mr. DOUGLAS. At any event, Compton was not disciplined for going abroad and saying he was a Republican. He was given full rein. That is the point.

Should we not, however, draw a distinction between a department head and the rank and file of an agency? If Mr. Larson had made such a speech when he was Under Secretary of Labor it would still have been untrue but it would have been understandable since a certain amount of exaggerated tales is permissible to a partisan politician who holds a political office. But the Information Service is supposed to be nonpartisan and to represent the Nation abroad. Some of us Democrats do not like to be insulted publicly and then appealed to for support. There has been too much of this. It should be stopped.

But is it not true that prior to 1953 there had been built up under the Voice of America an extremely able and competent staff of men?

Mr. JOHNSON of Texas. If the Senator believes that to be true, I shall not dispute it. I was not directly familiar with the employees of that Agency. I realize that some of the highest expenditures ever made were made during 1951 and 1952. I assume that the men in that service were competent and effective, but I do not have any detailed information on that point.

Mr. DOUGLAS. Is it not true that the men in the Information Service who carried over from the pre-1953 period and are still in the Service, carry on the work that is being performed with relatively high efficiency and devotion?

Mr. JOHNSON of Texas. I cannot attest to that. I hope that every Government employee is effective and efficient. I frankly must say that I believe, from my experience——

Mr. DOUGLAS. I am trying to wring some words of praise for this agency from the mouth of the majority leader.

Mr. JOHNSON of Texas. I am not one who takes great pride in condemning the acts of others and reflecting on

the capacity of my fellow man. But I must say I have seen agencies which I thought were much more efficient and effective than this group appears to be.

I will say to the Senator that day after day after day, with the help of the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from California [Mr. KNOWLAND], the Senator from Illinois [Mr. DIRKSEN], the Senator from Maine [Mrs. SMITH], the Senator from Louisiana [Mr. ELLENDER], who was there nearly every day, the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Montana [Mr. MANSFIELD], I tried to get information about what the USIA were doing, where they were doing it, and how they were doing it. The record will show we had great difficulty, and could not find out, who, what, when, why, and where.

I thought I was playing to a full house. The room was stacked full. I was having a little difficulty breathing. The air conditioning was off. I wondered why all the tourists had come into that room to hear the testimony. The thought occurred to me that maybe it was to see this new author, the new spokesman, the author of Modern Republicanism. I asked him 2 or 3 questions, and he could not answer them. Then I said, "Is there anyone in the room who can answer?" And no one could answer them. Finally I said, "How many employees of the United States Information Agency are in the room? Please stand up." And the entire room stood up, with the exception of a few.

I turn to one of my staff assistants, who counted 31 employees. I had there to help me two overworked men, who had been staying at the Capitol until midnight, working all day and working all night, and here was an Agency coming before the committee and asking for 1,000 more employees and $54 million, more than the average amount it had received for 4 years. And the Director could not answer the particular question, and there were 31 men from the Agency in the room and they could not answer it. I cannot say that is an example of effectiveness and efficiency. It may be that the question was not a good question.

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

Mr. JOHNSON of Texas. I yield to my friend from Illinois.

Mr. DOUGLAS. Did the Senator form a favorable opinion of the work of the Voice of America, for example?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. It has been my judgment that this work is efficiently operated and that the staff deserves great credit.

Mr. JOHNSON of Texas. The Senator from Texas has a very high opinion of many parts of this program, including the Voice of America, the Latin American radio work, the motion picture work, the low cost book program, and many others I shall not enumerate.

I will say I did not form a very high opinion of the press service. In 1956 the Agency had 684 people in the press service. In 1957, instead of reducing the number, because they had been criticized for competing with the United Press and others in foreign fields, what did they do? The Senator from Texas stood on the floor and defended himself from attacks, when he was asking that the appropriation be increased from $87 million to $113 million, and how did they come to his rescue?

They used a large portion of the increased appropriations to add 200 additional people, an increase of 33 percent, to the press service that competes with the United Press and others in the foreign field. I consider that not only disappointing, but almost insulting to the Senate.

What do they propose to do this year? This year they want not 684, not 887, but despite all the storm that is brewing, and with all the clouds that are hanging over them, they have come before the committee to say, "We are not satisfied with 684 or 877, we want 930 for the press service."

Not for motion-picture work. We were impressed with that program. The Senator from Rhode Island [Mr. PASTORE] will confirm that. Not the Voice of America. Not the radio program in Latin America.

The Senators would be willing to pay and pay through the nose, if this budget had been based on those programs, but that was not the situation. And we could not find out where these press people were going to work, what they were going to do, or when they were going to do it.

Mr. DOUGLAS. I am very glad the Senator from Texas has just made the statement he has, because I have visited a number of the libraries in Europe and I have been impressed with the quality of the service and the type of books carried. I have also been impressed with the low-cost book program, of reprinting the classics of American democracy. It so happens that the Representative from my Congressional district, Representative O'HARA, has been the sponsor in the other body of this program, and has been very influential in getting it adopted by the Information Service.

I hope that in the apparent mismanagement which has occurred in certain parts of the program and in the failure of the present Director the good parts will not be condemned, and that next year possibly we can look at the situation with a fresh eye. I welcome this statement by the majority leader.

Mr. JOHNSON of Texas. I appreciate the Senator's statement. I hope he will not assume that I am committed to something next year, but I feel that I should say this: I know nothing about Mr. Larson's past. I learned after the hearings started that he was highly regarded by persons high in this administration. I was informed that he had not been politically active, that he was not a deep partisan, and that he had voted Democratic in Wisconsin upon several occasions. I learned that in the last several elections he probably had not voted at all. I think the record showed that in 1952 and 1954 he had not voted.

So I did not approach the subject in any partisan attitude. I was rather grateful that he had seen fit to vote Democratic at some time or other. I am sorry we lost him. We need all we can get. That was demonstrated by the last election.

What impressed me was that Mr. Larson had not been on the job long enough, or had not applied himself enough actually to know where these people were going to work, or what kind of work they were to do, and why this money was needed.

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

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I should like to say, in fairness to Mr. Larson, that it is true that he came into the Agency quite late. As we know, the budget is prepared sometimes a year or 18 months in advance of the concluding date of the budget expenditures under the terms of the budget.

Undoubtedly a large part of this detail had been prepared under the former Director, Mr. Streibert. I think it was undoubtedly an error on Mr. Larson's part to attempt to answer the detailed questions which the distinguished Senator from Texas had put to him. Mr. Larson having encountered that problem, and not having given the answers to which the committee was entitled, the committee brought in people at the work level. I think the chairman of the subcommittee will agree with me that a number of those people came in and responded to the questions, and that they were good witnesses. They were men of ability who, I think, in any business would be considered to be efficient operators.

Mr. JOHNSON of Texas. I think that is a fair statement.

Mr. KNOWLAND. There were witnesses from the motion-picture and radio fields. The assistant in the Middle East testified. I recall that the General Counsel, Clive L. Du Val, testified, as did Abbott Washburn and others. They were all qualified people. Perhaps Mr. Larson made the mistake of not making a general presentation on the first day, and then turning the detailed questions over to the work level staff, so that the distinguished Senator from Texas would not have had to spend so many days trying to get answers he should have had on the first day.

Mr. JOHNSON of Texas. I agree with the Senator. The Senator will recall that on occasions two of us were present as late as 5:30 in the afternoon. When I could get answers from people on the working level, as I did on the last day or two, I commended those people for the answers they gave us, particularly in the motion-picture field, and in connection with other programs which I do not recall at the moment. The record will show that whenever we thought commendation was due, we gave it fully and freely.

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

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Massachusetts, who contributed a great deal to the work of the subcommittee.

Mr. SALTONSTALL. I thank the Senator.

I commend the majority leader for the thoroughness and conscientiousness with

which he did his work. I did not agree with him at all times, and I do not agree fully with the report, but I voted for it for certain reasons, which I hope may be of some interest, and may perhaps be helpful to Members of this body who were not present.

I think it is clear that in the Appropriations Committee this year we are doing our utmost to avoid increasing the appropriations which come over from the House, unless we are compelled to do so.

Mr. JOHNSON of Texas. With that conclusion I am in hearty agreement. While there may be special instances in which we shall have to add to the House figures, I hope every Senator will bear in mind the problem we have, and that we may serve notice on the House that in the consideration of appropriation bills the House can expect us to try to keep within the limits of the House figures, if at all possible.

Mr. SALTONSTALL. That is clear. The members of our committee will try to do that to the best of their ability.

In this instance, we were up against the fact that the number of employees of the Department handling the work of the Department in every country in the world, as well as in Washington, represents a greatly undermanned agency, measured by the amounts allowed by the House. If my memory is correct, the House would cut the number of employees in the State Department by 691 under the present number, while the State Department actually desires an increase in the number of employees of 1,229, to be exact. So we had to consider priorities.

The first priority in this bill, in my judgment, is to see to it, to the best of our ability, that the State Department, which administers our diplomatic relations as the leader of the free nations of the world, is properly manned.

Mr. JOHNSON of Texas. That is completely in accord with the program of the Senator from Texas, as the Senator from Massachusetts knows.

Mr. SALTONSTALL. I agree. The State Department indicated that the amount needed to restore the situation to the level at which it is now operating was $6,500,000. By reason of certain language in the committee report, allowing the Department to move men from one branch to another to a certain extent, the Department could get along with $6 million more. We allowed $6 million more, and placed in the report the language to which I have referred. What we must do is to see to it in conference that the language with respect to flexibility is maintained.

That, in my opinion, was the most important thing the committee had to do. That action cost $6 million more.

Next we have the educational exchange program. I have always been in favor of the educational exchange program. The House cut the appropriation for that activity by $12,400,000. We restored $6 million, to assist in carrying on the educational exchange programs with other countries.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield before he goes into the question of the educational exchange programs?

Mr. SALTONSTALL. I am not going any further.

Mr. JOHNSON of Texas. At this point in the Senator's remarks I wish to read from the report which the committee has unanimously submitted to the Senate:

> The committee intends that the State Department utilize the total amount recommended for salaries and expenses to provide what, in their judgment—

That is, the judgment of the State Department—

> is most essential and desirable to accomplish the missions of the State Department, and to provide a balanced program for personnel, allowances, training, dependent medical benefits and recreational facilities at hardship posts.

I wish to supplement what the distinguished Senator from Massachusetts has said in regard to the No. 1 priority established by the chairman of the subcommittee, and I think carried out by the full committee.

Mr. SALTONSTALL. I thank the Senator.

Mr. JOHNSON of Texas. Although Mr. Henderson has taken drastic cuts, in evaluating the situation he has said to us that he will make a conscientious and earnest effort to operate with the $6 million given him, and he believes he can do so.

Mr. SALTONSTALL. I confirm that statement by the majority leader. That is what Mr. Henderson told me also, provided the language permitting flexibility is retained.

In my opinion, the State Department was the highest priority in our group. The next matter was the educational exchange program. The House eliminated $12 million, and we restored $6 million.

The Brussels Fair building represents a short-term commitment for a single brief operation next year.

The Department has contracted for the construction of the building in Brussels, and the contract has to be carried out. If we were to adopt the House figure, there would be no money left with which to operate the building when it was finally constructed. We would not be able to show what we have in this country as compared to Russia and other countries. It would mean a cut in the operations of 75 percent. In other words, we would have a shell of a building, with nothing inside. Therefore we restored some of that money for the Department. We added $3 million there, and we may have to provide some more for that purpose before we get through.

I am not going into the appropriations for the Department of Justice or for the Judiciary. The majority leader has mentioned some of the ups and downs in connection with those appropriations.

Let me refer to the appropriation for the USIA. In my humble judgment, that came on the fourth level of priority. I say that not because it is not an extremely valuable program or that it should not have more money than we are allowing it. I believe the majority leader will agree with me that the Senator from Montana [Mr. MANSFIELD] moved to make the amount $62 million, the Senator from Louisiana [Mr. ELLENDER] mentioned $90 million, the Senator from Illinois [Mr. DIRKSEN] mentioned $96 million, and the minority leader——

Mr. JOHNSON of Texas. I wish to correct the able Senator from Massachusetts. I do not believe that the Senator from Louisiana mentioned $90 million.

Mr. SALTONSTALL. I thought he did. I withdraw that figure.

Mr. ELLENDER. What I mentioned was the amount appropriated for the 1956 program, which amounted to approximately $87 million.

Mr. JOHNSON of Texas. I did not understand the Senator to say $90 million.

Mr. ELLENDER. I took the position that the appropriation should not be in excess of $90 million, but I felt that the agency could do a suitable job for much less than the sum we finally agreed to.

Mr. SALTONSTALL. It was the equivalent of $90 million. The Senator from Illinois [Mr. DIRKSEN] mentioned $96 million. The minority leader and I went up as high as $105 million, the amount approved by the House. I even hinted at the same amount that was appropriated for the agency last year, but I found that I was practically the only Senator who would vote for that figure.

Mr. JOHNSON of Texas. And the Senator from Massachusetts was not sure of his own vote.

Mr. SALTONSTALL. I was sure with respect to the amount the House had approved.

Mr. JOHNSON of Texas. I mean with respect to the $140 million.

Mr. SALTONSTALL. No; not the $140 million. I never wanted that.

Now with reference to the question of the leadership of the USIA, which was brought up by the junior Senator from Illinois [Mr. DOUGLAS], let me say, in the first place, that I just inquired about Mr. Larson's trip to Hawaii, and I was informed that it was paid for by the Lincoln Day Dinner Committee of Hawaii. That committee covered all expenses of the trip. I did not care to become involved in an argument on the subject, but it seems to me to be within the realm of proper operation of Government for a junior member of the Cabinet, so to speak, show a little partisanship on the day when we celebrate Lincoln's birthday. As I say, I do not want to get into an argument on that point.

Mr. JOHNSON of Texas. I am not going to ask the Senator about that. I do not want to become involved in any personalities. Mr. Larson is not on trial here. Mr. Larson became Director of the Agency in December. That was some 5 or 6 months ago. In his appearance before the subcommittee he had very able assistance from the distinguished chairman of the minority conference, the Senator from Massachusetts [Mr. SALTONSTALL], and the distinguished minority whip, the Senator

from Illinois [Mr. DIRKSEN]. If he had listened to their counsel, he would have done much better in the hearings than he did.

However, he did not want to follow their advice. The Senator from Massachusetts wrote out a question and said to Mr. Larson, "Here is a question the chairman has asked you on several occasions. It is not answered in this record. I suggest you take this question home." The Senator from Massachusetts did not say that Mr. Larson should put it under his pillow and sleep on it, but perhaps he hinted at it.

Mr. SALTONSTALL. I said, "Take it home." I did not say where to put it. [Laughter.]

Mr. JOHNSON of Texas. The Senator from Massachusetts asked him to take it home. He admonished Mr. Larson not to answer it then, but to wait until the next morning to answer it.

Mr. Larson said, "I will answer it now." He did. That is a part of this inadequate record, Mr. President.

The Senator from Illinois [Mr. DIRKSEN] said, "Here is the way I would answer it." And he chose another course.

This is not a personality fight. I think Mr. Larson is inexperienced. I do not want to get into an argument about what the Senator said with reference to the director of an agency making political speeches. However, I believe it would be better to rely on a Cabinet or a sub-Cabinet member or any one of the Republican Senators, because when I asked Mr. Larson a question, about 3 times, "How many people do you think will be needed?" he said, "We must combat communism." When he continued to speak in generalities I leaned over and whispered to one of the minority members, "I wish he wouldn't reply to my question by evading it and making a Fourth of July speech, because if I must listen to a Fourth of July speech I would much rather have Senator DIRKSEN make it, for I think it would be a better one."

Mr. SALTONSTALL. The Senator from Texas was good enough to yield to me. I should like to finish my remarks. If we are not going to increase the budget for the State Department—and some of these items such as the educational-exchange program and the Brussels World's Fair are very essential—then the money must come from somewhere. Some of us were in favor of granting more money than was provided. However if we must give priority treatment, since it is obvious that the majority is not going to vote an increase in funds for the State Department, it follows that the funds must come from somewhere.

The bill will give USIA approximately $89.4 million for its operations. I should like to see it get a great deal more than that. I have listened to the leader of our country, the President of the United States, and he thoroughly believes in the work of this Agency. I have always believed in it. I believe we have given the Agency enough money with which to carry on their press operations and their TV operations, and so forth. We have forced them, perhaps to change their operations and to withdraw from certain countries, such as New Zealand, and perhaps Australia, and England, and France, or to decrease their operations there, and to add to them in Africa and other areas where the need is greater. Personally, as I say, I wish we were able to appropriate more money for the USIA. However, we live in a practical world, and we all know that legislation is the result of compromise. This year there is a very fundamental demand from our people to keep down governmental expenditures. That is the foundation and the background on which the Committee on Appropriations has worked this year.

Giving first priorities to highest needs, I voted for $90 million for the USIA, and, like other Senators, I intend to stand by these figures. I know a number of Members of the Senate would like to see the amount reduced considerably further. I would like to see the amount raised. However, if we want the Agency to do a fair job—I will not say a good job—we will have to stand by the figure reported by the committee.

That is why I voted for the appropriation bill in committee, considering it to be the best that could be obtained, and I shall support it.

I say again to the majority leader that he did a very thorough and conscientious piece of work on the bill. While I do not agree with all his conclusions, I do agree with respect to the appropriations for the State Department, the Educational Exchange, and the Brussels Fair. I should like to give them a little more, if I did not realize that such action would mean cutting the USIA funds still further.

I hope the Senate will pass the bill, and that it will come out of conference with reasonable appropriations for the State Department.

The Judiciary and the Justice Departpartment are satisfactorily taken care of in my humble judgment.

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation for the contribution the Senator from Massachusetts has made, both in the deliberations in committee and on the floor. I am very grateful for his confidence.

I should like to ask him a question. Is it not a fact that this appropriation bill carries more money for USIA than has been appropriated for it in any year since the Eisenhower administration took office except last year when I handled the appropriations?

Mr. SALTONSTALL. Last year the appropriation was $112 million, as I recall.

Mr. JOHNSON of Texas. It was $113 million. I handled the appropriation bill last year.

Mr. SALTONSTALL. The highest in the Eisenhower administration before that, I believe, was $89 million.

Mr. JOHNSON of Texas. I should like everyone who thinks we might be partisan about this matter to hear the figures again. In 1954, when Senator Taft was the leader of this body and the Republicans were in charge of the committees of the Senate, and when the Senator from New Hampshire [Mr. BRIDGES] was the chairman of the Committee on Appropriations, the first session of the 84th Congress appropriated $84 million for the USIA.

In the next year, when the Senator from California [Mr. KNOWLAND] was the majority leader, the Committee on Appropriations reduced the USIA appropriation to $79 million. Those were 2 years under a Republican Congress.

Then we had the cold war, or the beginning of the cold war, to which the President referred. The Democrats were elected, and took control of Congress in 1956. In 1956 we raised the appropriation for the USIA from $79 million to $87 million.

Then I was assigned to the Committee on Appropriations and became chairman of the subcommittee having the State Department appropriations in charge. I became extremely interested in our propaganda activities, in the Voice of America, in the low-cost books, and in the motion picture and educational programs.

Notwithstanding the warning voice of the Senator from Louisiana [Mr. ELLENDER] and other Senators, I came to the floor of the Senate and recommended $113 million, never thinking that the USIA would proceed to hire 200 new employees and put them in the press service, to compete with existing press services.

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

Mr. JOHNSON of Texas. I yield.

Mr. PASTORE. I wish to join in complimenting the chairman of the subcommittee upon the excellent job he has done in dealing with this very complex and perplexing problem, and also to compliment him for the very eloquent way in which he presented his case to the Senate this afternoon.

I have always believed in the USIA. While I did not attend all the meetings, because I had other committee commitments, I attended a sufficient number of them to realize that an appropriation of $90,200,000 is not only reasonable, but represents a very modest cut. I dare say the record, if it were analyzed, would not even substantiate a figure as large as that.

While it is true that the present Director has held his position only a very short time and is not so familiar with the general activities of the Agency as are some of the working personnel, the fact is that at one juncture the Director was asked how he justified the amount of $700,000 which was spent in England. The Director answered by saying that it was a good question; but the committee never really got a satisfactory answer.

I should like to ask the distinguished majority leader if he is satisfied that the $700,000 which was spent in England during the past fiscal year was necessary or actually did the United States any good.

Mr. JOHNSON of Texas. No; I do not think it was essential. Following V-E Day, I was sent to Europe as the chairman of a subcommittee the primary objective of whose mission was to attempt to make whatever contribution we could to getting all of our forces out of Europe as quickly as we could and into the Pacific theater of the war.

I feel very much as do the other members of the committee, very much as the distinguished minority leader feels, that there are areas where a war is on, areas which must have unusual attention and unusual expenditures. I am ready to go along on that basis.

But I am not sure that when we inaugurate a low-cost book program, we ought not to substitute it in lieu of the high-cost book program, and that we ought to keep both programs in being ad infinitum.

I am not sure that we ought to be adding hundreds of persons to the press service, when Congress has already provided in the law that they should not be in competition with existing press services.

This is one of the problems. It is no reflection upon the President. I realize he feels deeply about the necessity of having an adequate Information Service. The Senator from Texas feels deeply, also, on that score. I will support any appropriation that I think is necessary, useful, and helpful to carry out such a service, if it is wisely used. But I do not believe the President of the United States, or even Mr. Larson himself, if either of them were to exchange positions with me and were to be the chairman of the subcommittee, and if I were to present the case which they presented, would give me $90 million. I do not believe the committee would have recommended that amount, except for the hope of every Democratic and Republican member of the committee that this Agency would become a part of the State Department. We realized that the United States lost the propaganda war against the Kaiser in World War I. We did not do too well in the field of propaganda against Hitler and the Japanese in World War II. The members of the committee want to see our Government engage in the battle for men's minds. But they want the work done effectively, efficiently, and without waste.

Every Senator who has visited in a country where the USIA has an office has either seen too many or at least a few, incompetents, or is likely to have been reminded by someone in the Embassy that the USIA in that particular country has more personnel than it needs; that they get higher salaries than the Embassy personnel receive; that they have better cars than the Embassy personnel; that they are not so competent as they should be; and so on and so on.

This is not a trial of the President or of Mr. Larson. If I had been the head of the Agency for only 4 months, perhaps I could not have answered the questions asked him. But if I ever have the misfortune to come before a subcommittee of Congress, I am going to try to do my homework and to spend a few nights in preparing for my appearance. I do not think Mr. Larson really knew where he wanted to use the money or what he wanted it for.

Nevertheless, the committee is willing to have an effective information job done. We realize the importance of the work. But we are not going to have personnel running out of our ears. We are not going to apologize to anyone for refusing to give the USIA the 1,056 new, additional personnel, when the USIA already has more than it needs. They have supervisor on top of supervisor. Think what the legislative appropriation bill would come to if we handled our own affairs in the same way.

There are some 700 weekly newspapers in Texas. On that basis, I would have to have about 350 press employees, and I suppose a proportionate number based upon the number of daily newspapers.

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

Mr. JOHNSON of Texas. I yield to the distinguished junior Senator from Kentucky.

Mr. MORTON. I wish to commend the distinguished majority leader upon his very lucid explanation of a complex appropriation bill. As he pointed out, there is a reduction of about 15 percent under the budget estimates in the bill before the Senate. I feel constrained to point out that with State and USIA in the President's office eliminated, the Justice and Judiciary cut is in the nature of 23 percent.

If we take into consideration the total figure which the House sent to the Senate, I must say the subcommittee has done a masterful job in putting first things first. I think they did an extremely good job.

This is a unique experience for me. For 3 of the last 4 years to which the Senator was referring, I was at the other end of the table, trying to justify the State Department appropriation bills. I must say that I think the committee has done an excellent piece of work in putting first things first.

Mr. JOHNSON of Texas. I may say, in that connection, that the committee would probably have a better record if the Senator from Kentucky had been at the other end of the table this year.

Mr. MORTON. I thank the Senator. I did not present the budget for the USIA.

I wish to associate myself with the comments of the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. There are items in the budget about which I am not happy. But there are realities which we must face. I realize the problems which the majority leader and the other members of the Committee on Appropriations will face in conference, especially in holding the line on top priority items. I consider them top priority. I refer to the $6 million item for the State Department, the $6 million for student exchange, and the item for the Brussels Fair.

For these reasons I intend, along with the Senator from Massachusetts, because I think it is in the best interests of the Departments concerned, to support the bill as reported by the committee.

Mr. JOHNSON of Texas. Mr. President, I should like to have the yeas and nays ordered on the question of final passage of the bill, so that Senators may be on notice that there will be a yea-and-nay vote on that question.

I also wish to announce that it is my purpose to have the Senate remain in session until a late hour this evening, if necessary, in order to have final action taken on the bill. Of course, another appropriation bill is ready for action by the Senate, following our action on the pending bill.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). On the question of the final passage of the bill, the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I thank the Senator from Texas for yielding, for he knows that I am opposed to his point of view. I shall vote against it.

Let me say that I think the yeas and nays should be ordered, and I am glad they have been ordered.

At this point I should like to ask a question. I desire to hear all the points of view, and I wish to explain mine.

The very distinguished Senator from Texas has made a masterful presentation. Let me say that I hope that on another day, and in connection with a case which I think will help us more, he will do the same.

At this time I should like to state that two things about the Senator's presentation leave me in grave doubt. After all, the issue before us is not whether the number of employees of this Agency is to be increased or decreased. The issue before us is whether the Senate will vote to decrease by $15 million the amount of the appropriation the House of Representatives already has voted for this Agency. In short, the question before us is whether the Senate will vote to make a cut of approximately $54 million in the amount requested for this Agency by the President.

Under those circumstances, does the Senator from Texas believe that if the amount recommended by the Senate committee for this Agency—namely, $90,200,000—is the amount finally appropriated, the United States Information Agency will have to reduce, at some point, by approximately 20 percent, its operations from the program we authorized in the last fiscal year.

Mr. JOHNSON of Texas. First of all, Mr. President, let me say that I cannot search the minds and hearts of other Members and know what they are going to do. I am not always positive what I am going to do, much less what Members on the minority side are going to do. There may be amendments which call for an appropriation of approximately $140 million, in line with the budget request. I would not think that all Members on the minority side of the aisle would wish to abandon the President and simply leave him in the lurch. If the minority side believe in Mr. Larson, they should bear in mind that he asked for an appropriation of $156 million. That is the request he began with. The President has already reduced that to $144 million; and the House of Representatives has voted that the $144 million be reduced to $106,100,000.

Then the members of the Senate subcommittee considered the matter, and tried as best they could to get Mr. Larson to justify the $106 million. As I have said, we did the best we could, as reasonable men, acting conscientiously.

If Senators will examine page 1143 of the hearings, they will see that I asked Mr. Larson please to repeat what he said in the House committee, to justify his present level of appropriations, if he could. In the opinion of the Senator from Texas, Mr. Larson did not justify his present level. In the opinion of the Senator from Texas, Mr. Larson's Agency—and I do not attribute this to any selfish motive on the part of Mr. Larson; perhaps the action was taken before he joined the Agency—added about 200 new employees and made a 25 percent increase in the press service alone during 1957, notwithstanding the protests of the Members of Congress and notwithstanding the prohibition in the bill against competition.

Of course, if the Senate follows the recommendations of its subcommittee and the recommendation of the full committee, the Senate will vote to give this Agency—and we also hope the Senate will vote to put it under the supervision of the Secretary of State—$90,200,000, which is approximately $16 million below the amount voted by the House of Representatives.

When the conferees on the part of the Senate meet with the conferees on the part of the House, including the distinguished Representative from the home State of the Senator from New York—and that Member of the House of Representatives is very eloquent and is a very able pleader—I do not know how insistent he will be in the case of the $106 million. I shall not know how flexible I can be in my attitude regarding the matter, until I hear the verdict of my colleagues.

I urge all my colleagues to give me any information they possess and to make any representations they have to make, or to develop any knowledge they have been able to acquire.

At the hearings, we heard from many witnesses, some from within the Government and some from outside the Government. Finally, we concluded that the amount voted by the House, as it appears on page 33, in line 6, should be stricken; I refer to the $106,100,000. We decided that, in lieu thereof, $89,100,000 should be inserted, in view of the fact that the appropriation for the radio transmitter, which we are allowing for, will be another $1,100,000.

Let me ask the Presiding Officer, my friend, the Senator from Georgia [Mr. TALMADGE], to confirm my understanding of the parliamentary situation, which is that the pending question is on agreeing to the committee amendment on page 33, in line 6. Is that correct, Mr. President?

The PRESIDING OFFICER. It has not been stated, but that will be the pending question.

Mr. JOHNSON of Texas. Very well. When the vote on that question is taken, every Member who wishes to vote for more money, for more jobs, for more Government-kept press services, for more assistants, can line up, on one side, and say, "Here we are—the spenders, and we are proud of it." Those on the other side can line up and can say, "Here we are, the cutters—and we are proud of it."

I will vote to appropriate for this agency every dime it needs for legitimate purposes. I have made my attitude in that connection clear, and my record on it is clear. The record will show—and it is there for all to see—that it was the Senator from Texas who voted to increase the appropriation; it was the Senator from Texas who came before this body and piloted through it an increase in the appropriation from $87 million to $113 million; it was the Senator from Texas who, as a conferee on the part of the Senate, sat with the conferees on the part of the House, including Representative ROONEY, from the State of the Senator from New York, after the House of Representatives had voted a smaller appropriation; and it was the Senator from Texas who participated in the conference which finally agreed on an appropriation of $113 million. Previously, the Senate had voted, as I recall, for $115 million, and the House of Representatives had voted for a smaller figure. But in the conference a compromise of $113 million was reached.

If the vote on this item is the only vote yet to be taken, before the final vote on the bill, and if the Senate allows me any flexibility in the conference, I will proceed on that basis in the conference. I am sure that by the time the conference is held, the Senator from Illinois will have a new stack of papers and revisions of programs, and will have some of these matters cleaned up and straightened out; and after he says to the Senate, "Here is what we plan to do," it may be that he will be very persuasive with the Senator from Texas, as he often is; or perhaps Representative ROONEY will not be so appealing. Perhaps we shall finally arrive at an amount somewhere between $90 million and $106 million.

If the Senate by majority vote decides that it wishes an appropriation of $106,100,000 to be made, this item will not be before the conferees. On the other hand, if the Senate decides by majority vote that it believes the appropriation for this Agency should be $90,200,000, then a conference will be held on the item, and the conferees on the part of the Senate will have that instruction.

Of course, I expect Senators on the other side of the aisle to determine what strategy they will use.

Mr. JAVITS. Mr. President, will the Senator from Texas yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. The Senator from Texas has been very gracious, and certainly I, also, very much appreciate the masterful presentation he has made.

Mr. JOHNSON of Texas. I thank the Senator from New York.

Mr. JAVITS. As I understand, the record shows that of the three great press services of the country, two of them—the International News Service and the Associated Press—say this wireless activity of the United States Information Agency does not compete with them. However, in my own time I shall develop that point.

Mr. JOHNSON of Texas. I think that is a fair statement, and I think it is true. I think the Associated Press and the International News Service are not fearful of it.

As I said to the minority leader, if 3 men are afraid they will be murdered, it is not a sufficient answer to say, "I have talked to 2 of them, and they are not very afraid," when the third one still is.

Certainly I shall not participate in the business of closing up even one of those services; it will not be done by my vote.

Mr. JAVITS. I do not say it is a question of closing any of them.

Mr. JOHNSON of Texas. That is the viewpoint of the Senator from New York. I am talking about the viewpoint of the press services.

The Senator from New York is entitled to his viewpoint, Mr. President. But I think I can say with some accuracy that our friends in the other services feel that they have competition from the Government press. Certainly I do not want the day to come when the United States news services are regarded as a kept press.

Mr. JAVITS. Mr. President——

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. Mr. President, I can yield to only one Senator at a time. I have been on my feet for a long time, and have made a rather lengthy statement in connection with this matter.

Mr. SALTONSTALL. I should like to make a statement in clarification.

Mr. JOHNSON of Texas. Very well; I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. There is a language amendment which will cover the point the Senator from New York has mentioned. I believe that language amendment is helpful, in that it puts on the Director the responsibility of determining whether any business is being prevented. That amendment is good, in that it will help create a better spirit, and will avoid having any substantial group—such as the United Press or the Scripps Howard Alliance or others—complain that the job is being done badly.

Mr. JOHNSON of Texas. I am not in agreement with Secretary Dulles on all matters. But I recall his saying, back in 1953, that a curtailment in expenditures would actually effect a corresponding increase in effectiveness. We must be frank and realize that this agency is getting more than we gave it in 1954, more than we gave it in 1955, and more than we gave it in 1956, but not as much as we gave it in 1957. I think the record shows that there will be a reduction in expenditures. I hope, actually, we shall see an increase in effectiveness in the program, which I believe will result from this discussion and the hearings.

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

Mr. JOHNSON of Texas. I yield to the Senator from New York.

Mr. JAVITS. The President has said, and I quote from his speech of last night——

Mr. JOHNSON of Texas. I heard the President last night.

Mr. JAVITS. The President said last night, with regard to the USIA, that he regarded the reduction made by the House as the worst kind of economy. Yet the Senator has said the recommended action, which is now under discussion, is no reflection on the President. Does the Senator think it is backing the President of the United States or not backing the President of the United States to vote "yea" on this $89 million figure?

Mr. JOHNSON of Texas. The Senator from Texas and the President are not always in agreement, although the Senator from Texas is frequently criticized for being in agreement with the President. I never considered it a reflection on me when the President disagreed with me. I do not think it ought to be considered a reflection on the President when I disagree with him. If the President would take the 1,249 pages of our hearings, or if the Senator from New York would take them, and ask any of the Senators on either side of the aisle, to stand up and justify the budget figure requested by the President, I doubt if they could do so.

I heard the President talk last night. I have had to make some TV speeches, at times, to appeal to people to get them to go along with my program. Some call it pressure; some call it good reasoning. The thing that was interesting about the President's speech was this: Here came a good man, carrying on his shoulders frightful responsibilities; doing his best to discharge the responsibilities of his high office; and reporting to the people, who have such great confidence in him. This is what he said or this is the effect of what he said—I do not assume to quote him literally: "I have looked at the requests of my Cabinet, and I have had to take my lead pencil and cut them by $13 billion." He has had to reduce the requests of his Cabinet by $13 billion. For the Agency under discussion alone, he cut the request by more than $12 million.

I say to the Senator from New York, do not make it personal; do not make it a test of admiration or respect for the President. Do not say to me that I cannot act on my own.

My answer is this: If I know Dwight Eisenhower, the President of the United States, and I think I do, I know he wants me to do my job as a United States Senator as my conscience dictates. It is my humble opinion that if he knew what was in the record, he would have a reluctance even to go along with the $90 million figure. I think that answers the question of the Senator from New York.

Mr. JAVITS. I think it does, and I may say I think it is my responsibility, and that of any other Senator who feels likewise, to do all he can to enable the President to do the job. With due respect to the Senator from Texas, having gone over the record and having made full inquiry, I think the proposal now made would cripple the Agency in doing what it must do. Therefore, I must go the other way.

Mr. JOHNSON of Texas. I have no quarrel with the Senator. He has a right to his conviction, and he certainly has the duty to speak his mind. The Senator from Texas does not want to suppress him. The Senator from Texas, however, wants to point out that when the President gets $90 million, if he does, or $106 million, if he does, he will get more, and substantially more, than his own Congress gave him when his party was in control of the House and the Senate. That answers the "cold war" argument.

Mr. JAVITS. I hope to deal with that question.

Mr. COOPER. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Kentucky.

Mr. COOPER. First, let me say I enjoyed the statement of the Senator from Texas. I know the question will be on the committee amendment, and I intend to vote against the amendment. I am sure my good friend from Texas will accord to me, as he always does, and as I have accorded to him, the right to which he has referred—the right to form one's own judgment. So I do not think he can quite fairly say that if we vote against the committee amendment we may be, as he termed it, "spenders," or those seeking jobs for other people.

Frankly, the reason why I shall vote against the amendment—and I shall develop the reason later—is that there are three programs in the Information Agency which are important and which would be crippled by the amendment.

Mr. JOHNSON of Texas. If the Senator has a question to ask, will he ask it? Then I shall yield the floor.

Mr. COOPER. I wish to ask the Senator if he will clarify the amendment which he has offered, which provides "that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

As I understand, the provision is directed toward the wireless files which are furnished to the United States Information Agency——

Mr. JOHNSON of Texas. Will the Senator speak a little louder? I did not hear him.

Mr. COOPER. I understand the language is directed toward placing some prohibition on the activities of the United States Information Agency in the use of wireless files which are provided in some 70 countries. Is that correct?

Mr. JOHNSON of Texas. The purpose of the amendment is to strengthen the existing provision in the legislation for the United States Information Agency so as to prohibit Government information activity which would prevent—"prevent" is the agency counsel's word, incidentally—private United States concerns from selling corresponding information services or products overseas. It would require an express finding by the Director of the United States Information Agency that such Government activity would not prevent the private activity.

In other words, I might illustrate it in 2 or 3 ways, and I shall do so as briefly as I can, because it is 4:20 p. m., and the Senator from Texas has been on his feet for some time. I shall be glad to exchange information with the Senator from Kentucky in his own time, after I have had a chance to let some other Senators speak.

To illustrate the point I was making, let us assume the case of a wire service that goes to a small newspaper in a small country. Presumably, such wire service is being paid for by that newspaper and the private agency. The Government comes forward and says to that newspaper, "We will supply you with the USIA press service, which will not be confined merely to the President's statements or to statements on foreign policy, but will include all the copy you will need."

The language now proposed would prevent that process from taking place. It is now alleged that it does happen. We wish to make it clear that the Director must make a finding that such a group would not compete with private news services, before he makes these services available.

Secondly, there might be a television film, let us say, which is supplied to a television station in Mexico City, in the form of a program by an orchestra or band or some kind of dancer. We pay $1,400 for that film. It may very well be that the television service is buying one of Mr. Ziv's films or one of Metro-Goldwyn Mayer's films or one of RKO's films to use as a filler for that period. All at once they are confronted with a proposition that the United States Government will supply them with live programs, and with such film as they may need, to sell for commercial purposes or use as sustaining time.

It was the unanimous judgment of the committee that we ought to ask the counsel to draft a provision that all could understand. The committee reviewed the provision thus drafted—we think carefully—and improved upon it and unanimously adopted it. The language is designed to prevent situations such as I have listed about the press and television, and I could say radio and others.

Mr. COOPER. I thank the Senator. May I develop this case a little and ask the Senator for his advice, because I believe that, unless it is clearly pointed out, there is a danger in this proposed amendment.

I point out to the Senator that there is a wireless file furnished to some 70 countries. It contains straight news from the United States, such as the statements of our officials, and even speeches of Senators. This file goes into 70 countries, and is distributed through the newspapers in those countries. Many of those newspapers cannot afford the services of our press agencies.

I wonder if the amendment would have the effect of striking down this service, and whether it would mean that there would be no straight news furnished to countries throughout the world.

To prevent such a result from happening, I should like to see if the amendment could be clarified.

If the newspapers in the countries where this service is furnished cannot afford the services of our press agencies, would the USIA, under this amendment, be permitted to continue to pro-

vide for these newspapers the only available reports as to Government policies of and straight news from the United States? That could happen under this amendment. I do not believe it is the intention of the committee or the Congress to shut off from many countries throughout the world the only news they can possibly get.

Mr. JOHNSON of Texas. I should think that if the Director made the finding, first, that a newspaper could not, as the Senator has said, afford to pay for the service, he would necessarily then make the finding that this did not prevent a United States concern from doing so. That would be my thought.

Mr. COOPER. The Soviet Union and even other nations subsidize their news to many countries. It is promised at a very low cost, compared to the cost of the services charged by our own private agencies.

Mr. JOHNSON of Texas. I am no lawyer. The lawyer for the agency drew up the language, and the committee considered it very carefully. I should like to have my interpretation, for whatever it is worth, in the RECORD.

Mr. COOPER. I should like to have the Senator's interpretation.

Mr. JOHNSON of Texas. I think in order to say that one has to "prevent a sale" there would have to be a showing and a finding by the Director that a sale was possible in the absence of the service of the USIA.

Mr. COOPER. I thank the Senator.

Mr. JOHNSON of Texas. I thank my friend.

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

Mr. JOHNSON of Texas. On the point raised by the Senator from Kentucky, if the Senator from Massachusetts will indulge me for just a moment, we have very persuasive and convincing evidence that the present service contains spot news, and duplicates a great deal of the material which is carried by the various press services and private news agencies; that the operation is not simply distributing texts of statements from Washington or news from Washington, but that the bulletins which the press service issues, through some 800 or 900 employees, are distributed in competition, containing datelines from all over the world; that many stories have nothing to do with United States interests; that the operation started out as a very small one, and that it has been expanded at frequent intervals; that the Senator from Texas unwittingly has been responsible for some of the expansion by requesting the increase in the appropriation last year; that there are people in the agency who feel it should be turned into an official worldwide United States Government news agency; that in some places, particularly Asia, it is used widely by small publications which have been purchasing or could purchase similar services from free enterprise.

I could go on at great length, but I merely point out these items from the information brought to the committee.

I now yield to the Senator from Massachusetts.

Mr. KENNEDY. On page 454 of the hearings before the subcommittee of the Committee on Appropriations of the United States Senate dealing with the Departments of State, Justice, the judiciary and related agencies appropriations, 1958, there appears the memorandum from Mr. Larson wherein it is stated that approximately $115.7 million is required to continue the program of United States Information Agency on the current level of activities, that is the level being maintained this fiscal year.

Does the Senator from Texas not believe that it would be wise, in view of the activities being undertaken by the Russians, the Chinese, the Egyptians, and others, that we should at least continue the program on the level at which it is maintained today; or is that figure inaccurate?

Mr. JOHNSON of Texas. No. The Senator from Texas thinks it ought to be stepped up, and that the figure should be increased.

However, to answer the question of the Senator from Massachusetts specifically, the Senator from Texas is of the opinion that Mr. Larson is not informed of what would be required to continue the program at the present level.

The thing which the committee is more concerned about than anything else, I will say to the Senator, is the increase of the 200 people in this press service, which is competing with American press interests. We think that a shift from Europe to Asia should have been made much more forcefully and much more aggressively and in a much greater number of cases. We do not think we ought to carry on in the European theater the full fight all the time, when problems are increasing in other areas, just as when we ended the war in Europe with VE-day we had to shift a large number of people. The same thing should be done in this instance.

We think this press service is disturbing. Every Senator who approached it was somewhat concerned about whether we might be establishing a Government competition.

Mr. KENNEDY. The only thing which concerns me is the fact that the appropriation for last year was $113 million, more or less, and now, in a year when I think we will have to do more, with the competition becoming greater and more intense, and moving into these areas which are undecided, we are planning to cut the program below last year's program by $23 million.

I believe in this program. It is difficult for me to believe that the program is so hopelessly conducted that it is not able to spend as much as it spent last year wisely and well.

Mr. JOHNSON of Texas. It would not be difficult for the Senator to believe if he had personally heard the testimony. I know of no Senator who did hear the testimony who felt the money had been spent wisely and well.

Mr. KENNEDY. I will say to the Senator that the reports and hearings became available only recently, and I have tried, but have been unable, to read them completely. That is why I am asking the Senator these questions. It is hard to understand why the recommendation should be $23 million below what the same Senator recommended the last year. It looks to me as though either the program is badly conducted or there is some error involved. I am sure no one would question the fact that the need is certainly greater this year than it was last year.

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

Mr. JOHNSON of Texas. The Senator from Texas is of the opinion that the committee made a mistake last year.

Speaking of the 3 previous years, I would prefer to have the Senator talk about the average year, or the 3 previous years, than to talk about the single high year and then base his comparison on that.

If the Senator wishes, I shall yield to him, but I do not wish to have him close his mind on the subject. If he wishes to obtain any information I should like to provide it for him.

The hearings have been available, I will say to the Senator, since Monday. We distributed them to some Senators on Monday. The hearing room has been open to Senators all the time. We specifically urged them to attend.

The Senator from Texas was new to this job last year. He sat with the committee for many hours, and came to the conclusion that there was much useful activity that could and should be stepped up. Accordingly he voted to make a substantial increase over the House figures.

When a report was made as to what was done, what had been accomplished, what was to be done, where it was to be done, how it was to be done, and by whom it was to be done, the Senator from Texas, like every other Senator, was considerably disappointed. Mr. Larson frankly did not have the answers. We would ask, "What are you going to do with the 173 extra people you are asking for in this area? What countries are they to be assigned to? What are they going to do?" He did not know.

I am not in a position to speak for all the committee, but it is possible to believe that twice the amount proposed to be appropriated in this bill could be wisely spent at some time in an effective information program. But I am saying to the Senator, without fear of contradiction, that it is difficult to find a justification in the hearings even for the $90 million we have allowed.

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

Mr. JOHNSON of Texas. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator has mentioned Mexico City. I was in Mexico City 10 days ago. I have heard of the idea of spending $1,500 every week for a jazz band which is not doing a bit of good so far as goodwill is concerned. It is only causing resentment among the Mexican people.

I congratulate the Senator from Texas for his efforts in reducing this item to $90 million. I voted in full committee to sustain the Senator from Texas and the subcommittee. I did so reluctantly. I thought that the Senator from Texas and the subcommittee were a little too liberal in granting $90

million, because I feel that the program is not doing a bit of good. All it does is to cause resentment. Representatives of the Agency go to Europe and elsewhere in the world and throw their weight around because we let them have the money. They are not accomplishing anything so far as goodwill is concerned.

I thank the Senator.

Mr. JOHNSON of Texas. The Senator from New Mexico is correct.

At one point it was testified that this particular program in Mexico City was costing $1,400 a performance. At another time it was testified that it was costing $1,500 a performance. The fact is that there is a plan for a 52-week contract to produce these programs. The Columbia Broadcasting System, the National Broadcasting Co., and the Hollywood producers were not called upon to produce the programs.

I think the record will show that representatives of the USIA did not know how many people had television sets in Mexico City. They had no idea what rating the program had. They did not know how large a listening audience there was.

I will say to the Senator from New Mexico, and to my friend from Massachusetts [Mr. KENNEDY], that I searched all over the room to find someone to give an answer. Finally, one man rose and said that was in his area. He attempted to give some answers.

On that afternoon we sat there with two Appropriation Committee clerks. We have only a small group to handle the $72 billion budget. Let me say to my prudent friend from Massachusetts whose section of the country is known for its conservatism, that at the time we were listening to Mr. Larson to justify his record, we had 2 clerks and he had 31 assistants in the room. They could not tell us who was listening to the program, how many sets there were, or what rating the program had.

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

Mr. JOHNSON of Texas. I yield.

Mr. KENNEDY. On page 459 of the hearings I find the following:

> The fiscal year 1958 budget provides over $1 million, or double the amount spent this year, for programs in Africa. This will enable us to raise activities in 11 African countries from minimal holding operations to levels commensurate with the emerging significance of Africa.

I think the program in Africa is of vital importance. It seems to me that not only should it be increased, but when the appropriation is cut from the amount spent last year to $90 million, which is a reduction of $23 million, there will be severe cuts in Libya, the Sudan, and other parts of Africa which I think are vitally important, particularly in competition with what the Soviets and the Egyptians are doing.

I do not know anything about this subject. I am asking these questions on the basis of what we spent last year.

Mr. JOHNSON of Texas. I went into the question of Ethiopia in great detail.

Mr. KENNEDY. The hearings comprise a book of 1,231 pages, which became available to us on Monday.

Mr. JOHNSON of Texas. Yes.

Mr. SMITH of New Jersey. They became available this morning.

Mr. KENNEDY. The Senator from New Jersey says they became available this morning. I should like to know how we could be expected to know very much about the subject.

Mr. JOHNSON of Texas. I would like to repeat what I said earlier when I hope the Senator was listening.

Mr. KENNEDY. I have been listening for 3 hours.

Mr. JOHNSON of Texas. Does the Senator agree with what we are doing in Ethiopia? He is concerned about Africa.

Mr. KENNEDY. Yes.

Mr. JOHNSON of Texas. All of us are concerned about Africa.

I wish to read the story which a very able reporter for the Herald-Tribune wrote about the Vice President's statement when he was in Africa, regarding the USIA personnel.

Mr. FULBRIGHT. Mr. President, will the Senator permit me to make an observation pertinent to the remarks of the Senator from Massachusetts?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I will say to the Senator from Massachusetts that I think there is some merit in what he says about Africa. However, there is nothing in the bill which compels the agency to spend the money in any particular area.

In invite the attention of Senators to the situation in Germany. Let us take the actual expenditures for 1957. In West Germany $10,556,000 will be spent.

Mr. KENNEDY. I noticed that that was many times as much as was being spent in England. Does the figure which the Senator cites represent only the activity in West Germany, or does it affect the satellite countries?

Mr. FULBRIGHT. It might affect the satellite countries. If the Senator is referring to Radio Free Europe, some people believe that is a part of this operation. It is not included in it. It is not a part of this operation. I am referring to our West German operation in Bonn.

For Italy the figure is $3,182,000. The agency sought to expand its request for 1958 to $3,549,000.

For France the figure is $3,712,000; and for Great Britain, $1,279,000.

In three countries, namely, Germany, Italy, and France, there are expenditures of more than $17 million.

So far as I am concerned, a fine library in every town in France is a good thing. But that is not the point. As the senior Senator from Massachusetts [Mr. SALTONSTALL] says, there must be some priority. I would not demean the entire program. I think there is a great deal of good in it. But if we must operate with a limited amount of money, and make a choice in distribution, I cannot see any urgency in the maintenance of fine libraries, motion-picture programs, press programs, or what have you, in a country like France or England.

They are just as knowledgeable about democracy as we are. I believe their experience with communism may have brought it home to them a little more, and they probably appreciate its dangers more than we do. It is in a sense somewhat presumptuous for us to propagandize sophisticated countries like Great Britain, France, Italy, and Germany. There is nothing in the bill which would prevent the Agency from taking $10 million or $7 million from those countries and spending the money in the African countries, where different conditions exist, and where there is some need for services like these, such as news services and entertainment and movies.

We do not attempt to regulate everything the money is spent for. However, what the committee thoroughly arrived at is that this amount is sufficient with which to maintain a program that will serve us; and the Agency can, if necessary, switch large numbers of people from France or Great Britain or Germany to countries in Africa. In Germany, for example, there are nearly 1,700 people on the payroll of this Agency.

Mr. JOHNSON of Texas. I have found what I have been looking for in the hearings. I wish to point out, first, what I believe to be the committee's position, and certainly the position of the Senator from Texas. In 1956, when the junior Senator from Massachusetts and other Senators approved a final appropriation of $87 million for this Agency, the Agency had a total of 3,257 people in Europe. That was almost half of the total number of employees of the Agency. It is a very high number. How high it is is demonstrated by what is shown at page 888 of the hearings.

I would not say that the Vice President is unfriendly to this administration, or to Africa, either. He has done much to call our attention to the problems there. He is not adverse to the program. I call attention to a statement made by the Senator from Louisiana [Mr. ELLENDER], at page 888 of the hearings:

> STATEMENT OF VICE PRESIDENT NIXON
>
> Senator ELLENDER. Just to demonstrate what we are trying to do here in drawing you out, Mr. Larson, I would like to place in the record a statement that was made by none other than our Vice President, Mr. NIXON, on his recent trip to Africa when he took the position that we had entirely too many people abroad. In this article he, Mr. NIXON, after spending a while with one high-ranking United States official in South Africa, said, "How can we expect to get things done over here with four cornballs like that?" He said he asked about the size of the staff and when told one group totaled 100 he said, "Things would probably be better with a staff one-third that number." In traveling abroad, you will find I have made those statements many times also and I think some of us ought to be given a little credit and at this point in the record I will ask that the whole article which was written by Earl Mazo be inserted.
>
> (The article referred to follows:)
>
> "[From the Washington Post, March 17, 1957]
>
> "NIXON SEEKS TO SHAKE UP AFRICA STAFFS—ONE HIGH DIPLOMAT TERMED A "CORNBALL" BY VICE PRESIDENT
>
> "(By Earl Mazo)
>
> "ROME, March 16.—A shakeup in several embassies, consulates, and United States Information Services offices in Africa is likely to follow Vice President RICHARD M. NIXON's return to Washington from his good-will tour, it was learned today."

I might add that I hope a shakeup will take place. Let us consider Ethiopia where we have the report that there are

two weekly newspapers. I wonder how many weekly newspapers there are in Massachusetts?

Mr. KENNEDY. Quite a number.

Mr. JOHNSON of Texas. Perhaps a hundred? We have 700 in Texas.

Mr. KENNEDY. More than a hundred.

Mr. JOHNSON of Texas. In Ethiopia there are two men from this Agency for two weekly newspapers and two bidailies in that country. That is one man per weekly paper in Ethiopia. Ethiopia has a population of 12 or 13 million people, and it has only two weekly newspapers.

We had an employee of this Agency established in Ethiopia who had the duty, for example, of giving the Ambassador copies of the President's messages. Another thing he handled was work in connection with two radio stations and the newspapers. He has now been supplied with an assistant.

Mr. KENNEDY. My question is, What is it that has caused the Senator to be willing to sponsor for next year $23 million less than he was willing to sponsor for the present fiscal year, considering the competing activities of countries who are not friendly to us? I gather from what the Senator has said that it is not because we do not need an effective program, but because the program is not being carried out effectively.

Mr. JOHNSON of Texas. That is exactly it. The Senator has stated it better than I have stated it. I am not sure that Mr. Larson will not carry out a good program. But it is a fact that there has been a great build-up of the press service. We have people and people and more people, and now we are being asked to add even more people. I would be willing to let them have every person they had in 1956. I would be willing to appropriate more money for low-cost books. I would be willing to expand some of the activities. I would be willing to do that if I had any assurance that it would be effectively done and that it was necessary to be done.

I said to the Senator from Louisiana [Mr. ELLENDER] last year on the floor of the Senate, that I would not justify attempting to give the English a cultural program or try to teach them some culture. I said I thought we were spending money in Paris and London and Rome, where we ought not to be spending money. I expressed the hope that the USIA would not spend it there. I say to the Senator from Massachusetts that that hope has not been realized. They insist on not only keeping what they have, but on adding to it. The appropriation the committee has approved will allow them an ample number of people for the European theater. I believe a great many of those people ought to be shifted, as the minority leader has said.

Although I cannot speak for every member of the committee, I believe every one of them feels that way. I will say also that all Members of the Senate know that no man is more anxious to have an effective information program than the Senator from Texas. I have tried to demonstrate my good faith by raising these appropriations from $87 million to $113 million. For 3 years the Information Agency had an average of much less than $90 million.

We gave them a chance last year. What did they do? They hired 200 additional press people. That is what we do not approve of. We do not think it is necessary to have a government press. We do not think it is necessary to have a wireless program that goes to every newspaper in the country. We do not think there is any justification for increasing the number of employees from 685 to 930, and we do not think we ought to give them the money to do it.

We do not believe they will do it if we will say to them, "Listen, Mr. Eisenhower has had a popular administration, at least the people indicated so last November, for 4 years, and they never, during the 2 years of Republican control of the Congress had as much as they are given this year."

Certainly the emphasis has shifted. But with the emphasis shifted, the personnel ought to shift. If not, the personnel will keep going up and up, and will never stop.

I am frank to say that I do not know what would have happened if we had called the roll on the $60 million figure. Everyone must express his own opinion.

The Senator from New Mexico has just expressed his view as to what is happening in his general area. Although I have not traveled extensively, what I do know about it has not satisfied me as to the wisdom of my action of last year.

If my friend wants to convict me for making a mistake last year, I will plead guilty. I approved more money than should have been appropriated for the purposes for which it was used. I regret it. I am willing to appropriate that much next year, or more, upon a showing that it will be wisely and prudently handled.

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

Mr. JOHNSON of Texas. I yield.

Mr. THYE. I am sincere when I say I am concerned about the majority leader being on his feet for so long a time, and I wish he would sit down and allow me to speak for a minute.

Mr. JOHNSON of Texas. I thank my friend from Minnesota.

Mr. THYE. I sat in on the subcommittee hearings for a few hours, because this is a question with which I have concerned myself greatly throughout the years of my service in Congress. I may say that there is a sound basis for the program, but I was not impressed with the way in which many phases of the program have been carried out. I regret that that has occurred. However, the USIA has performed outstanding service for the United States throughout the world. If it had not been for the USIA, we might well have seen further progress made by the Soviets in many areas. In my humble opinion, that is a certainty, because I have visited some of the countries and have gained that impression.

Therefore, when we pinpoint some specific item, such as a jazz band in Mexico, and amplify it in the eyes and minds of the public, we do the Agency and the United States Government a disservice.

Mr. JOHNSON of Texas. I think that would depend upon whether or not that activity was continued. I think we do the Agency a great service by calling attention to the activity, because we hope that as a result of pinpointing it, the Agency will eliminate such practices. We hope that as a result of our constructive criticism, they will shift the emphasis to low-cost books or motion pictures or other more effective activities. We hope, by making our constructive suggestions, that more Senators will be persuaded to support the USIA and its programs.

Mr. THYE. I made mention of the jazz band only because I did not approve of it. I think it was a misuse of the authorization and the appropriation.

Mr. JOHNSON of Texas. We would serve no purpose by covering it up. We must expose it and, we hope, rid the Agency of it, so that we can get a strong Agency which we can all support.

Mr. THYE. I may say, further, that in many areas of the world the USIA has gone forward, expanded its program, and rendered great service. What concerns me is simply that the Soviet Union has expanded its services in many of those areas; in fact, they are on the air more than is the USIA.

Mr. JOHNSON of Texas. I assume the Senator from Minnesota wants me to comment on his thought, and I shall do so very briefly.

I am well aware of the great propaganda activity within the confines of the Soviet Union and of its satellites, and of their program in our own country. I am well aware of the fact that the Soviet Government controls all the radio and all the press within its borders, and that the expenditures which are made for those purposes are much greater than our Government expenditures for similar purposes. However, I would question whether they are as much as the expenditures made by our own private-enterprise magazines, newspapers, chain broadcasters, and so forth. The Soviet Government controls everything; the United States Government controls only its own employees, and we hope to keep our own situation that way. We hope to have the publishers of magazines like Look, Newsweek, and Time continue to operate on their own. But if we add the cost of our own free-enterprise services, I have no doubt that our information program would compare favorably with that of the Soviet.

Mr. THYE. If the Senator will yield the floor, then I will happily go on in my own right.

Mr. DIRKSEN. I have previously sought recognition.

Mr. THYE. Then I should like to have the Senator from Texas yield to me for another minute, because he has made mention of the Minneapolis Star and Tribune. I should like to read an editorial which was published in that newspaper today.

Mr. JOHNSON of Texas. Will the Senator from Minnesota do that in his own time? I shall be glad to listen to the Senator, but he can do that in his own time. I have no doubt that the

Minneapolis Star Tribune will speak approvingly of this administration. I have read it enough to know that. If the Senator will read the article in his own time, I will be glad to yield the floor to him then and listen to him. I do not want to stand on my feet while the Senator reads articles from newspapers, in view of the Senator's own admonition to me.

Mr. THYE. I say "Thank you" to the Senator.

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

Mr. JOHNSON of Texas. I yield to my friend from Pennsylvania.

Mr. CLARK. I have not had an opportunity to read the hearings. I may say to the Senator from Texas that I made every endeavor, through the efforts of my staff yesterday, to get both the committee report and the committee hearings, but I was unable to obtain them. Perhaps I am not so astute as I should be.

Mr. JOHNSON of Texas. If the Senator from Pennsylvania had asked the Senator from Texas, I would have made certain that the Senator from Pennsylvania received copies of them, because I am aware of the interest which the Senator has in this program.

Mr. CLARK. I have the greatest respect for the ability of the Senator from Texas as chairman of the subcommittee; therefore I can express, mostly on faith, my position in the matter.

Mr. JOHNSON of Texas. I appreciate the confidence which the Senator from Pennsylvania has in me.

Mr. CLARK. I thank the Senator from Texas.

Do I correctly understand that in the Senator's view—and I think it is the unanimous view of the committee—it is possible for this agency to curtail its expenditures in Germany, Italy, France, and England without danger to the national security and without adversely affecting our relationships with those countries? Am I correct in expressing what I understand to be the Senator's view?

Mr. JOHNSON of Texas. Not only do I think the expenditures can be curtailed, but I think they should be. I think that by curtailing the expenditures in those areas and placing greater emphasis on the more critical areas, a great public service will be performed.

Mr. CLARK. I take it that the Senator's view is that our relationships with those countries under the present administration's leadership, particularly with respect to what has recently occurred in the Middle East, is not such a serious matter that it requires any assistance in reaffirming those relationships through the USIA?

Mr. JOHNSON of Texas. I do not agree that there is no need to examine all the relationships we have and to do all we can to cultivate them. I would not want to leave the impression, however, that the great men who head our embassies in those countries—Mr. Bruce, in Germany, and others of his type—are not much better equipped and qualified by experience and training to do whatever job of public relations and diplomacy it is necessary to do, than are some of the persons the Senator from Texas has observed in the operation of this program.

Mr. CLARK. Perhaps it is the Senator's view that our ambassadors in England, France, and Italy, despite the fact that they are of the opposite political party from that of the Senator from Texas and myself, do not need the assistance of Mr. Larson and his Agency in refurbishing our relationships with those countries; and that, therefore, the work of the Agency can be shifted to Asia and Africa, where the expenditures are more desirable.

Mr. JOHNSON of Texas. The Senator from Pennsylvania is a man of discernment. I think he has expressed my viewpoint perhaps better than I can express it myself. That is my feeling; that is my view. That was my feeling last year. I have not referred to my statement at that time, but I said on the floor last year, to Senators, the Senator from Louisiana [Mr. ELLENDER], for instance, that I did not believe we ought to make any further reductions because the things of which we complained would be, I thought, rectified, and I thought we could have a shift of emphasis.

But I did not approve of all the huge staffs which were going into the European setups—more than half of them—and into the library setups. I thought the low-cost books were very necessary to do a good job in those fields. But my own hopes were not borne out by the performance of Mr. Larson's Agency.

Mr. CLARK. I take it that the Senator from Texas, who I know is as conscientious as is any other Member of the Senate, or any other Member of the Congress, has considered the possibility that this cut in expenditures will give the Russians an undue advantage in their propaganda efforts throughout the world, and that the Senator is not sufficiently concerned with that effort so as to feel that this appropriation should be held at the level recommended by the head of the Agency, Mr. Larson.

Mr. JOHNSON of Texas. I am deeply concerned about everything which the Russian Government does. But I think our greatest defense is not in mimeographed handouts. I think there is a great field of activity for the USIA, and I wish to see it preserved. But I believe it can best be handled under a policy-making department, with the Secretary of State held strictly accountable. Congress has repeated and repeated and repeated that it would prefer to have the emphasis shifted to other areas, because of the need, and would prefer to have the Secretary of State supervise the operation. If the shift is not carried out, the Senator from Texas—if he is still here next year and is presenting the bill at that time—will attempt to have the Senate take action to bring it about.

Mr. CLARK. I thank the Senator from Texas. I hope that in the future it will be possible to have the testimony taken in the hearings available to all Members of the Senate, so they will be able to inform themselves regarding it, and will not have to subject the Senator in charge of the bill to questions such as the ones which have been asked.

Mr. JOHNSON of Texas. Mr. President, I welcome the questions. I personally arranged to have the hearings distributed to Members. Last Monday, I came to the floor and personally presented a copy of the hearings to the Senator from Delaware. The hearings were available, and I could have presented them to the Senator from Pennsylvania, and would have done so if I had known he wanted to have them. However, I did not know that he desired to have them. I apologize for not knowing that he did desire to have them.

Mr. NEUBERGER. Mr. President, will the Senator from Texas yield to me?

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

Mr. JOHNSON of Texas. I yield.

Mr. NEUBERGER. I should like to say that I do not wholly understand one statement which has been made quite often on the floor. In that connection, I have seen quoted in the press a statement by the Senator from Arkansas. I refer to the claim that the United States Information Service should not disseminate material among the cultured, informed, and educated people of Western Europe. I do not understand that position, I confess. Are we to conclude that the material issued by our Information Service is not designed for educated people? Is it designed only for backward nations? If so, perhaps we need a different overall concept entirely. I cannot understand why such material should not go to the people of Western Europe.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield, so that I may make a comment at this point?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield for that purpose.

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

Mr. FULBRIGHT. Mr. President, a moment ago I said that of course a liberal program of cultural information of any kind is a good thing per se. The reason why I do not think it is necessary in this case is that if we are limited in the amount of money to be spent, certain countries—particularly France, England, Germany, and Italy—are older than the United States, and in many respects have a more highly developed culture, even if they are not so prosperous as we are. I think they know more about their culture than we do, and perhaps it would be presumptuous for the United States to attempt to inform the British people about the distinction between communism and democracy. I think the British people are quite able to make that distinction without having the United States participate in the process.

On the other hand, if we had an unlimited amount of money to spend and if there were no concern about the amount we spent, it would be perfectly all right with me to have the USIA have a librarian in every town in England. But in this case we have almost an

agreement that we will not vote to increase the total amount of the appropriation. Therefore, I followed a procedural priority—as explained earlier by the Senator from Massachusetts; and I agree with his statement—namely, that the number one place on which we should concentrate our efforts, within this overall budget, is the State Department. I thoroughly support that position, and I would be in favor of larger appropriations for that purpose, if anything, before I would agree that it is necessary for the United States to maintain libraries or other activities in the information field in Britain or in France.

Therefore, improvement of the Foreign Service, for example, and the appropriation of funds to be used to teach the Foreign Service officers foreign languages, should, in my opinion, receive the highest priority. Only 50 percent of our Foreign Service officers know one of the major foreign languages. I think that program should come first.

Furthermore, in the case of the sophisticated countries, I think the Exchange Program is far more acceptable to them and far more effective than the spreading of direct propaganda. If we are to engage in any propaganda at all, in the case of the countries of Western Europe, I believe it should be indirect propaganda.

My point is that since we have to make a choice in connection with the spending of money—in view of the limited amount—I would give the lowest priority to this item. On the other hand, I would not object to it, if we had unlimited amounts of money to spend.

Mr. NEUBERGER. Mr. President, soon after the Suez crisis developed last fall, I received letters from friends of mine with whom I served in World War II, and who now are in England. They have had considerable experience there. They know the people. They wrote to me that never before had they seen such strong and vehemently expressed anti-American feeling in England. Am I to assume that the activities of the United States Information Service are not of any effect or value in ameliorating that sort of situation?

Mr. FULBRIGHT. I would say the assumption of the Senator from Oregon is completely correct. The difficulty in the case of England and France arose out of a policy—subsequently a policy by the State Department. As I said a moment ago, I would give the highest priority to the improvement of the State Department, which is the policymaking organization, and is the one which directs this Agency. Certainly nothing that we can do by propaganda would overcome the difficulty which arose in Great Britain over the Suez situation. In fact, I think that if we were to attempt to do that by means of superficial propaganda, we would only make the matter worse. It would only make the situation worse if we were to assume that those people have no understanding and if we were to attempt to "kid" them about what happened in the Suez. We had a different opinion. I regret the difference, and I can criticize the policy which led to the difference. But I do not believe we can cure it by appropriating more funds for an agency which is a propaganda agency.

If we were to assume that a certain amount of propaganda would achieve the desired results, at least I believe that would be a false assumption. The situation is much more difficult than that. There is a great difference between so many bags of wheat and so many words of propaganda; they do not reach the same kind of result.

Mr. NEUBERGER. Except then, there is absolutely no limit to what might be developed on the floor of the Senate, if we were to state that it is the substantive policy of the United States Government, which is responsible for these situations, that information or propaganda or libraries, and so forth, have no impact on them. Some of us may say, for example, that the most effective thing we could do in the interest of our standing in Asia or Africa would be to take action in the field of civil-rights legislation, in view of the fact that most of the people of those areas are not white of skin.

I believe we must separate and keep apart the information service problem from the complete problem of substantive policy. If the United States Government, for better or for worse, decides that in the case of the Suez, we had a policy which was somewhat more friendly to Nasser than it was to our traditional allies, then I believe the United States Information Service might be of value in working in Western Europe to try, somehow, to prop up our deteriorating friendship with our traditional friends, such as Britain and France.

Mr. JOHNSON of Texas. Mr. President, I am not in disagreement with the Senator's position; I quite agree with him. I was in Europe immediately after the Suez crisis, as the Senator will remember. I saw our Ambassadors there active in the field; and I saw our United States Information Service in action too.

I point out to the Senator that the matter is one of degree. About half the total number of employees of the Service are in the European theater. There are some persons who believe that 3,000 employees are not required to do that job. I think most Senators—of both parties—who have visited the areas involved, and even members of the executive branch of the Government, have concluded that perhaps we have many too many persons in the European theater, and most of them believe that we have many too many in other theaters.

I agree with the Senator from Oregon in his conclusion that we must not turn our backs on Europe. I also understand the point of view of the Senator from Arkansas. But I am fearful that we shall wind up with the view which I sense prevails in the Congress. In other words, if we insist on increasing all programs and areas and on not abandoning or reducing any old ones, then, as new techniques are developed and as new fields are entered, unless we conserve our resources, so as to be able to apply them intelligently, I am fearful that the whole program will fall of its own weight. I may say to the Senator I am fearful that there is already considerable sentiment for a program that is not of the level that is recommended in this bill.

Mr. NEUBERGER. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable, I should like to yield the floor to the Senator from Illinois.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Illinois.

Mr. JOHNSON of Texas. Mr. President, if the yeas and nays are ordered on the committee amendment——

Mr. FULBRIGHT. The yeas and nays have been ordered.

Mr. JOHNSON of Texas. I shall wait until some Senator makes the request. The yeas and nays have been ordered on the bill, but not on the amendment.

The PRESIDING OFFICER. The yeas and nays have not been ordered on the pending amendment. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. On page 33, in line 6, it is proposed to strike out "$105 million" and insert in lieu thereof "$89,100,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment. The Chair recognizes the Senator from Illinois.

Mr. DIRKSEN. Mr. President, before I make any general comments on the bill, I should like to take account of the colloquy which has occurred by saying the amount of money provided is not the measure of the efficacy of this kind of program. In the first place, I think the Senator from Massachusetts put it on the ground that at the least we ought to appropriate the equivalent of the 1957 appropriation. I think the Senator from Oregon had something of the same feeling about it.

Mr. President, I am only an amateur gardener and an amateur rose grower, but I have discovered that in proportion to the amount of wood that is cut out of hybrid roses, much better flowers result. In this field, I am anxious to get a very good flower, a very good effect, and that is not necessarily measured by whether the amount provided is $155 million or $140 million or $90 million, because it is a question of what kind of job the Agency is going to do.

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

Mr. DIRKSEN. I should like to go on.

Mr. AIKEN. I should like to make a correction. The Senator made reference to getting better roses by cutting wood from the rose bushes. Sometimes if too much wood is cut from certain kinds of rose bushes, there will not be any roses.

Mr. DIRKSEN. That is true. I am talking about the kind of roses I grow.

First of all, I wish to thank the Senator from Texas for indicating that I was the defender of the President in his program. I felt highly honored. I trust I shall always be able——

Mr. JOHNSON of Texas. If the Senator will yield, I pointed out he was a very able advocate, not necessarily a defender, because a good general does not spend all his time defending; he spends much more time attacking.

Mr. DIRKSEN. I try to advocate. That does not mean I must accept every

suggestion made by the President. I know of the President's interest in this matter. I have discussed it with him on occasions. I know he conceives of this program as a great weapon or as a tool for waging peace. On that broad premise I agree with him entirely. I can, however, very respectfully disagree with him as to the amount of money involved, and I think we have indicated to him what the nature of the testimony was, how persuasive it was, and how reluctant the committee was to go to the levels that had been indicated.

So I say for myself, as a member of the subcommittee, I concur in the action of the subcommittee. I concur in the action of the full committee by which the bill comes to the Senate. I think in the main a redistribution of the money, within the framework——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield? I dislike to interrupt the Senator, but, as the Senator knows, before the bill was marked up I spent some time in talking to the President and expressing my concern about the testimony.

Mr. DIRKSEN. Indeed so.

Mr. JOHNSON of Texas. I would say I discussed the entire situation with him at some length. I am not unaware of the President's viewpoint in the matter. He talked to the Secretary of State about it shortly after I talked to him, and the suggestion was made that perhaps the Secretary should come before the committee and testify. I shall not go into all the details, but the President has been kept informed of the feelings of the committee.

Mr. DIRKSEN. It must be said for the majority leader that he has spoken at length to the President about this matter. He has certainly conferred with me, the Senator from California [Mr. KNOWLAND], and others, from time to time. It was no surprise result that came when committee action was consummated.

I suppose our difficulty about the USIA comes about mainly from the fact that the United States and its people are not particularly propaganda minded. We do not quite understand it. We approach all world problems and our own problems free from propaganda. Then when there must be heavy outlay of money for that purpose, it becomes a little incomprehensible. That is why this whole program has had a stormy and tempestuous history.

I can go back to the old WPA days, when I was in the House of Representatives, and we were trying to sell a little culture to our own people. In those days we had drama groups going around the country. We had art clubs. Once we had a whole warehouse full of art, some about as hideous as anything I have ever seen, although there were some good pieces there also.

As I thought of the program, I remembered late at night, about 11 o'clock, on the floor of the House, I found it necessary to attack the appropriation of funds for the dramatic groups that were going about. I could not agree with what they were doing and the vehicles they were using. Having had a little stage flair myself once upon a time, I could not reconcile my conscience with the fact that public money was being expended to see dramas like Getting Gertie's Garter, Up in Mabel's Room, and and other bedroom farces by Avery Hopwood.

When we had some of the USIA people before the McCarthy committee, and previous to that, we had one witness who was a dramatist and who had written some plays. This took place in the Paris office. He was asked where he got his training. He said he was a disciple of Avery Hopwood.

In the 23 or 24 years I have been in one branch or the other of the Congress, selling culture, I have learned, becomes a difficult thing.

After we got over that phase and got into the war, we moved into the area where we set up the Office of War Information, which was under the direction of Elmer Davis, who did not have too good a reputation in some circles. I did not think too highly of some of his concepts. I thought he was a little leftish, but I was willing to give the devil his due.

I made a trip, at my own expense, to investigate the matter, in 1945, when the war was on. Mr. Davis gave me a letter to all his agencies all over the world. I sallied forth. I investigated all these things, and came back and defended Elmer Davis and his agency. It was a difficult thing to defend him on the floor of the House. Then, when Senator McKellar was chairman of the Appropriations Committee, I came to the Senate and defended Elmer Davis. Of course, the measure of his gratitude can be discerned from the fact that in the last election he was on a national committee to raise money to encompass my defeat. But I pass that by because it does not bother me particularly. It is simply a part of the history of the tempestuous agency.

We abolished the OWI, and pretty soon put the propaganda work into the State Department, under the Assistant Secretary of State for Public Affairs. Guess who the first director of that group was? Bless you all, it was our former colleague, William Benton of Connecticut, and publisher of the Encyclopedia Britannica. I remember the night he called me to his apartment in the Mayflower Hotel, because the members of the House Committee on Appropriations had piled on Bill Benton for the ghastly art he had bought with public funds, as a part of the cultural program. There were tears in his eyes as he importuned me to return to the House Appropriations Committee and talk to them, in the hope that his efforts might find better response.

When Mr. Benton left the State Department we had George Allen, then Edward Barrett, and then Howland Sargeant. Then finally we changed the title again, and we called it the United States International Information Administration, under Wilson Compton. Later he left, and Robert Johnson became the Administrator of the United States International Information Agency. I remember the difficulties Mr. Johnson had before the McCarthy committee as we went into personnel, the books on the shelves, and that sort of thing. So it was a part of the history. Then came Mr. Streibert, and then Mr. Larson. So we see in a short period of time how many different heads, how many guiding geniuses, there have been. So let us be a little generous with Mr. Larson.

Mr. Larson took a recess appointment in November. His nomination was confirmed on the 21st day of February. So actually he has been a confirmed official of the United States Information Agency for about 3 months. Show me the finite mind under God's canopy that can get any concept of this thing in 3 months, when it ramifies into 81 countries over the face of the earth, and I will "salaam" and bow down to such a man as a superman and a genius. It cannot be done.

Mr. Larson inherited his budget. It was made up actually before he got there. The original request, which was placed in the RECORD at my request by Mr. Larson, was for the amount of $155 million. It went to the House in the budget message as a request for $140 million, so we see that $15 million was exorcised from it before it ever got to the House. And it lost $5 million from that end of the Capitol to this end, when it came before the Senate subcommittee, because the revised request then was $135 million.

We did the best we could. We tried to see the forest rather than the trees. I have been on this floor every minute, I think, listening to the colloquies, and I am afraid we see the trees rather than the forest. I do not wish to measure this item particularly in terms of dollars, because if there is a difficulty and if the proof can be made that additional funds are necessary it will be easy indeed to present a request for a supplemental before Congress adjourns, or to come back for a supplemental or a deficiency early next year, to make sure that they have the wherewithal to do a good job, in the interest of waging peace, in consonance with the President's general objective.

I subscribe to the statement made by the majority leader. Incidentally, let me pay him a compliment. He overwhelms people with his charm. He amazes me with his background. He disconcerts the witnesses by his directness. He has an amazing instinct for going to the very heart of the problem. Then he has a capacity for moving a hearing forward. We might have been there 2 weeks from now, if it had not been for the genius the majority leader has for moving a hearing along, in order to not only get the information which is desired, but to finally get the bill to the floor. It is only a matter of 6 weeks until we shall come to June 30, which will be the end of the fiscal year. So I compliment the majority leader on the job he has done on this bill.

He pointed out that there was a certain rigidity about this program. It seems to me it could be more flexible. If we have hundreds of people in Paris and we do not need them there particularly, why could we not take the same people and move them to Saudi Arabia or Cairo, or wherever the need arises? I see no

necessity for a truly rigid pattern, except in some respects and on some items. But in the main, a larger degree of flexibility could account for a diminution in personnel and at the same time make this a very effective agency.

We learned a lesson from the last campaign. Do the distinguished Senators, particularly those on the other side, not know that when they were belaboring us so very freely, we had to call together some of our best talent and put them on an airplane, to follow some of the Democratic speakers in Cleveland or Los Angeles or Portland or Spokane? We gave them a title. We called them "The Truth Squads." We wanted them to spread the Republican gospel in those places where the Democrats were belaboring us so freely, in the interest of a party victory for themselves.

Maybe in the information field we need some truth squads and some selectivity as we go along. Then we might get comparable results, without a fantastic expenditure of money.

But, Mr. President, my principal reason for rising today is not to rehash all this matter, but rather to point out that this Agency is, in my judgment, a necessary adjunct of government. We discovered a few things in the last war. We had a psychological warfare branch. In other days, nothing was known about that. Certainly, when I was on the western front in World War I, I never heard of psychological warfare. A person was either up in the parapet, or he was at the end of an artillery lanyard somewhere about 4,000 meters behind the front, or up in a balloon basket spotting fire for the howitzers that were well behind. We knew nothing about psychological warfare. That is a development.

This program is, in a sense, psychological warfare of the cold war, because words are weapons no less than bullets. I recall, I think in a general way, back in the days of World War I, when Woodrow Wilson was the President, and he got George Creel to be the head of his informational service. One great thing about George Creel was that he used to cuff Congress around and make them like it. George Creel went on the theory that words would win the war. So he took the 14 points of Wilson and popularized them to such an extent that every German, and every other person in Europe, knew what the 14 points were.

A very fascinating book was written by a young man in the National Archives on Words That Won the War.

Now we come to the conclusion, in this rather feverish and tumultuous world, that words are weapons, words are ammunition. They are the ammunition of this kind of an agency, whether they are put on the screen or whether they are carried by intricate frequencies onto the air waves somewhere, or whether they are put on paper. Words, words, words. They, of course, are a part of the ammunition of the international Communist group, which would like to communize the whole wide world.

But I think we have to be selective about the words. It does not do any good to spread the printed word in a country where 90 percent of the people are illiterate. I wandered around through northern Vietnam. I was in Indochina when the war was going on there. I was told that only 7 or 8 percent of those people could read a word. If they could not read a word, why put reading matter in their hands? It would not do much good. But they can see a movie, and they can listen, in their own dialect, and they can understand a story. So there one makes a selective choice from among the various media in doing a job.

I saw the motion picture which was made concerning Ngo Dinh Diem, President of the South Vietnam Republic. I thought it was a superb thing. But to do only one good thing, and then fail in some other fields certainly does not justify the failure. It only means that Congress has the job of carefully going through the program, to see what is effective, where we can accomplish the greatest amount of good, and make this program an effective method.

A rather substantial sum for television is asked. However, judging from what I read in the hearings and the testimony which I heard, the program would be limited to about seven countries. The question is, Is the expenditure justified for seven countries?

Drawing on memory, I believe the answer was this is a new medium, a new weapon, and that we must get ready for it. But I am not sure that we must get ready for it in the amount proposed, and to the extent proposed right now. That points to a place where a bit of reduction in the budget can be made.

When this subject was before the full committee I took a specific approach. I considered all the items, and calculated how much could be cut from the item for press mediums, the missions, the staff support, and the program direction, item by item. That is how I arrived at the total of $96,500,000. I did not make the cuts with a cheese knife. I reached the conclusion, after totaling up what I thought could be taken out of every function and every purpose, that that was the proper figure.

But I am getting off the theme. We need this Agency today. Perhaps we did not need it before. It serves a very useful purpose. So the question is, What kind of orientation shall it have, and how much money shall it be given to implement that oriented viewpoint?

I am sure it is all right to sell culture to our friends ten or fifteen thousand miles from here, wherever it may be, depending upon which way we travel. But I would rather operate in the creature medium, because, as Thoreau once said, there are certain things which go to make up what he called vital heat. Those are the great impelling forces.

First, there is clothing, to conserve the heat of the body; next, shelter or habitation, to conserve heat; then food, to generate heat in the body.

What have we there? Shelter, food, and clothing are three items. There are others. Those are creature comforts, and people can understand them. If we could dress our ideas somewhat around those motives, I believe we would have a more effective program.

I learned long ago, right or wrong, that when one rises to make a speech he should decide what he is attempting to do with an audience, and what kind of appeal he is trying to make. The appeal must necessarily be on the basis of the thing which most intensely moves the individual.

The first thing is self-preservation, the preservation of a person and his family. If we want to appeal to the people with whom we are dealing, we should base the appeal on the ground of self-preservation. We should say to them, "You are in danger from the Red menace." That is the impelling force. The appeal should be dressed around it.

What else? There is property. That is only a general item, but it testifies to the acquisitive instincts all of us have, to acquire a little property, a competence against a rainy day. How should that appeal be dressed up? By showing what can be done in an atmosphere of freedom, as contrasted with a police state, where the individual is not permitted to own property, or to earn enough in a lifetime to acquire it.

Those are basic appeals. I would rather proceed on that basis than on the basis of some of the things in the bill. I do not know how much value there is in the magazine which looks a little like Life. Permission was given to circulate 50,000 copies in the Soviet Union. I have an idea that many people in the Soviet Union go to bed with a thin supper at night. If they could get the message as to what a free country does by way of building up the creature comforts of its people, such a program would strike at the heart of the problem.

Next, I would place great emphasis on disarmament. If we could ever get the world in a frame of mind in which it would accept a disarmament program, think of the relief from the burdens upon people in all parts of the world, including our own. We are spending $41 billion for national security and atomic energy. I suppose if we add the foreign aid program, the amount is even greater. It is about 60 percent of the budget. What a welcome relief we could provide if we could cut that load by only one-third. It seems to me that is a point of interest.

I tried the best I could to hear the story from the lips of the witnesses, and to get it from Mr. Larson, if possible. However, I am afraid that it was too adeptly presented. Under the circumstances, I felt, in the light of the President's abiding interest in this program, that I could still go along with the amount of money proposed to be provided, even though the figure at which I finally arrived was $96,500,000.

Let us give Mr. Larson a little longer time. He has been on the job for only a little while. My heart bleeds for him, in a way, because he comes into this Agency as a newcomer. He has had no opportunity to survey all the operations of the Agency in every section of the world. If he had had such an opportunity, I am sure he could have done an infinitely better job. But we can go along with the $90 million proposed for this purpose, and if a case can be made to show that more money is needed, a supplemental appropriation can be requested.

I must make one personal allusion. When the majority leader was directing a rather spirited series of questions at Mr. Larson, and he was fumbling for an answer, I said, "Mr. Larson, at the risk of being offensive to the majority leader, and at the risk of being invidious, if I were to answer that question, I would set up a little chronological table. I would go back to 1953. I would call attention to the imbroglio in Indochina, and the Battle of Dienbienphu, with the Communist horde rushing in from the north. I would emphasize the necessity for building up some kind of resistance on the part of the people in southern Vietnam. I would bring up the Polish uprising and the Hungarian uprising. I would mention the difficulty which centered upon Suez. I would build up every one of those events, year by year, and then show how necessary it was to get properly to peoples in various parts of the world the American story on issues and items which increase the tension of people in every section of the world."

But my suggestion was lost, and, so far as I know, such a chronology did not appear. Certainly we tried to be helpful to Mr. Larson, because he is a very attractive, restrained, affable person. He never lost his temper at any time. He made a general statement that was quite good; but when it came to filling in, he was in difficulties. I am afraid he had not yet learned the dexterity which so many good people have in passing the ball to some subordinate, by saying, "Mr. Chairman, I can answer that question, but I will ask Mr. Jones to do so, because he is engaged in that line and he has the answer." In due course he will learn that technique, and it will keep him out of difficulties.

Given a little time, things will work out all right. I think Mr. Larson deserves a pat on the back for the very restrained way in which he sat there day after day for long days under quizzing, first from one Senator and then another. There sat 8 or 10 Senators on the committee, with their minds in repose and thinking up questions, while the witness' mind was thinking up the answers. Naturally, eight men can keep ahead of one. So he was at a little disadvantage mainly because of his inexperience in this field.

But I am done with it. I trust the bill will have the general approval of the Senate.

I should like to make one other allusion. I note that my distinguished friend, the Senator from Arkansas, is in the Chamber, and I am glad that he is. We do not quite see eye to eye on the question of the educational exchange program, but I recognize the value of sending American researchers and leaders and students abroad, and of having foreign students and leaders come here. However, I must point out that there are many thousands who go on their own account without any aid whatever from Government. The figures I got from downtown indicate that as of the 31st of December, I believe, 782 foreign teachers and researchers, 6,033 foreign doctors in United States hospitals, and 36,449 foreign students came to the United States. That would add up to a total of 43,264.

We had abroad 9,457 students and 1,275 teachers and researchers, or a total of 10,732.

I asked Mr. Riley a question on that point. It appears in the hearings. I said:

> On the basis of your figures, that means that roughly nine times or more students on their own come to the United States than are sponsored under these programs?

Mr. Riley, who made a splendid witness, said:

> Yes, sir; that it true.

In the 8 years since 1949 the whole program has accounted for about 45,000.

I have alluded to the figures for only one reason. I did not give them undue emphasis. I was willing to go along with the House amount, and not necessarily restore the funds that were finally restored, but it has been done, and I accept the decision, and I go along with the program.

It is necessary to point out that we have these thousands of students and doctors and researchers and teachers, plus the fact that an estimated 700,000 Americans are going to ask for passports in fiscal year 1958. If that cannot make a hole in the world's thinking, then I am sure no student program is ever going to pull us out of the situation. I recognize the fact, and I stated it, that these students are selected on the basis of who can make an impact upon those with whom they associate in the schools. I do not mean to demean it at all, but I try to keep it in proper perspective. If it had been for me to do, I would have cut the amount down to the House figure.

I end up where I began. I merely wish to emphasize the fact that the United States Information Agency must be made to work.

We can throw up an instance like subscribing, out of the Agency's funds, for the New York Times and the New York Herald Tribune and distributing the newspapers freely on a subscription basis to every member of Parliament. That makes a good headline. It still does not answer the problem of an effective and able information agency which will not try to sell all that America does, but will pick out the big and important things that mean so much to the hearts and minds of people everywhere in the world, and put the emphasis there.

If they do that, we can do it with fewer people and less money, and have a tremendous influence in every corner of the world.

I yield the floor.

Mr. JAVITS obtained the floor.

Mr. COOPER. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. JAVITS. I yield for that purpose.

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

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

The Chief Clerk proceeded to call the roll.

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

Mr. JAVITS. Mr. President, I rise to speak in opposition to the amendment which is now before the Senate. I think the parliamentary situation is very important, and I sincerely hope that Senators will at least concern themselves with that, so that we may know just exactly what it is.

At my request, the particular amendment which we are considering was passed over and was not one of those adopted en bloc. Hence, it was unnecessary for me to move to raise the figure recommended by the Senate committee to the figure actually voted by the House. On the contrary, the bill now under consideration specifies the figure adopted by the House, and only if the committee amendment shall be agreed to will the amount be cut. In other words, Senators who vote "Yea" will be supporting the committee in cutting the figure which the House has adopted.

I emphasize this because I think it has a very real bearing upon the whole issue, and that we have a right to ask ourselves, Why this very extensive debate? Why this deep interest in the United States Information Agency, which has already been cut very materially by the House of Representatives, some $35 million, almost a third of what was recommended by the President? Why, suddenly, a further cut of approximately 15 percent? And why so much interest in this Agency?

I think we can have only theories, but I believe in this one. This is the first of the so-called international programs. I think it involves peculiarly the matters of security upon which the President has placed the greatest emphasis in presenting his program to the country. He said as much last night. Essentially, he asked the people of the country, Do you or do you not rely on me in terms of the country's security? He emphasized that he considered the program of the United States Information Agency essential to his responsibility for the country's security.

So I think we are dealing with this Agency in such a specific way because the President has made a big point of it; second, because it is the first of the international programs and, in my opinion, will set the tone to measure what will happen to technical assistance, foreign aid, and, yes, even military assistance.

Finally, I think perhaps the Director of this Agency has been guilty of what some may consider the greatest transgression of all—one which seems to get some people very much upset—namely, his effort to help to get my party to meet the problems of today. He may not be its advocate or high priest, but he has sought to modernize it. And I do not think that is any reason for "taking it out" on the Agency which he heads.

There are some very fundamental principles which we must all recognize. We have heard argument on the floor to the effect that we are trying a court case, and that the witnesses who appeared before the Appropriations subcommittee had not made a good case. I hasten to demur. We are not trying a law case. We are just as responsible for the security of the country as are Mr. Larson and his aids. Mr. Larson

might have made out the worst case possible; but we might still have given him more money than he asked for if we thought his Agency needed the money.

We might even raise a clamor in this Chamber as we have before about others, if we believed Mr. Larson is not a very good Director and should be removed—but even if that were so—and it is not—that is no reason for crippling an agency which has a job to do in the interest of the United States.

This country has a republican form of government. Are we recording machines, which simply stamp "yea" or "nay," depending upon the volume of our mail or upon the results of the latest opinion poll? Or are we men and women sent to Congress to protect the interests of the country because we have the intestinal fortitude to do it?

Nobody respects the people more than I do. I have talked to the voters all my political life as intelligent and informed men and women. I feel the voter who trusts me does so because he knows there will be occasions when I will rise and speak exactly as I am now speaking.

Certainly, we are getting a large amount of mail on the budget, and it is very important that we pay attention to it, but that does not mean we have to guide our actions absolutely and irrevocably by it. We are also here to decide these questions according to our own best judgment in the interest of the country. I think the very issue we are now facing is the first real test of our responsibility in this regard.

Only last Monday a $3 billion appropriation bill passed the Senate; it whisked through; very few Senators seemed to pay any special attention to it.

Yet this bill involves a total of $563 million, and slightly under $100 million is involved in the USIA portion of the bill. It involves a further cut from that made in the House by the Senate committee. There are far more reasons for it, as I said when I began, than the amount which is here involved.

I have been in the Congress before. I spent 8 years in the House, as a member of the Committee on Foreign Affairs. I know something about the USIA. I have defended it before. I have also voted critically of it before, when that was required. So I am not ready to say I know nothing about it; that only the committee understands it. There are a few things in the record which have not been mentioned, but which are very important. I do not want to appear presumptuous; but I think one has to face the facts and rely on the facts, so let us talk about the facts. I am more than anxious to do so.

Many of us have slept in a bed with a small blanket. We know that when the weather is very cold, if the blanket does not fit, either our feet or our head will get cold. That is exactly what the present argument constantly makes me think of. We can give this Agency a very small amount of money; we can give it only $75 million or only $60 million. The Agency will get along with any amount—it must. But so small an amount will not enable it to do the job it should do.

Furthermore, Mr. President, are we living in a vacuum, or are we taking cognizance of the actual situation? Are we going to ask people to choose whether they want to use Colgate or Ipana; or are we competing with—and many of the Members of Congress are saying it all the time—as duplicitous, crafty, and as evil a form of government as the world has ever known?

When it comes to propaganda or to information-service activities, is that government spending $90 million? That amount is just chicken feed, compared to what the Soviets are spending in that field; and all of us know it. The Kremlin will spend on the Soviet information service, not $90 million, but many times that amount—it is estimated to be spending perhaps $1 billion—but it would spend $2 billion or $3 billion and will, if necessary, cut the standard of living of every Russian to do it—I think we know that, too.

Therefore, Mr. President, I think the appropriation the Congress makes in this field is most important; it is basic. But the appropriation our Government is actually making in this field is shockingly small.

Let me present some facts about what the Russians are doing. Thus far, there has been considerable discussion of what the United States is doing and about the policy of the United States. At this time let us consider what the Russians are doing.

The Russians, for their propaganda campaign, first are engaged in an effort to discredit all over the world the nuclear tests our own and other nations are making. The Russians are trying to make a monkey out of the Government of the United States, by attempting to show that by the threat of fallout and other means, the United States is an enemy of innocent people. The Russians are pushing their campaign in every nook and cranny of the world; and they do not mind if they spend money in that connection, either; and if the Russians thought they could help their efforts in that connection by the use of jazz bands, they would, you may be sure, use a dozen jazz bands.

In the second place, the Russians are engaging in a big campaign which they call anticolonialism, but which fundamentally is anti-United Statesism. In that campaign the Russians say the United States is the friend of colonial powers, that we are joining colonial powers, and that therefore the United States is the imperialistic exploiter of colonial peoples; and, that the United States is putting on the mantle which Great Britain and France have relinquished; this is phoney we know but it is the propaganda which is being put out.

Third, the Russians are engaging in a big campaign to unify Germany—but to unify Germany how? To unify Germany with free elections? Oh, no, the Russians wish to unify Germany under a Communist government; making it neutralist in the meantime. I have been in West Germany many times, as have other Members of Congress; and the Russians are making progress, for there are some Germans who think that might be a good idea, in that it would open up the entire Iron Curtain Eastern market for Germany.

One of my colleagues asked what we are spending money for, in West Germany. One of the expenditures the USIA makes in West Germany is $3 million for RIAS, the radio station in our sector of Berlin, which is described as one of the most effective mediums we have in all our armory for dealing with the Soviet attack in East Germany.

In addition—and this not my appraisal; it is the appraisal of the expert the Appropriations Committee had survey the situation—although we have heard of a great deal about the spending of some thousands of dollars in Ethiopia and the spending of $1,500 in Mexico City, yet, Mr. President, we are spending something like $25 million on the USIA program in Western Europe. However, we have not heard anything about that. Let us see what the Senate committee expert found on that subject. In that connection, I refer to page 449 of the hearings, where we find the so-called Cotter report. The first sentence reads as follows:

> The overall impression of the Appropriations staff is that USIS is performing a very essential function in Western Europe, and is performing it in a satisfactory manner.

That is the report, which is to be found right in the committee hearings, on the basis of which we are asked to act.

Now let us continue to consider the list of the things the Soviets are doing:

The Soviets are backing, as all of us know, the propaganda of Egypt; and Egypt's design is nothing less than to subvert to neutralism, and in my opinion that would mean ultimately to communism—that is my opinion of the ultimate result of such action—the whole of Africa; and that campaign is very active, as all of us know, not only in the Arab countries, but also in the Sudan, in Somaliland, and in other parts of Africa. Let us remember that one of the efforts the USIA wishes to make, and one of the purposes for which it has requested appropriations—and, Mr. President, let me point out that much of the discussion there today was, not about what the Agency is doing, but about what it wishes to do—is to combat that campaign on the part of the Russians.

In that connection, let me point out that, rather than attempt to make a reduction in the amount requested by the President, the present attempt is to have the Senate make a reduction in the appropriation voted by the House of Representatives, which already is one-third smaller than the appropriation requested by the President. And, Mr. President, as the Senator from Massachusetts has already pointed out, the Agency is already being cut by the House approximately $10 million below the amount available for its operations this year.

Furthermore, Mr. President, an effort is being made by the Soviet Union to seduce the entire Indian subcontinent; that effort is being made by an economic, technical assistance, and cultural offensive. Literally hundreds of

Soviet representatives—students, professors, artists, and so forth—are marching up and down the length and breadth of India, Afghanistan, Pakistan, and Ceylon, trying to convert people to the Soviet ideology. My wife and I were there only 5 or 6 months ago, and the whole place is just running over with representatives of the Soviet Union and Communist China. The Soviets do not hesitate to spend money there—for instance $100 million in economic aid to Afghanistan, a relatively sparsely settled and pastoral country. The Russians think that worthwhile, but evidently we do not think it worthwhile to spend $105 million for the whole USIA everywhere in the world.

Furthermore, the Soviets are trying to bribe Japan into submission to it in this case by dangling before it trade with Red China. The Russians are trying to induce Japanese businessmen to believe that to go along with Red China, in the field of trade, is worthwhile. Of course, as the members of the Foreign Relations Committee know, I believe the estimate about the basic trade imbalance in the case of the present Japanese economy goes up as high as $800 million. The Russians are seeking to persuade the Japanese that the way to make up for a big imbalance is to engage in trade with Red China. In that way the Russians hope to get the Japanese into the Communist or at least the neutralist camp. The United States Government is aware of the Japanese economy's position of imbalance, which has been existing for a period of years.

Furthermore, by means of propaganda the Soviet Union is trying to enlist the overseas Chinese on its side—those in Thailand, the Malay Peninsula, and Indonesia—in order to make them a threat to those governments—they are trying even though happily they are not succeeding. However, in Indonesia, the Soviet effort is causing much mischief today. Again, that is an area of the world in which my wife and I have traveled in Thailand and other points recently.

Thus far, Mr. President, I have referred to some of the situations in lands somewhat distant from the United States. Now let us consider the difficulties closer to home. We have seen widely advertised in the newspapers a new trade and cultural offensive by the Russians in Latin America. The Russians are doing that because they think that in that way they will threaten us on our home ground. Again, that is a tremendous propaganda effort. The Russians do not hesitate to spend large amounts on any program which they think will do them any good.

On the other hand, Mr. President, what have we to exploit, in terms of the arguments for our own side? Those arguments are as follows, as I see them: First, the de-Stalinization program undertaken by the Soviet Union, thus being a recognition of its own errors—though it claims infallibility and its own barbarities to its own people. Second, what has happened in Hungary and in Poland. Third, the transactions of the Soviet Union in the Mid-East, especially the furnishing of arms to Egypt, and the effort to subvert Syria. Fourth, the fact that the Soviet Union itself is undertaking enormous nuclear tests, and is not at all worried about fallout or anything else in that connection, it is engaging in those tests without giving notice to anyone else—thus showing, by its own actions, the fraud of the arguments it makes against the United States. All these things, if they are to be properly exploited, must be made public in some fashion. The story must be told. The only agency we have that is effectively organized to tell it, in terms of the policy of the United States Government, is the USIA.

I heard the argument that the USIA engages in wireless service, in giving press service such as the Associated Press and the United Press and the International News Service give to foreign nations.

Again, I think the facts are very illuminating, and here they are: There is what is called the USIA wireless file. The file is essentially made available where American commercial wire services are not available. Let us consider some countries in which they are not available at all: Iran, Iraq, Morocco, Afghanistan—all very important countries, insofar as we are concerned, in the cold war. Second, the USIA file is made available to newspapers which cannot afford to buy them directly. Let us consider that point for a moment. In India there are a reported 5,000 newspapers and magazines. Yet only one of them I am advised subscribes to an American wire service. Many of the others are serviced through the USIA.

The final question which has been asked is what is really important in the case of the services of the USIA. What will it do with the money Congress appropriates for it; and, on the other hand, where will the cuts hurt?

I should like to discuss these points for a moment.

In the first place, we have heard a good deal about something called the presentation program. It is the presentation of books and periodicals to opinion-makers throughout the world; and in round figures it costs approximately $2,500,000.

Mr. President, I think my colleagues ought to think very, very seriously about that $2½ million. They ought to ask whether we can make any better investment than in encyclopedias for local colleges and universities, and in other informed books of American policy for those who make and lead public opinion, which, in the main, they cannot either afford to or, as a matter of disposition will not buy for themselves.

Two and a half million dollars, mind you, Mr. President, and we are talking about a $72 billion budget.

Secondly, we spend about $10 million in the press service which I have described, and which also includes the publication of the mazagine America Illustrated, which is published for distribution behind the Iron Curtain, and which it was proposed to expand in terms of several other languages in several other satellite countries. The Russians do not have to worry about any such matters. The Russians are publishing their slick-paper magazine right here, for sale on every newsstand.

Next, we are spending about $25 million in friendly countries in West Europe. It is very interesting that only we, the richest nation on earth, seem to worry and be terribly aggravated about locating an information agency in a friendly country, because every one of my colleagues knows that the British nation, which is a much poorer nation than we are, is nevertheless willing to spend over a million dollars in running its information service in this country.

How often do we read about the fact that the United States is misunderstood in Great Britain and France, that they do not understand our policy, that we ought to find some way of getting the true story to them, that the ordinary news services do not convey it? Yet we have heard advocated a cutting into the bone—indeed, into the very heart—of that program by cutting out the information service in Europe, where we have our most devoted allies, and sending the personnel to Africa and Asia, where of course they are needed, but not to the exclusion of our European allies.

We always assume there are Communists behind the Iron Curtain, but there are Communists in front of the Iron Curtain, too. It is interesting to note that 25 percent of the vote cast in France was for the Communist Party. Indeed, it is I believe the largest single voting bloc of one party in the French Chamber of Deputies. In Italy there is roughly the same percentage as in France. Twenty-three percent of the vote at the last general election was cast for the Communists.

So I think we are only fooling ourselves. One of the persons in my office coined a very good phrase in relation to this matter: "We may be slashing at our vocal cords by cutting what is a relatively modest sum considering the budget out of the USIA, but we ought to be careful we do not cut our throat, too, in the process."

The item of $190,500 came in for a lot of criticism because it represents the cost of information service given right here in the United States of America. A big argument was made to the effect that we should not waste our substance in telling Americans about this particular Agency. I think here today we have found out why it is necessary. One hundred and ninety thousand dollars is a small sum for any substantial business—and this is a business enterprise in operation, in essence—to tell the people who are going to support it about itself. From what I have seen today, the amount should probably be more—as, apparently, the story has not gotten across at all. Without picking out flyspecks, which can be done with respect to any agency, let us look at the press service item involving about $11 million, again. When I was in the House of Representatives, we used to hear, in the late 1940's and early 1950's, the following: "If only the United States Information Agency would do like the British Information Agency does, and confine

itself to handouts and broadcasts on Government policy, and be essentially the official news agency of the Government." This was constantly reiterated as the true, pure, proper function of the USIA. Yet, as soon as they propose to do that, we propose to hit them on the head, and we say, "No, that is wrong, too."

In summary, we are dealing with a very important matter. We are dealing with a matter which the President has stated is very important to our national security. He is the President of all of us. His word is entitled to great weight with us, particularly on security. Certainly, he is responsible for the security of our country, which is neither Republican nor Democratic. The President said it was the worst economy the House made when it cut the amount to $105 million. Yet, in the face of the fact that the President says this matter involves one of the three key areas—military, economic, informational—we propose to cut this item, here in this Chamber, by another $15 million. When one looks at the perspective of the area involved, this should be out of the question.

I beg our colleagues to remember when the $35 billion appropriation bill for military equipment comes before us, to see how much time, in relation to the time being spent now, how much effort, will be lavished toward cutting say a billion out of that appropriation, which compared with the $15 million cut proposed now, and the long, arduous, and vigorous debate which has ensued.

No, Mr. President; for myself, I shall vote "no" on the committee amendment, because my people sent me here to use my head. I think even dollars critical as they are, are yet less important to the people of my State than are the lives of their sons. I believe in casting my vote. I shall be casting that vote in such a way as to help with that national security which will protect the lives of their sons.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. THYE] is recognized.

Mr. THYE. Mr. President, if Senators wish to ask questions of the Senator from New York, I shall yield for that purpose.

Mr. BUSH. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield, provided I do not lose the floor.

Mr. BUSH. I wish to make a few observations and ask a question, but first I do wish to congratulate the Senator from New York on his very excellent presentation and argument in opposition to the cut which is recommended by the committee. I wish to associate myself with him in practically all he has said, and to associate myself with the views he has expressed, and to congratulate him on the information which he has given the Senate regarding the importance of the recommendation by the President of the United States with respect to his budget.

If the Senate votes to defeat the committee amendment, it will simply be voting to accept a figure, as presented to us by the House, of $105 million, which is $35 million less than was asked for in the budget of the President of the United States.

I agree with the Senator when he asks the Senate the question, How many bills will come to the Senate, of an appropriation nature, that will take a cut of nearly one-third of what the President has asked for in his budget?

I agree with the Senator, too, that at a time when our mortal enemies are stepping up their propaganda machine, and stepping up the cold war, realizing they have no chance in their dream of world domination in any other way, it would seem very foolish for the Senate to send out the signal that this country is reducing its offensive with respect to the cold war in the field of education and propaganda.

I want to conclude my observations by again saying to the Senator I wholeheartedly agree with what he has said, and I congratulate him on his presentation.

Mr. CASE of New Jersey. Mr. President——

Mr. THYE. Mr. President, I would be happy to permit the Senator from New York to answer a question which might be propounded to him by the distinguished Senator from New Jersey, provided I do not lose the floor.

Mr. JAVITS. Mr. President, will the Chair kindly enlighten us as to who has the floor?

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I wish to commend the Senator from New York for his extraordinarily fine presentation. I think several of the points he has made deserve reemphasis.

The first is that I am glad that he, like me, does not accept the assumption that the House figure is the top limit of an appropriation bill. It seems to me that for the Senate to take that position, particularly on matters of this sort, will stultify our whole purpose in being here as a legislative body. I, for one, must insist that we not take that position and not act as if we were limited by the amount the House has put in an appropriation bill. This is particularly important because of the practice which has been followed in the past, where rather indiscriminate cuts have been made by the House, every Member of the House knowing that a proper figure would be restored by the Senate.

Secondly, I should like to point out, in agreement with the Senator from New York, that for us, after less than a day of debate, with a page and a half of a report, on the basis of a record which we first obtained today, containing some 1,249 pages of testimony, much of it in small type, and which none of us has been able even to begin to read, to cut the heart out of an agency which is vital to this country's interests, is almost irresponsible.

I would say that despite the efforts of the chairman of the subcommittee to give a picture—and he stood long on his feet, which is why I did not feel it would be proper to interrupt to question him—there was very little, if anything, of substance said in justification of these cuts. As the Senator from New York has said, there were relatively trivial items and incidents put forth as justification for cutting the heart out of this appropriation which is so vital to our interest, such as the use of a jazz band, and the fact that one man in Ethiopia takes care of two newspapers. That is why we must have a man in Ethiopia, because there are only two newspapers there. Otherwise, how can we tell our story and get across an effective story to those people? There were also such matters as criticism of the Director for making a speech, when he had promised to make it long before he was made Director of the Agency, and the claim that he made a poor presentation.

As the Senator from New York so well pointed out, we are not a court determining the relative merits of the presentation of a case by an agency. This is the Senate of the United States, on the basis of all information available to it and its own judgment, passing upon what is best for the interest of the country.

Mr. President, I suggest that a presentation has not been made to the Senate which would justify the action that is proposed to be taken here.

I wish to thank the Senator from New York for speaking so forcefully and so very much to the point on the issues before us today.

Mr. JAVITS. I am deeply indebted to my colleague for his very gracious comments.

Mr. COOPER. Mr. President, I ask for the yeas and nays on the committee amendment.

Mr. JOHNSON of Texas. Mr. President, I hope we can have the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. THYE. Mr. President, what we are endeavoring to do today as a nation is to win to our side the peoples throughout the world. It will either be the United States or the Soviet Union to whom people will look or turn. We today are the leaders insofar as the people of the world who seek to remain free are concerned. In the event we should fail, Mr. President, the ultimate result will be the use of military force to suppress an aggressor or to win the point for these free people.

If we unleash atomic warfare, guided missiles, and all the devastation which we know that atomic forces can bring to mankind, there is no telling what damage civilization will suffer. For that reason, Mr. President, we have conceived of this information activity on the part of the United States to try to convey to the people who do not understand us that we are not warmongers and that we are not governed by a capitalistic system which suppresses people and destroys the privileges.

We, by use of this information service, are trying to give to the people of the world who do not understand and know our system of government some information about how it operates.

I visited Bangkok, Mr. President, when an international trade fair was being shown there in 1953. The Russians had a most impressive exhibit.

The United States had a very, very poor exhibit. It was not even comparable to an exhibition in a little local county fair in any community.

Mr. President, when that was called to the attention of the President and called to the attention of the Congress, the funds necessary to participate in international trade fairs and to show what America is and what America can produce, actually the true story of the accomplishment of our American industrial output, were immediately appropriated. Russia then ceased to compete with us in many international trade fairs. That was an example of the use of less than $5 million to advertise American accomplishments in the eyes of the Orient and in the eyes of foreigners who did not know anything about us.

That day in Bangkok, after I watched hundreds of people of that nation pass through the Soviet exhibit, looking at the magnificently displayed instruments and tools, as well as Soviet cultural accomplishment in music and the arts, I went out into the back of the exhibit yard. There I found two-row cotton pickers, four-row corn planters, and big roadbuilding equipment on exhibit, and I observed the natives of Thailand stand there and look at this machinery. Then they went over and looked at the American exhibit a few blocks away, stood and shook their heads, and finally went back to look at the Russian exhibit.

For that reason, Mr. President, I have supported the appropriations for international trade fairs. It is for that reason that I have supported the appropriations for the Voice of America or the Information Service. Either we shall win the minds and the hearts of the people of Asia, India, and the Middle East, or they will turn to communism. If they turn to communism our grandchildren may be the ones who will have to man the atomic guided missiles or they may be the ones who will manipulate the marine vessels which are powered with atomic energy, all going forth to destroy mankind. I do not wish to have my grandchildren subjected to that kind of warfare if by the appropriation of a few million dollars here today I can in some manner hold back the Soviet threat while mankind learns how to live in peace, and people learn to respect each other's rights.

The student-exchange program is permitting the students of all the nations of the world to come together. The student who comes from Asia, the Middle East, or the Scandinavian countries to visit America associates with the students in all our universities and colleges, but in the first few months he is confused. When we talk to any university president or talk to any professor we get the same answer. The student is confused by what he sees. He thinks that Americans are anything but what they are. After a few months the foreign student warms up to the American students on the campus and soon they are walking arm in arm. Then he says, "We cannot understand you Americans. You are wealthy in your dress. You are wealthy in your homes. You are wealthy in the automobiles you drive. But you are industrious and you are willing to work hard with your hands."

Mr. President, these foreign students begin to admire the American capitalist system of free enterprise. They go back home and tell their people what they have seen. I have seen foreign students come here and go back home with the expression, "If we could rebuild our economy and our country into something comparable to the American economy and the American way of life, what greater pleasure could we expect on earth?"

They have gone back to their parents and told them about the Americans. I want to continue the student-exchange program. I want to continue with the international trade fairs. Thank goodness, we did not cut that phase of the program. That is one way of presenting American culture to the people of foreign countries.

Going to the other phase of the problem, we shall not be able to get the message of America, regarding the free-enterprise system of free people, behind the Iron Curtain except by radio. We know that television programs cannot be received in every home in foreign countries. But we also know that a few television receiving sets are available, and hundreds will flock to see the picture on the screen. When they see it, they will go back and tell something of what they saw about America.

The Cinerama picture shown at the various international trade fairs portrayed more of America to Asiatic viewers than they had seen in ages of normal living. Cinerama portrayed something of America. Television is portraying something of America. Radio programs are conveying a message about us. These are some of the most effective methods we can use to present our American way of life.

I know that we must economize, and we shall economize; but with respect to funds for USIA we economized a little more than I think was wise when we went below the House figure. I am not a member of the subcommittee which heard all the testimony, but I adjusted my schedule so as to permit me to sit with the subcommittee for a part of the time. I have endeavored to acquaint myself with all the testimony.

The Director, Mr. Larson, had not been in that Agency when the budget was drawn up. Mr. Larson assumed the responsibility in late months. He was not familiar with the program. We could sense that when he was endeavoring to answer the questions propounded to him. If I had been Mr. Larson I would have frankly admitted that I was not familiar with the program. If he had done that, he would not have been harpooned as often as he was. But that is all past. It is all a part of the record.

Mr. Larson's record as a man, and as an administrator of the agencies in which he served before he came to this Agency, is outstanding and most commendable. My belief is that he will write a record of administration in this Agency which will cause some of his critics to commend him for his work rather than condemn him.

As I look at this subject, even though I am a member of the Appropriations Committee, and even though the committee amendment was ordered reported by the full committee, I must oppose the committee amendment. I shall stand with the House figure of $105 million.

When we examine the record we find that last year the Soviet Union published 613 new book titles in free-world languages, to the total of 27½ million copies, representing a vast increase in that phase of the program.

Furthermore, the Communists spent $38 million for exhibits at international trade fairs in 1955, and they spent $100 million in 1956. They are trying to outdo us. We must not permit them to outdo us in capturing the hearts and minds of the peoples in Asia and the Middle East who are today hungry for something other than their own lot. They have not sufficient clothing, food, or fiber. Children are watching their mothers hull the rice and barley with antiquated flat stones rather than the magnificent new machines we use in America. The youth in Asia has an imagination and a mind, as does the youth of our land. He knows that there is something besides the way of life to which he is accustomed. He knows that there is something in the outside world other than the flat stone his mother is turning to hull the rice and the barley.

The youth of today sees a modern plane in the air. He sees a modern automobile on the highway. He occasionally reads a magazine article. He occasionally sees a motion picture depicting the way of life in the outside world. His imagination is aflame. We can reach him only with the Voice; and as we bring that Voice to him we bring to him a message concerning what exists in the western part of the world, and he will turn to us rather than to the Soviet philosophy. That is what is involved in this question. The $105 million is not a huge sum of money in comparison to our military budget.

The Cowles Bros., publishers of the Minneapolis Star-Tribune, are world travelers. They are prudent businessmen. John and Gardiner Cowles know the value of a dollar. They have seen every corner of the world. They know the Soviet Union; they know Asia; and they know the United States. Appearing in the Minneapolis Star of today is the following editorial:

A SHORTSIGHTED CUT

It would be shortsighted, to say the least, if Congress accepted the huge cut in the budget of the United States Information Agency proposed by a Senate Appropriations Subcommittee.

The proposed slash would leave the USIA with only $90,200,000 to operate its overseas information program for the year starting July 1. That sum would be roughly $23 million less than the Agency is spending this year, and $54 million less than Arthur Larson, USIA Director had requested for the coming year.

If I may interpolate, the editorial is incorrect at this point. Mr. Larson did not request it. The budget had been developed before Mr. Larson took over the directorship.

The editorial continues:

In the House, the USIA budget already had been trimmed to $105 million. That cut had been regarded as almost disastrous before the Senate subcommittee made an even more serious reduction in the Agency's funds.

In these days of international tensions, USIA needs more, not less money to tell abroad the story of the United States and its policies. Foreign affairs specialists regard the USIA libraries alone as worth the Agency's annual cost. A cut of the size proposed would do inestimable harm. It would reduce the Agency's effectiveness, its prestige, its staff, and its scope of operations.

The Senate ought to reject the committees recomendations and Congress ought to provide adequate funds for the USIA.

If we support the committee amendment, we will reduce the Agency's effectiveness, its prestige, its staff, and its scope of operation. The Senate should reject the committee's recommendation, and, as is stated in the Star editorial, we must provide adequate funds for the USIA.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Minnesota on his very persuasive and very forthright, and in my opinion, very convincing statement.

As Members of the Senate know, I have been vitally interested in this program for a long time. We were confronted in the subcommittee of the Committee on Appropriations with two seriously conflicting points of view.

One of these points of view would have increased the amount of money beyond the House figure so as to provide for an expanded program.

The other point of view would have cut the appropriation to $60 million. No vote was taken on the $60 million figure, because the alternative motion was made to write into the bill the $90 million figure, and that figure was adopted, with 5 dissenting votes. I am one of those who voted "no" on that vote. Of course, I shall be consistent in my position when the yea and nay vote is held on the floor of the Senate on this provision of the bill.

I recommend that all Members of the Senate try, between now and the time the measure comes before us next year, to personally analyze what is being done by the USIA, and what its functions are.

The entire program becomes confused with a radio program, because the Voice of America has a glamorous title. Of course the Voice of America is doing a great deal of good. However, it is a little harder to grasp a program like the low-cost book program or the effect of the motion pictures which are widely distributed.

When they are all added together, they represent, at the House figures, only $105 million. We can add to it the exchange feature of the so-called Smith-Mundt program, which now amounts to $24 million, and we have about $130 million in the House figure and in our figure devoted to the specific job of waging the cold war and maintaining peace.

Without looking at the record, I cannot give the exact figure as to how much we are spending for armaments and guided missiles and the whole program involved in getting ready to avert a world war or to fight one if we must.

However, it would be well to compare the figures, and I hope Members of the Senate will take time throughout the year to acquaint themselves with what is actually being done under USIA, and with respect to the kind of programs that are being projected.

We must recognize that mistakes have been made, and mistakes will continue to be made, in a type of program we call a propaganda program because we do not have a better phrase with which to describe it. We are new at it as a country; consequently, mistakes will be made. However I do not think we should permit mistakes in the course of conducting a program to cause us to chop the program down to such size that it cannot adequately represent the great voice of our country in its crusade for truth and campaign for peace.

Mr. President, we entered into a sort of gentleman's agreement in the Committee on Appropriations that no member of the committee would offer an amendment to reduce the figure, and likewise none of us who wanted to increase the figure would offer any amendments. I shall operate within the boundaries of that agreement. I interpret that agreement to mean, of course, that I can vote precisely as I voted in the committee, which was "no" insofar as the present cut is concerned. Therefore I shall refrain from pursuing what would otherwise be my motivating purpose, namely, to urge the Senate to go beyond the $105 million figure, because I believe a case could be made for an expanded program. Nevertheless I shall go along with the understanding by which we arrived at this area of working cooperation, to make certain, at least, that there will not be any cut below $90 million. Therefore we shall be confronted with the decision here as to whether we will take $90 million or $105 million. I favor the $105 million figure.

Mr. COOPER. Mr. President, I rise to speak briefly against the committee amendment. As the Senate knows, and as has been said so often, the amount of the appropriation fixed by the House, of $106,100,000, has been reduced in committee to $90,200,000.

I speak on this subject because I have had an opportunity to observe the operation of some of the programs of the USIA, and because I believe the cut which has been recommended will lessen the potentiality of these programs and will seriously damage the work of USIA.

I am sure that nothing could be more boring to the Senate than to have one who has served in the position I held for a time in India to be continually talking about it. This is the first time since I have returned, however, that I have mentioned, in a speech on the floor of the Senate, anything about my experience there.

On the other hand, I would be derelict today if I did not speak of some of these programs and of the influence they have had, and if I did not say that I believe that this recommended cut will damage the operations of USIA and, therefore, damage the interests of the United States.

I shall speak briefly about 3 programs. They have been discussed at some length by the distinguished majority leader. I know he had more opportunity in committee to hear details about the programs than I have had. Nevertheless, based on my own experience, I disagree with him in his conclusions and his judgment.

I speak first of the low-cost books program. There seems to be a bias against books, and against reading books. What is the books program? In 1956 the low-cost books program was started on a pilot basis, and $225,000 was spent. About one million low-cost books were provided, for use chiefly in Asia and the Mid-East. The 1957 program provided for a million and a half dollars to be spent, and seven and a half million copies of books were provided for countries in Asia and the Mid-East.

This year the President requested that $2,900,000 be spent, to provide 7 million additional books.

The Senate knows that these books are printed at low cost and then sold through the ordinary channels of trade in countries in Asia and the Middle East.

What is the importance of this program? Throughout these countries there are great deficiencies in opportunities for education. I should like to say to my colleagues that there is very little knowledge of the United States in those countries. Sometimes we assume that they know about our political system and our economic system, and that they are convinced of our good motives. The truth of the matter is that there has been very little association between the United States and those countries. For a long time they were shut off from us by their colonial masters. There were very few opportunities for trade. There were no diplomatic relations. Today, there are 700 million people who have only recently come into independence, and what they think about this country is very important.

I point out also that those countries are governed today by their educated people, by the so-called intelligencia. For a long time to come those countries will be governed by their educated people. In their schools they are seeking and striving for books and for knowledge about the outside world, particularly about our country.

What would this amendment do? It would not only prevent the expansion of the only means we have by which to speak to those people about our political and economic systems, but it would actually reduce even the programs which are now in existence. I say we will make a great mistake if we take away from the youth of those countries the opportunity, through our classics and our other books, to learn about the traditions, the political system, the thought, the art, and the literature of our country. I do not share the bias of my distinguished colleagues against these books. They speak the truth; they are not propaganda.

In the same vein, I speak of the so-called wireless service. One reason why I think the committee might have made a mistake is that, as indicated from my questioning, they proceeded with this issue upon what seems to be a wrong assumption. There was criticism of the wireless service which sends news into some 70 countries. The news that is sent goes to the United States Information Service and is distributed to the newspapers and radio stations in those countries. The argument which was made today proceeded on the basis that this procedure was somehow in competition with private news services; that if we did not maintain the wireless service, the private news services would have sent their news into the 70 countries. That is not correct, because the newly independent countries are relatively poor, and many of their newspapers cannot pay for the wireless service. If the wireless service is diminished by a cut in appropriations, Congress will have cut back one of the few instrumentalities whereby news can be sent into these 70 countries throughout the world.

If we eliminate books and stop sending news, what will be left? We will bring down a curtain between the United States and the countries whose thoughts we say we want to influence.

I point out again that this is not a question of propaganda, which we condemn so often; this is a matter of speaking the truth, sending the news, and providing facts and literature.

I do not have a strong bias against some of the cultural programs which have been described today. I do not know about the jazz band which played in Mexico City. However, while other countries cannot always understand our political and economic systems, they have an appreciation of what is inherent, what is indigenous, and what is natural in the culture of our country. Sometimes if the interests of peoples cannot be reached directly, they can be reached through the culture and through the art forms of our country.

Throughout Asia, one of the great media is the exchange of cultural activities and the promotion of cultural relations. The Soviet Union knows that. It has its art delegations and its cultural delegations traveling throughout Asia. But we in this country seem to have a bias against such activity. We somehow seem to have the idea, in our thinking about this subject, that such activity does not speak the language of America. I think it can, if it is directed rightly. I am certain the USIA is attempting to do that.

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

Mr. COOPER. I yield.

Mr. JAVITS. I was in India not too long ago. There I learned that the distinguished Senator from Kentucky was considered to be one of the most outstanding ambassadors ever sent there by our Government. I hope the Senator from Kentucky will, more and more, tell us of his experiences there. After all, what better recommendations can Senators give than their own personal experiences? I hope very much that other Senators will encourage the Senator from Kentucky to give us the benefit of his wisdom, and that he will do so.

Let us not forget that if the Free World loses India to the Communists, it will truly be the greatest reverse the Free World will have suffered since the loss of China, and there is grave doubt that we can stand such a loss.

Mr. COOPER. I thank the Senator from New York. My experience in India is applicable to all of Asia.

One thing more, and then I shall close. Not long ago the Vice President of the United States made a trip to Africa. The newspapers carried full accounts of his trip. When he came back, he submitted a very excellent report which was commented upon widely by the newspapers of our country.

Also, not long ago, the Senate considered a resolution pertaining to the Middle East, the purpose of which was not only to protect our interests in that area, but also to prevent, if possible, to stem the tide of the Communist movement toward Africa. Who can deny that Africa tomorrow may be, and probably will be, as important as Asia is today? One purpose of the increased appropriation which is sought is to enlarge, and in some cases to begin, the information program in Africa, a program which would cost $4,500,000. I have before me a list of the countries in which the program would be either expanded or initiated. Those countries are Somaliland, French West Africa, French Cameroons, Nigeria, Sudan, Tunisia, Morocco, and North Africa, embracing many countries of that area. Yet this cut will prevent that proposed expansion.

Again, the assumption is made that the information service to Europe will be stopped and that the money used for that purpose can be used in Africa. In the first place, as many Senators have pointed out, it is not clear that we want to stop our European information service. I can remember that 3 or 4 weeks ago many of our colleagues were saying that we were never in a worse position in Europe than we are today, in the opinion of our friends and our allies there. But even if the European information service were closed completely, there still would not be enough money to conduct properly a program in Africa.

I mentioned briefly Latin America, because we know also of the attempted expansion by the Soviet Union in those countries. I point out that in all those countries the Soviet Union has its agent, the Communist Party, at work. But in addition, as our colleague, the distinguished junior Senator from New York [Mr. JAVITS], has pointed out, the Communists recognize the value of propaganda—not the truth—and of a cultural exchange program with those countries.

We talk about the low-cost books program and say that we are unwilling to increase the appropriation for it by $1,400,000. We are willing instead to cut it. Nevertheless, the Soviet Union in the last year has published and distributed 100 million copies of its books throughout Asia and Africa.

I wanted to speak upon this subject only because I have seen the operation of these three programs, and because I believe that if the proposed reduction is sustained, the existing programs will be cut. Furthermore, it will be impossible to expand them even to the smallest degree in Africa or in Latin America, and certainly in Asia.

I have heard in debate today speaker after speaker talk about our great interest in those countries, the importance of the Information Service, and the necessity for maintaining it. But in the same breath, and on the same day, they are determined to cut the appropriation for it, to make the Information Service ineffective, and to deny it the possibility of becoming more effective.

I do not know about all its operations; perhaps some of them are not good. Personally, I did not think the motion picture program was so good, although that is one of the great industries in our own country.

I agree with the distinguished Senator from Minnesota [Mr. THYE] that in the industrial field, where we ought to surpass other nations, our participation in trade fairs does not begin to measure up to that of Soviet Russia or even of Communist China. So perhaps our program is not perfect. But if it is not perfect, why make it worse? Why kill the best part of it?

I close by saying that the books, the news service, and the cultural programs we provide are not of the type of Russian propaganda which we decry. The services we offer speak the truth. They reach the minds and hearts of the people. If we cannot plead our cause on the basis of truth, we cannot plead it at all.

Mr. President, I hope the Senate will reject the committee amendment.

Mr. SMITH of New Jersey. Mr. President, I rise as one of the originators of the legislation, a few years ago, under which this operation is carried on. The distinguished Senator from South Dakota [Mr. MUNDT] then joined me in sponsoring the so-called Smith-Mundt bill, which is the legislation now under discussion. At that time the Senator from South Dakota was a Member of the House of Representatives. I feel that we have no apology to make for the conception of that legislation and for what we were trying to do.

Therefore, Mr. President, I have been deeply concerned by the discussion which has occurred today, and I have listened to it with intense interest.

I wish to say to the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], that I think he did a magnificant job in presenting the case as he saw it, but I cannot agree with the conclusions reached by the committee in this case. I feel—perhaps wrongly—that Mr. Larson has been made a whipping boy by the committee this year.

Let us consider Mr. Larson for a moment. He was the dean of a law school when he was asked to come to Washington, to be Under Secretary of Labor. I knew him well in that connection, because I am a Member of the Committee on Labor and Public Welfare. He did such an effective job in the consideration of labor and public welfare problems that the President felt he was the logical person to take over this work. The appointment was made last November or December, as I recall. Mr. Larson

was not familiar with any phase of the work at that time. I have talked with him many times about this matter, because of my deep interest in the work. He spent a great deal of time in becoming familiar with his new post. He did much traveling in that connection. Mr. Larson did not assume that during the Appropriations Committee hearing, he would be attacked on the basis of the Agency's work in the past. He was not familiar with the work done in the past, although he was trying to learn about it. I believe his nomination was confirmed in February. I do not believe he had a single thing to do with last year's budget for the agency. He had to accept what had been in the past by others. I think he made a mistake—and I told him so—in requesting an increased appropriation before the committee for work to be done in various areas this year. He should have attempted to proceed with the same level of appropriation. That could have been done, and should have been done. Personally, I thought he made a mistake in requesting $31 million more, this year, in connection with work originally undertaken last year. I said that I thought he should be willing to accept the same amount that was provided last year. I said that I believed that amount would permit the work to be done, without requiring great sacrifices. However, as has been pointed out, there was a considerable increase last year—from $87 million to $113 million; and then, this year, to $144 million.

Now the House has voted to reduce the amount to $106,100,000; the House has voted to reduce by approximately $8 million, the appropriation of last year; and, of course, the House has voted against any increase this year.

It seems to me that we are reasoning in the wrong way if we condemn an entire operation—and I myself have been very critical of the operation in many respects—and if we penalize it because the gentleman who happens to be charged with the responsibility this year is just getting his feet wet, we might say, and is trying to visualize what might be done in this field and—in his enthusiasm—made the mistake of asking for a larger appropriation this year.

Mr. CARROLL. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. In a moment, after I have made my presentation.

However, Mr. President, to say that the appropriation should be cut until it is less than the appropriation of last year, and that that should be done because Mr. Larson made the mistake of requesting too much, and to condemn him for having been an ineffective witness—when I imagine that was the first appearance he had made before a committee of this sort—or for having made mistakes which many of his advisers urged him not to make, is not, in my opinion, a valid basis for slashing the appropriation for this Agency and for requiring it to dismiss some of the staff members who were employed last year, and for the employment of whom Mr. Larson had no responsibility.

Knowing that these proposals would come before the Senate, I talked to Mr. Larson, and asked him about the situation. He said it would be necessary to dismiss approximately 300 employees whom they have been training for this operation.

The Senator from Texas said that 200 additional employees had been added, for use in the press service field. I inquired about the actual facts in that connection; and I found that most of those persons were employed in two United States Government printing plants, one in Manila, where the additional employees would be used to help print some material; and the other in Beirut, Lebanon. Those employees are not in competition with any newspaper people.

In regard to the program in Europe, Mr. Larson has been criticized for carrying on that program. As I have said, the program was carried on there last year, before Mr. Larson entered the picture at all. I have checked on that matter. I am advised that the big Communist effort is directed at Europe; that 60 percent of the Soviet propaganda is directed at Europe, especially at France and Italy. If we end our work in France and Italy and England—and England is our closest friend in Europe—we may seriously jeopardize the situation. The fact is that England has spent over $1 million a year on propaganda in the United States, and has used 178 employees here. That indicates that England, at least, is interested in what the people of the United States are thinking about Great Britain, and England does not resent our sending to England explanations of our program.

So I feel that England, France, and Italy are very important centers, especially in view of the fact, which all of us know, that in the very recent past, Italy almost went behind the Iron Curtain.

So my first reason for disagreeing with the committee is that I think it went too far in thinking that because Mr. Larson did not make a good witness, he did not know his subject. Under the circumstances, he could not know his subject. In my heart I cannot feel that we would be justified in making the proposed reduction. I was going to say that we would not be justified in making an appropriation smaller than the appropriation of last year. However, let us pass over that, and consider the situation this year.

The House has voted for an appropriation of $106,100,000, which is a substantial reduction from the appropriation of last year. Now our committee has recommended that the appropriation be reduced to approximately $90 million.

Mr. JOHNSON of Texas. Mr. President, at this point will my friend from New Jersey yield to me?

Mr. SMITH of New Jersey. I shall be glad to yield in a moment.

Mr. President, I must go on record as expressing my deep concern about this proposal and my strong support of the USIA. I think it has made mistakes. I will join the Senator from Texas or any other Senator in trying to have those mistakes corrected. But I think it is unsound to proceed suddenly, by having the Appropriations Committee act as a sort of investigating committee in the few days it has to do its work, and drastically to penalize the USIA.

I do not think we should vote for an appropriation one penny less than the appropriation voted by the House of Representatives, namely, $106,100,000.

Therefore, I shall be compelled to vote against the pending amendment.

At this time I am glad to yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, how many persons did I understand the Senator from New Jersey to say the British have in this country, in this connection?

Mr. SMITH of New Jersey. My information is that the British spent $1 million, and have 178 employees here. I believe that is correct.

Mr. JOHNSON of Texas. Mr. President, I should like to have the record show that in 1956, when we had a program under which this agency employed fewer persons than the number who can be employed under the appropriation now recommended, we had 3,257 employees in Europe, under this program, as compared with the 157 the British had in the United States. Of course, not all of our 3,257 were in Great Britain.

I would want the record to show also that I do not think that we condemn an operation when we say to that operation, "We shall give you more money than you had in 1954 or than you had in 1955."

As I recall, the first year of this administration was one of the most troublesome years it ever faced, particularly with the Korean war going on. This year the Congress, if it approves the committee amendment, will provide more money for USIA than it provided in 1954, 1955, and 1956. The Senator from Texas wants the record to show that he is not trying Mr. Larson, and that he explained today that Mr. Larson has been in this Agency only 5 months, and cannot accept responsibility for the mistakes the Agency may or may not have made, depending on how one looks at it. But when and if the United States Information Agency or its successor can come before the Appropriations Committee and can convince the members that it has an effective and efficient program, the Senator from Texas will be the first to stand up and fight for the appropriation for it and for its program, because he believes, with all his heart, that we must not lose the battle to win men's minds. But I submit the evidence does not justify the House figure.

We have several standards we can employ. If we are going to follow the Russian standard, we will need $2 billion. If we are going to follow the USIA, we need $156 million. If we are to follow the budget request, we need $144 million. If we are to follow what the House allowed, we need $106 million. If we are to follow what the Republican Congress gave the Agency, we need $84 million. Or we could follow the average for those 4 years; and who am I to say that we have defaulted in our efforts during these 4

years, and who am I to criticize the administration for not having done a worthwhile and effective job during these 4 years? So I submit, sir, not as an enemy of the program, but as one who piloted through legislation that gave it more than it ever had, they have not been true to their trust. We are called upon to say to them, "Please shift your emphasis. Please quit engaging in activities that bring great criticism. Submit to us an efficient and effective program, under the Secretary of State, and then Congress will receive it with courtesy, with tolerance, and, I trust, with understanding and intelligence."

I am not one to say, merely because the House adopted a certain figure, that it is the correct one. We will go to conference. We will be bound by the vote that comes. If the Senate wants to tell us we must say to the people involved here that they must take the figure of $106 million because the Senate insists on it, we can expect the House to insist on its appropriation. So the Senate can tie our hands, but when it ties our hands, I say to my friend as the author of the basic legislation, it would be tying the hands of the best friend he ever had.

Mr. SMITH of New Jersey. I thank the Senator from Texas. I am entirely in agreement with him. What we shall do about tying hands, I cannot say, until we get to it.

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

Mr. SMITH of New Jersey. I yield to the Senator from Colorado.

Mr. CARROLL. I have been impressed by the sincerity of the Senator from New Jersey. I should like to ask him a question or two. I was a Member of the House for two terms, and always voted for the program.

I have been very much impressed by the remarks of the junior Senator from New York [Mr. JAVITS] and the senior Senator from Kentucky [Mr. COOPER]. When I first heard of the cut made by the House some days ago, I thought it was too severe. When I came to this Chamber today—and I have been here all these hours of debate—I thought perhaps the action of the Appropriations Committee was too severe. But, it seems to me—and I speak in the utmost good faith to the distinguished Senator—as a result of the debate that has occurred on the floor today, in view of the record, we as legislators must follow the rule of reason. When I find distinguished Senators from both parties, on both sides of the aisle, stating that Mr. Larson has not made a case, it seems to me as legislators we are pretty much bound by what the record shows.

In view of the remarks of the distinguished majority leader—and this is really one of the reasons why I rose to ask him a question, but he has already answered it—it seems to me that no sensible legislator in this body would be against this excellent, democratic program which is a program, as the Senator from Texas has said, that will fight for the minds of man and battle for the minds of people. The question arises, in view of the record made today, whether Mr. Larson is a new man or not, whether he has failed to present a case upon which reasonable men can legislate.

The next question that comes to me is, If we are really interested in this program, cannot Mr. Larson subsequently ask for a deficit appropriation to accomplish all the things he wants accomplished? Is not that possible?

Mr. SMITH of New Jersey. I hope that that will be done if we agree to either one of these figures.

Mr. CARROLL. Then, why would it not be best to support the committee, and encourage the new man to shake down his organization, to get some efficiency, to move forward, and to eliminate waste and excessive spending, if that has occurred? That is what both parties want to do. That is what people expect of us.

I say to the Senator, in all sincerity, when I came to the Chamber today I did not intend to vote for the cut as submitted by the committee; but in view of the record, I think we pretty much have to sustain the committee. Later on so the record is clear, if such action as has been suggested is taken, I shall be found supporting the very fine and sincere statements of the distinguished Senator from New Jersey.

Mr. SMITH of New Jersey. I am very glad, indeed, to have the comments of the Senator from Colorado.

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

Mr. SMITH of New Jersey. I yield.

Mr. KUCHEL. One of the disconcerting questions that has arisen, so far as some of us are concerned, is the fact that the Appropriations Committee, apparently by a unanimous vote, recommended to the Foreign Relations Committee that it favorably consider a substantive bill by which the USIA would be transferred to the State Department. In a way, I suppose, that is a left-handed implication, by the unanimous membership of the Appropriations Committee, that it looks with some disfavor on the operations of USIA.

I am wondering whether the Senator, as one of the ranking minority members of the Foreign Relations Committee, could make a constructive comment on this matter for those of us who are not on the Appropriations Committee, who are trying to do what is best for this country, but who find ourselves in a quandary because of a majority decision made in the Appropriations Committee.

Mr. SMITH of New Jersey. The Senator understands that I am not a member of the Appropriations Committee.

Mr. KUCHEL. I should like to hear the Senator's own thinking on that.

Mr. SMITH of New Jersey. I think there is much to be said, from an administrative standpoint, for having the USIA a part of the State Department. I have said that many times. We discussed the same thing with respect to the ICA and foreign aid. Should it be a branch of the State Department?

At the moment the Secretary of State feels that it would be unwise to put these operational matters in the State Department; that it has enough headaches with policy matters. Such is the reason, I think, why these agencies have not been combined.

Mr. KUCHEL. The Senator's own personal thinking is that it should be transferred?

Mr. SMITH of New Jersey. From an administrative standpoint it is desirable. I would wish to discuss it with the Secretary of State, to find out his reasons for hesitating to take them in.

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

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from New Jersey yield to the Senator from Montana?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to the question raised by the Senator from California, under the basic law, as the Senator from New Jersey well knows, since he is the author of the basic legislation, it is supposed to be mandatory that policy guidance be taken by the Information Service from the Department of State, from the Secretary of State, or from his agent.

Mr. SMITH of New Jersey. That would be policy as to the way information is conveyed. It would not be guidance as to what our foreign policy is.

Mr. MANSFIELD. Frankly, I do not know whether it would be the way it would be conveyed, what is to be conveyed, or what. That is one of the reasons, in my opinion, why the subcommittee unanimously and the full Committee on Appropriations unanimously agreed to this particular language:

> It is impossible to avoid the impression that there is considerable duplication and overlapping of functions between members of the USIA and other agencies. The committee feels strongly that there would be considerable economy and efficiency achieved were the Agency to be returned to the control of the State Department, and unanimously recommends that the Foreign Relations Committee consider legislation providing for the transfer of the United States Information Agency to the Department of State.

I may say to my distinguished friend that, so far as I know, there is not an enemy of the USIA in the Senate of the United States. There are a lot of friends of the USIA who are becoming a little bit fed up with the idea of having subsidiary arms in the field of foreign policy. Many of us think that only one department should be charged with the responsibility, as it is under the Constitution, to speak for the United States of America in the field of foreign affairs. That department is the Department of State, which acts as an arm of the President, who, of course, is charged personally with the conduct of our foreign policy.

There is no reason why the USIA and the ICA both should not be absorbed into the State Department. I would hazard the guess that great savings could be accomplished, and better efficiency in administration would be the result, with a more codified and one-voiced foreign policy forthcoming.

If my friend will indulge me for 1 minute more, I should like to read from the record certain questions I asked Mr.

Larson, who I think is a man of great promise:

Senator MANSFIELD. Mr. Larson, do you consider the USIA an arm in the field of American foreign policy?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain country desks in the USIA?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain area desks?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain an office of policy and plans?

Mr. LARSON. That is correct; yes.

Senator MANSFIELD. Do you maintain an office of research and intelligence?

Mr. LARSON. That is right.

Senator MANSFIELD. Do you maintain an office of security?

Mr. LARSON. That is right.

Senator MANSFIELD. Are all those offices, or offices similar to them, likewise maintained in the Department of State?

Mr. LARSON. There are counterparts, but the functions they perform, of course, are quite different.

Senator MANSFIELD. They are both in the field of foreign policy, or they are all in the field of foreign policy?

Mr. LARSON. They are in the general field of foreign policy; yes.

Senator MANSFIELD. You would not admit or agree to the assumption then that this does represent a certain amount of duplication and overlapping?

Mr. LARSON. No; I would not agree to that at all.

Senator MANSFIELD. But you would agree with the assumption that the USIA is an arm in the field of American foreign policy?

Mr. LARSON. Very definitely; yes.

Senator MANSFIELD. Do you believe in efficiency and economy in Government?

Mr. LARSON. Emphatically; yes.

Senator MANSFIELD. Do you feel that we ought to speak in the field of foreign policy with one voice or with many voices?

Mr. LARSON. With one voice; definitely.

That is the reason, I think, why we are not penalizing the USIA at this time; but we are trying to get cohesion, efficiency, and good administration with good management. This might be the saving, I think, of an organization such as this, to give to its employees a feeling of permanence which I do not think they have at the present time.

I thank my friend for permitting me to make the statement.

Mr. SMITH of New Jersey. I will say to the Senator from Montana that I agree with what he has said, and I hope that our committee will be able to go into the entire question; but I cannot see that it is relevant to this immediate dollars-and-cents question under the proposed amendment. No matter what we do next year, we cannot deal with that here by simply slashing the appropriation because the agency does not happen to be organized in the way we wish it to be.

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

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. This year the USIA originally asked for two-thirds of what the Department of State asked for. It now seems that what we have is the idea that more dollars will produce more editors, more reports, more radio broadcasts, more TV shows, more this, that, and the other thing. That is not the answer.

The Senator from Colorado [Mr. CARROLL] put his finger on the point when he said, in effect, that what this Agency needs is a shakedown. I think it can become a better organization and a better Agency, because, I repeat, no one to my knowledge challenges the necessity for a United States Information Agency; but some of us think that overlapping and duplication could be done away with and that an absorption within the State Department could take place, the result of which would be a saving so considerable that, so far as personnel is concerned, there would be no real harm. As a matter of fact, from such an absorption could come a feeling of greater security and perhaps better dedication than is the case at the present time.

Mr. SMITH of New Jersey. I think that is probably true. I hope such an investigation, if our committee undertakes it, will go into these matters. But this question cannot be determined by 2 or 3 days of an Appropriations Committee hearing. That is the point, and it is the only place where we differ. I think the Senator is perfectly right in making the point.

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

Mr. SMITH of New Jersey. I am glad to yield, or I will yield the floor.

Mr. AIKEN. I should like to ask a question for information.

Mr. SMITH of New Jersey. I yield.

Mr. AIKEN. Where was the USIA located before it was made an information agency?

Mr. SMITH of New Jersey. I am not sure whether it started in the State Department or not.

Mr. AIKEN. I believe it was in the State Department. Was it not removed from the State Department because it was found that was not the proper place for it?

Mr. SMITH of New Jersey. I believe it was.

Mr. AIKEN. After years of experience with the information service, going from bad to worse on management, Congress decided that the State Department was not the place for it, and set it up as a separate agency. Perhaps that is not the place for it yet, but that is what Congress did.

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

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to that particular question, I may say to my friend from Vermont that the Congress did not set up the USIA as a separate agency, because in 1953 the Congress passed legislation unanimously to liquidate what was known as the MSA, which was replaced under Reorganization Plan 7 as the FOA; and Reorganization Plan 8, which came in at the same time, set up the USIA as an independent agency outside the Department of State.

Mr. AIKEN. That is true. I was speaking of practicalities, rather than technicalities, perhaps.

Mr. CLARK. Mr. President, I shall vote for the committee amendment. I have gone on public record as favoring the President's budget. Since I intend in almost every instance to support that budget, which I do not believe is too large, I should like to state briefly why I shall depart now from what will be the ordinary rule. I came to the floor this afternoon, Mr. President, expecting to vote to reinstate the appropriations in the amount which had been requested by the Secretary of State and the President. Confronted with the unanimous view of 22 members of the Appropriations Committee, Republicans and Democrats, conservatives and liberals, that this agency has not made a case for itself for the appropriation which it requested, and having listened with great care to the debate, I have come to the regretful conclusion that in this instance the position of the majority leader is well taken and that he should be supported.

I should like to associate myself with the remarks made so recently on the floor by the very able junior Senator from Colorado [Mr. CARROLL], and the very able junior Senator from Montana [Mr. MANSFIELD].

Mr. AIKEN obtained the floor.

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

Mr. AIKEN. For what purpose?

Mr. LAUSCHE. I wished to make a brief statement.

Mr. AIKEN. My statement will be brief, if there are not too many interruptions.

Mr. President, there may be, somewhere in the world, a business concern which has achieved outstanding success without advertising or without any sales force.

There may be, somewhere, a business concern which has achieved success by ignoring the false statements of its competitors, but I do not know just where that business concern might be.

As it is with business concerns, so it is with nations. I do not believe that any nation aspiring to leadership in this world, or aspiring to the right in this world, can afford to slash its sales force or its advertising. Nor can we ignore the false statements which are made about us and about democracy, and about the western world of which we are a part, by our competitors who are striving for control of the world today.

It is true that we are under great pressure for reducing expenses, for reducing the President's budget. Some reduction is warranted. There is no question about that. Perhaps a couple of billion dollars reduction would be warranted. I am not in a position to say how much. But I point out that a part of the pressure that is put upon us for slashing the President's budget drastically represents merely diversionary tactics by those who are themselves receiving immense benefits from the United States taxpayers. They want us to cut out those things which the public cannot see. They tell us, "Reduce the budget, but do not cut my special tax privileges. Reduce the budget, but do not interfere with the rapid tax write-off, which has meant hundreds of millions of dollars to some of us. Reduce the budget, but do not monkey with the postal rates, even though there is a deficit of $650 million coming up this year."

Instead, they say, "Cut the intangible things, the items that the people cannot see."

On this floor I have been critical at one time or another of the Secretary of Defense. Last week, however, he said something with which I can fully agree. He criticized some of his old friends and teammates for urging drastic slashes in the budget at a time when they were making more money than they had ever made before. In citing this I am simply pointing out that a part of the pressure being put on us represents the diversionary tactics indulged in by those who are getting the greatest benefit from Government than they ever get in their lives.

It has been proposed that we pass the bill as it is, with an appropriation of $90 million, and invite the USIA to come back later this session or the early part of next session and get more money. It was suggested by one speaker that the USIA put its house in order, and then come back for more money, and that we would gladly give them whatever they thought they ought to have at the time.

That is a preposterous way of financing a government. It is the acme of bad government financing to make appropriations to Government departments and say, "Take this, and let it last as long as it will. If you have been a good boy, and you run out of money, come back and ask us for more." I cannot conceive of any Congress in its right mind taking an attitude like that. If we give $90 million or $105 million to the USIA, the Agency should plan to make that appropriation last for the entire year, and govern its personnel and operations accordingly.

As to the request from this Agency for money, it asked for $144 million. I have no doubt that the budget request was excessive. A good share of our budget requests are excessive. The departments ask for more than they expect to get.

I have no doubt—in fact, I know—that this Agency has made mistakes in the conduct of its affairs.

It or its predecessor has been under criticism ever since it came into existence.

I make no excuse for the inexperience of the present Director of the USIA. If he chose to emulate the sitting duck, and received the treatment usually accorded sitting ducks, that was his privilege. But in passing upon this appropriation, we ought not to consider the Director. We should consider the purpose for which the money is being appropriated.

The House cut the request of the USIA 25 percent. The Senate committee proposes to slash it 37½ percent below the sum which those in charge say is necessary to do the job properly. As I have said, I do not doubt that they asked for somewhat more than they needed but I do not believe they over-stated their needs by 37½ percent.

Mr. President, I think we want to sell the United States to the world. We want to compete in the field of world affairs, and we want to compete for our share of good will in the world, in the field of world opinion. For this reason I am unwilling to vote for the committee amendment. I think the 25 percent cut proposed by the House is enough. If I were to vote for the 37½ percent slash proposed by the Senate committee, I would feel that I was not only not selling the United States to the world, but was actually selling the United States short.

Finally, I hope there is no politics involved in this question, and I hope, above all else, that my party, the Republican Party, will not subscribe to any policy which spikes one of the most important guns which we are using in the great battle for the world today, the great battle between democracy and totalitarian communism.

I hope, above all else, that the Republican Party will never subscribe to a policy like that, which, in my opinion, could mean the difference between peace and war.

Mr. WILEY. Mr. President, at this late hour I rise almost with trepidation. However, having been fed for hours with what I think has been very constructive argument on both sides, I shall take only a few moments to express my own views.

I am happy to say that I believe all the evidence shows quite conclusively that Mr. Larson is a capable, able man. I think the testimony to which the Senator from Montana [Mr. MANSFIELD] referred clearly indicates what was previously suggested, namely, that Mr. Larson was not on his toes.

I believe that the fact that he did not have the economics of the situation in hand, so to speak, is nothing to his prejudice. I remember when, in this very august Chamber, we voted without any question for appropriations of $100 billion. No plan was laid before us upon the basis of which we could vote. It was a question of national defense. So I should say that that argument should go out the window.

As I see it, the question is whether there is any evidence to sustain the position the President says is the correct position. In the first place, we have definitely the fact that a budget estimate was submitted, and that certainly was worked on. Then we have had action by the House. Then we have also had the judgment of men on the floor of the Senate who know something about this vital issue.

I believe there is involved the question of self-preservation, and that is the one thing that causes me the most serious concern when we are thinking about cutting funds.

Mr. President, I should like at this time to express my deep concern over the slashes which have been made in the State Department appropriation for 1958 fiscal year, and in the appropriation for the United States Information Agency.

I am glad that the Senate Appropriations Committee took action to provide at least slight increases in the State Department budget, over and above what the House had provided.

The latter was, of course, far under the President's budget request.

The President had requested $227 million; the House had approved $180 million; the Senate committee recommended to us $193 million.

In its increases, the Senate committee suggested a raise for Foreign Service salaries and for official representation allowances.

IT IS WISE TO SPEND FOR PEACE

The question in my mind, however, is: Are we giving sufficient wherewithal to the Foreign Service of the United States to perform its frontline job throughout the world in "waging the peace"?

Do we sufficiently realize that it is far better to strengthen the hand of our ambassadors of peace, our Ministers, our consuls, in 90 and more countries throughout the world than it is to have to send armed forces some day to try to restore the peace?

Consider the fact that the State Department budget is a quarter of a billion dollars, while our military-atomic budget is $42 billion.

To me it is plain commonsense to make a maximum effort to try to keep the peace and thereby save the infinite cost in human life and treasure, which will occur in the event the peace is lost.

STATE DEPARTMENT DOES NOT HAVE A "CONSTITUENCY"

Mr. President, I want to point out that the State Department's appropriations bill is unique in that here is one agency with no vast "constituency" which will rise up in defense of the Department's budget.

The same is, of course, especially true of the mutual security budget.

Of course, the agency itself will appeal to us if further cuts are made, but there is no special segment of our population—say farmers, businessmen, veterans, laboring people—who benefit directly from the State Department program, as they do, let us say, from the program of the Department of Agriculture or the Department of Labor or the Department of Commerce.

They do not have any constituency. Therefore, as has been suggested before, it is for us to accept the responsibility to do some sane thinking on the subject. There has been no pressure on us to take care of that interest.

And so, it is relatively easy to cut the State Department budget, because there will be comparatively few complaints from a vast segment of the public, whether or not the cuts are justified.

And yet, thinking members of the public will realize and should realize that the State Department budget is vital to all the 170 million Americans, yes, to generations unborn.

THE VERY DANGEROUS SLASHES IN USIA

I should like, however, within the next few moments to refer to an even more significant problem in the appropriations bill now pending before us.

I refer to the deep and, in my judgment, unjustified slashes which have been made in the budget of the United States Information Agency.

I know something about the agency. I know it is a human agency, with human faults. I know also what has been expressed here so forcefully by thinking men, that we are in a battle for men's minds, and that we must realize, as someone long ago said, that truth makes

men free. We also know that error walks and talks through the earth, and it is our obligation to see that the truth gets to the people throughout the world.

In my judgment, we have dealt a serious blow to America's truth program.

In my judgment, if we approve the deep slashes made in the House and the Senate committees, we will inadvertently deal a deep blow to America's program for telling the American story—the story of truth throughout the world.

SENATE COMMITTEE RECOMMENDED EVEN LESS THAN HOUSE

What is the situation? The facts are that the President requested $144 million for the United States Information Agency. The House allowed only $106 million, and now the Senate committee has recommended only $90 million.

I have a great deal of respect for my colleagues on the Senate Appropriations Committee.

In the 18 years I have been a Member of the Senate I have felt that it was practically my obligation under nearly all circumstances to follow what I thought was the action of a committee, especially when it had acted more or less unanimously, and when it was the action of a committee of which I was not a member and therefore had not heard the testimony.

However, I will say that this is the exception, because in my humble opinion this rises above all challenge and involves the question, as has been stated, whether we are going to take away an adequate arm of America's defense. The law of self-preservation is involved. In my estimation Congress has not had the understanding attitude which it should have toward this Agency. The Agency has no constituency to defend it. It has been the target of every roustabout in the Nation. It has been charged with being wasteful. I suppose some of the pulpits of the country are wasteful. I suppose some colleges are wasteful. I suppose some leaders of our diplomatic corps in foreign lands are wasteful.

I cannot help repeating that when I came to Congress it took 45 days to go around the world. Now we can go around it in 44 hours. Planes have crossed the continent in 3 hours. It is a new world, as has been said so dramatically by others. Since World War II 700 million souls have gone into the orbit of the Communists. There has been but one weapon, and that is the weapon of truth.

THIS AGENCY HAS BEEN TORN APART TIME AND AGAIN

Since we set it up, the fact has been that every single year this Agency has been investigated by all sorts of groups.

Every year, Congress, so to speak, has looked at the plant, pulled it up by its roots, shoved it back into the earth again, and then the following fiscal year, has pulled it up by its roots again, in order to reexamine it.

The history of this Agency shows that we have increased it, then slashed it, then increased it, then slashed it, year after year.

What has been the result? The result has been that the Agency has had to hire people fast, and then fire them fast; open up new offices in various countries, and then close them; start new magazines or publications, and then close them.

There is no business in the United States which could carry on its operations efficiently, if it were subject to such severe pressures.

And imagine the effect on employee morale when a man does not know from one year to the next, whether he will be able to work with it, even though his job is vital, even though he is doing it conscientiously, even though the Communists across the street are doing triple as much as he is doing on the very same subject.

I heard today the great Senator from Montana [Mr. MANSFIELD] say that there is no Senator who is not in favor of this Agency.

Yes, what kind of treatment have we been giving them?

At this very time there is pending before Congress proposed legislation which I myself have cosponsored to establish a career service for United States Information Agency officers. The purpose of such a career service bill is to give the employees of USIA a feeling that they can be proud of their jobs, proud of their agency, proud of making a lifetime career of the work of telling the truth on behalf of their country throughout the world.

We need individuals who will dedicate a whole lifetime to this task. Yet I ask, How can we possibly get such dedicated individuals if we treat them as if we had no regard whatsoever for their services?

Naturally, in any budget of $144 million, one may disagree with some particular items of expenditure. But let us realize that the whole information job is necessarily an experimental one. I say this after having watched it and studied it. What may suit in one particular locality, as has been stated, is not what is desirable in another locality. If we cannot instruct people through reading material, it is necessary to send persons who will teach them by other methods, such as by showing them pictures; persons who will get the facts across.

So we must realize that we are in a battle for the minds of men. Let us realize that the whole job of disseminating information must be carried on.

We are trying to impact the minds of men—people ranging from, let us say, West German intellectuals to savages, just emerging from the Iron Age, in the heart of Africa. We are trying to impact the minds of Arab Bedouin tribesmen and European college doctors of philosophy as well as other types in scores of countries throughout the world. Will a radio program do the job best? A newspaper or a motion picture, a recording? What themes will go best in getting across our story to what particular culture?

The answer is, No one can be sure.

That is why Larson was criticized. Of course, he could not be sure. He would probably have had to feel out the situation, just as a physician has to diagnose an ailment in order to apply the remedy. There was nothing wrong in his coming before the committee. He could have called upon assistants who were familiar with conditions in other countries to deal with the particular picture. But was that what the Senate wanted from him? No. What we wanted from him was generalship, administratorship, an honest performance by a man who has brains, intellect, courage, and judgment.

The fact is that no American corporation in its advertising work can be 100 percent sure that, say, a $5 million television program, which it buys, will sell more soap or automobiles. But it makes the experiment, and perhaps the ad will pay off.

I say that the United States Information Agency has been eminently successful in its work.

I have seen many USIA offices abroad. I have seen its operations in many countries. I have spoken to Information officers, to the men handling the Voice of America, to the pressmen working with foreign newspaper correspondents, to the men who handle mobile 16-millimeter movie equipment, taking motion pictures out to the villages, and I am convinced that they are doing a sound, worthwhile job.

One of the principal criticisms of the USIA has been that too much of its work is being done in Western Europe.

The argument against USIA is: "Why waste any time in Western Europe? The people there are literate, they are our allies, they are anti-Communist. Why not close up all the United States Information Agencies in Western Europe and simply concentrate on South Asia and Africa and the Middle East?"

That argument, Mr. President, utterly ignores the basic facts about the problem we face.

There is probably as much misinformation about us, about our plans, our programs, our intentions in Western Europe as anywhere else in the world.

Of course, the people of Western Europe are our allies, but the fact is that every public opinion poll shows that many of the peoples of Western Europe differ from us very strongly in many of the basic programs which we regard as essential for the free world. Besides, Western Europe is impacted by one of the heaviest bombardments of Soviet and local Communist propaganda to be found anywhere in the world.

We can ill afford, therefore, to allow falsehoods concerning the United States to circulate in Western Europe. We can ill afford to allow Communist lies, distortions, and poisons to be spread against us there or, for that matter, in other areas of the world.

I ask unanimous consent to have printed at this point in the RECORD the text of a telegram I have received from Tracy S. Voorhees, one of America's fine public servants, whom we all know, and who has served our Government in many important posts, together with a memorandum entitled "USIA Program in Western Europe."

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

WASHINGTON, D. C., *May 14, 1957.*

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

For over 4 years now I have worked on an entirely voluntary basis to improve our foreign information program. I have only one interest to serve. This is to have the best program possible in what I believe has now become one of the critical fields in which we can do something definite to decrease danger of war and Communist expansion. This is especially needed because of the great expansion of the Communists' propaganda program.

Comparing two studies of the organization conducting the information program, one which I made 4 years ago and the other slightly over a year ago, I became convinced that a change almost from night to day had been made in the quality of the organization, and thereby in the effectiveness of the program. While of course it is not perfect, I have seen at firsthand the great difficulty of the task, and have real admiration for the spirit now existing in USIA to do it and to do it well.

On learning of the Appropriations Committee's action this morning, I became gravely concerned lest such a cut seriously impair the improved effectiveness progressively built up over so hard a road over almost 4 years. For these reasons I have sent wires to a number of Senators of both parties whom I have had the privilege of knowing personally asking their earnest consideration of the urgent need at least not to cut the new appropriation below that for this year and if possible to raise it. I am sure that you are already doing everything possible to support the President in obtaining a more adequate appropriation. However, I felt that possibly it might be worthwhile to invite your attention to my appraisal of the acute danger to the effectiveness of the Agency based on my long firsthand experience with it, and made from the disinterested viewpoint of one not officially connected with it.

METROPOLITAN CLUB,
TRACY S. VOORHEES.

USIA PROGRAM IN WESTERN EUROPE

The program of the United States Information Agency in Western Europe is keyed to four basic facts of life:

1. That Western Europe is the first line of defense of the United States.

2. That major European capitals, particularly London and Paris, have a heavy concentration of information media which exercise an imporant influence on public opinion in the furthermost corners of the world.

3. That a large proportion of the future leaders of Africa and Asia study in European universities.

4. That United States policies and actions in other areas of the world, especially in Africa, the Middle East and south Asia, have a profound effect on public opinion in Western Europe.

To these basic facts must be added the consideration that the United States Government has spent over $34 billion in Europe since World War II, and that it is today spending more than 60 percent of its total overseas budget in Europe.

The Information Agency is asking for a budget with which, so to speak, it can help protect this investment and provide some measure of insurance for the 500,000 United States troops stationed in Europe.

The USIA budget is a small fraction of hundreds of millions of dollars being spent in Europe on propaganda by the Communists.

For example, the Communists spent $50 million for a single event in 1953—the World Youth Festival in Berlin.

Europe, which has 50 percent of the world's shipping and 31 percent of the world's industrial capacity, is a primary target of the Soviets, and propaganda is the weapon they use.

About 800 propaganda hours are broadcast each week to Western Europe by Soviet orbit transmitters, or nearly 50 percent of their total output.

Nearly 60 percent of all their exchange of persons program is devoted to Europe.

Twelve out of the 17 countries in the area have Communist Parties represented in the legislatures.

Italy has the largest Communist Party outside the Soviet orbit with a membership of nearly 2 million and a popular vote of 9½ million.

More than half of the major Communist-front groups have their headquarters in Europe.

Europe is also infested with an intricate network of Communist friendship societies. In Finland, the Finish-U. S. S. R. friendship society has over 800 offices and each one operates in approximately the same manner as a USIS office.

The Communists have but one main purpose in bringing the weight of their vast propaganda apparatus to bear on Western Europe, and that purpose is to drive the United States back across the Atlantic and to spread dissension among the NATO allies.

To achieve this aim they work around the clock, utilizing all the resources of the Communist Parties, Communist-controlled labor groups, and other front organizations in order to constantly distort and misrepresent all things American.

Thus, events in the United States such as the Rosenberg conviction, American policies such as those followed during the Suez crisis, or American actions such as the maneuver of the 6th Fleet during the recent Jordan crisis are distorted to a degree which make the true facts of the case almost unrecognizable.

Some 300 million Europeans, living in an atmosphere of postwar weariness, frustration, and an overwhelming desire for peace at almost any price, are subjected to the powerful voice of the enemy on a daily basis.

The United States Information Agency has the job of answering this voice, of setting the record straight, and of placing American actions and policies in their true perspective, so that European public opinion can continue to support the NATO alliance of 15 nations which is so essential to world peace and to the security of the United States.

The Information Agency is doing this job abroad under the leadership of the Ambassador. It is an integral part of every Embassy and consular post where USIS offices are maintained.

The public-affairs officer handles all educational exchange, cultural, psychological, and information work on behalf of the Ambassador.

The USIS senior staff consists of a press attaché who does all the normal press-relations work for the Embassy; a cultural attaché who represents the Ambasasdor in all matters of cultural interchange; and an information officer who makes certain that the local press, radio, publication industries, and motion-picture circuits get all the information about the United States and its policies that they can be persuaded to use.

USIS work consists in day-to-day contacts with public-opinion leaders in all major fields of endeavor. Close relationships are established with officials of the Government, Members of Parliament, newspaper editors, cultural leaders, labor-union officials, etc. By careful and assiduous cultivation of these leaders, USIS is able to prevail upon them in times of crisis to speak up for the United States on the basis of factual background information provided by USIS.

The Information Agency has been operating in Europe for a number of years. It is constantly reviewing its program and trying out new information techniques in order to get its message across with maximum effectiveness. The information program today is the result of many years of hard work and critical self-evaluation so that the methods which are used today are those which have proved to be the most successful in past years.

Throughout Europe, the essence of the USIS task is to reach public-opinion leaders who, in turn, can influence the general public on whose electoral support any government must depend if it is to continue in office.

It is in the very definite interest of the United States that European governments elected to office be such that they will continue to support the NATO alliance, which is the very basis of defense of the free world.

In the United Kingdom there are more correspondents servicing Asian and African newspapers and radio stations than in any other city in the world.

Therefore, while it is important for USIS in the United Kingdom to continue to foster a basic understanding between ourselves and the British, it is perhaps even more important to take advantage of the United Kingdom as a center of world communications in order to reach troubled areas in other parts of the world.

It is an inescapable fact that the United Kingdom is the closest ally we have in the world today. But it is also true that there is a depth of misunderstanding between the British and American people, the extent of which is difficult for many of us to grasp. There are several reasons for the extremely distorted conception of American life which is prevalent among British people:

(a) Severe British Government restrictions on British travel to dollar areas, which permits very few ordinary citizens to see the country for themselves.

(b) A national press of huge mass circulation which invariably spotlights the sensational news items to provide a highly unbalanced and distorted picture of American life.

(c) The deliberate efforts of Communists and fellow travelers to distort the true picture of the American scene.

(d) The lurid and unattractive impression conveyed by numerous films which, for commercial reasons, emphasize the seamy side of American life rather than the natural everyday reality.

Two of the largest Communist parties outside of the Soviet orbit are flourishing in Italy and France, with a combined membership of nearly 2½ million and a potential electoral vote totaling nearly 15 million. Germany, with its 500-mile border along the Iron Curtain, is a window of the free world through which many people in the satellite nations can be reached. In Berlin, 100 miles behind the Iron Curtain, USIS is able to talk to millions of East Germans through the RIAS radio station. More than half a million East Germans every year see American exhibits in Berlin. Thousands of others come to borrow books and pick up pamphlets and attend special film showings at the Amerika Haus.

Last fall the Senate Appropriations Committee sent its own investigator to make a detailed report on USIS operations in Western Europe. He came up with a number of useful suggestions which I understand are even now being incorporated in the Agency's program. It is interesting to note that in his report the committee's investigator said that USIS is performing a "very essential function quite satisfactorily, and that under the circumstances it has been a fortunate thing for the United States that USIS has been there on the job."

Mr. LAUSCHE. Mr. President, the interchange of words used today, in a measure ascribing the functions of the office about which we are speaking, compels me to rise.

I will vote not one penny for a propaganda office. I will vote whatever I believe is reasonable to finance the functions of disseminating the truth throughout the world. If the office of which we speak is one intended to propagandize, then it ought to be abandoned. I do not think it is such an office. I subscribe completely to the words of the senior Senator from Kentucky [Mr. COOPER], who stated that it is an agency which disseminates the truth.

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

Mr. LAUSCHE. I yield.

Mr. AIKEN. I want to tell the Senator from Ohio that I deeply appreciate his statement. I agree with him completely. If in my remarks I used the word "propaganda," it was purely an inadvertence, because I agree with the Senator from Ohio.

Mr. LAUSCHE. I do not believe the Senator from Vermont used that word.

Mr. AIKEN. Telling the truth is not propaganda.

Mr. LAUSCHE. It is unbelievable, and it is not the truth, that this august body is contemplating the assigning of money to an agency of the United States Government whose purpose is to work out clever schemes and plans of indoctrination. That is not the soul of the United States; that is not the spirit of the United States Information Agency.

With respect to the money which will be allocated to this Agency, I have listened to the disparity concerning the amount spent by the Kremlin and the amount spent by our country. When one is dealing with a false cause, when he is attempting to propagandize, he needs unlimited sums of money. When one is telling the truth, it is necessary to acquaint the people with the truth, and then to be certain that when they are informed, they will follow the truth.

Consider the Russian propaganda in Hungary, in Poland, in Rumania. What has it done? Nothing at all. And it will not.

Let us not ascribe to those hungry people of middle Europe an absence of commonsense. They possess it. I humbly say that because my ancestral line comes from that ground. I might speak of my mother, who had 3 years of education, but was gifted with commonsense beyond the recognition of those who frequently spend unlimited years in trying to achieve it.

I will vote for the dissemination of truth. I would vote against the use of cleverly worked out schemes and plans to seize the minds of the people of the world.

I think it is very regrettable that bands are used. I made inquiry about the band that went into Africa, or somewhere else, and found that it was not sent by this Agency, but by another agency of the Government.

Let us get down to the basic, honest, substantial methods of letting other peoples know what we are. Let us stop using fan dancers, jazz bands, and other such means which cause people to become provoked and to get the idea that we have fantastic concepts of what life means.

The European people—I am not now referring to the people of Asia and other areas—in my judgment are sick and tired of propaganda. They want the truth.

Mr. President, I contemplate voting for the measure as recommended by the committee. I shall do so because it is the combined judgment of the many Members who were there.

However, I felt that I should express my judgment: Everything that is needed to disseminate the truth; not one penny for propaganda.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the committee amendment on page 33, in line 6.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. 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. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The Senate is about to vote on the question of agreeing to the committee amendment on page 33, in line 6; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment or in favor of a reduction from $105 million to $89,100,000?

The PRESIDING OFFICER. That is correct.

Mr. CAPEHART. Mr. President, I shall vote for the committee amendment; but I am not certain that in agreeing to the committee amendment, the Senate will be doing the correct thing. However, tonight I am willing to follow the committee, because it should know more than I do about this matter, in view of the fact that the committee has spent many days in holding the hearings.

However, Mr. President, I believe the Senate should be spending its time on improving the kind of truth, propaganda, publicity, or advertising this Agency issues, rather than on reducing its appropriation. This year the United States will spend approximately $40 billion or $45 billion for national defense. It does not quite make sense to me to have our country spend that much for national defense and then spend as little as $106 million or $144 million—the latter being the amount the administration requested—or the approximately $90 million the committee has recommended.

Mr. THYE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. THYE. The amount carried in the committee version of the bill is $90,200,000.

Mr. CAPEHART. I thank the Senator from Minnesota.

Mr. President, the purpose of the institution which we call the United States Information Agency should be to tell the truth about the United States, just as an advertising department tries to tell the truth about a given product. To me, this Agency is similar to the advertising department or publicity department of any good institution or company.

If the USIA does a good job, it is worth almost any amount it costs. If it does a poor job, the money it spends is wasted, whether that be $10 million, $50 million, or $100 million.

I shall go along with the committee, because it seems to be very positive in stating that its recommendation is in the best interests of the United States. So tonight I am willing to support the committee. However, I think we should stop, look, and listen, inasmuch as we are about to appropriate, during the next few weeks, approximately $40 billion or $45 billion for national defense. Under those circumstances, we should not be niggardly in the appropriation we make to educate the world on how to avoid war and trouble. When we make very large appropriations for national defense, certainly we should be willing to appropriate sufficient funds to inform the world of the facts about the United States.

I favor economy, and I shall vote for the making of cuts in the appropriation bills. However, I do not think we wish to make cuts merely for the sake of cutting. After all, we must support the Government of the United States, and we must look after the interests of the more than 170 million people of the United States. Furthermore, the United States still is faced with a warlike atmosphere in the world.

Therefore, Mr. President, I have desired to state my position for the RECORD.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 33, in line 6.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that the Senate is about to vote on the committee amendment which calls for a reduction in the amount set forth on page 33, in line 6?

The PRESIDING OFFICER. That is correct.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment, as set forth at that point in the bill, namely, the amount of $89,100,000; and that a vote "nay" will be to leave in the bill, as set forth at that point, the figure "$105,000,000"?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendment on page 33, in line 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA (when his name was called). On this vote I have a pair with the Senator from Arkansas [Mr. McCLELLAN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Maine would vote "nay."

The result was announced—yeas 61, nays 15, as follows:

YEAS—61

Anderson	Hayden	Morse
Bennett	Hickenlooper	Morton
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Byrd	Jackson	Robertson
Capehart	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Church	Kefauver	Schoeppel
Clark	Kennedy	Scott
Curtis	Kerr	Smathers
Dirksen	Knowland	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Eastland	Long	Talmadge
Ellender	Magnuson	Thurmond
Ervin	Malone	Williams
Frear	Mansfield	Yarborough
Fulbright	Martin, Iowa	Young
Goldwater	Martin, Pa.	
Green	Monroney	

NAYS—15

Aiken	Cooper	Neuberger
Allott	Cotton	Smith, N. J.
Bush	Ives	Thye
Carlson	Javits	Watkins
Case, N. J.	Mundt	Wiley

NOT VOTING—19

Barrett	Hennings	Neely
Beall	Humphrey	O'Mahoney
Butler	Jenner	Payne
Case, S. Dak.	Langer	Revercomb
Chavez	McClellan	Symington
Flanders	McNamara	
Gore	Murray	

So the committee amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed amendment on page 35, line 17. I ask for its immediate consideration, and that it be read by the clerk.

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

The CHIEF CLERK. On page 35, line 17, after the word "overseas," it is proposed to insert the following: ", and the Appropriations Committees of the Senate and the House of Representatives shall be promptly notified in writing of each such finding."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. JOHNSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS subsequently said: Mr. President, I ask unanimous consent that a statement which I have prepared on the State, Justice, and judiciary appropriation bill be printed in the RECORD just prior to the statement of the Senator from Texas [Mr. JOHNSON], previous to the vote on final passage of the bill.

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

STATEMENT BY SENATOR PAUL H. DOUGLAS, DEMOCRAT, OF ILLINOIS, ON THE STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL

In this period of industrial price inflation, I have advocated that at least one-quarter of the funds in this year's budget which are for civilian and Defense Department public works should be cut out so that these projects could be postponed in part until inflation is less of a threat to a part of our economy. Some $20 billion in this budget is for the purpose of acquiring new construction items and the direct purchase of goods and materials. Of this $20 billion, approximately $12 billion is for direct military equipment, supplies, and hardware and is therefore needed. Of the remaining $8 billion, $4 billion is for civilian public works and approximately $4 billion for military construction of such items as warehouses, navigation aids, etc., which do not directly affect national defense or our ability to fight.

As each authorization bill for public works has come before us and as each appropriation bill has come to the Senate floor, I have tried to apply the principle of postponing at least 25 percent or one-fourth of these public-works items. I have done this because I believe in compensatory fiscal policies so that in times of recession we should use our shelf of public works to help create jobs, and that in times of great prosperity and inflation, we should cut back on these items, have a budget surplus, retire some of our debt, and possibly give some tax relief. I believe that this policy cannot work if we build a tremendous volume of public works at all times during the business cycle. We should cut back in times of prosperity.

I am, therefore, happy to note in connection with the appropriation bill before us, that the principle which I have advocated has been applied by both the House and Senate committees. I welcome this and because of it I shall offer no amendments for the principle in which I believe has been achieved.

In the bill as reported by the Senate committee, the appropriations are approximately 7 percent below the appropriations of last year. The bill compared with the request of the President is some 15 percent below that request.

Those items which might properly be called public works amount to slightly over $42 million in the President's budget. The Senate committee has cut this amount by $15.8 million, or to $26.2 million. This is a total average cut of 35 percent.

In particular, the item for acquisition of new buildings for the State Department abroad has been cut by $1.5 million from the President's request, or from $20 million to $18.5 million—or by 7.5 percent—a minor cut. The item to remodel the State Department Building has been cut from $7 million to $2.5 million—or by 64 percent—a fairly large cut but one which is proper in this period. This work can well be delayed for another year.

The construction item for the International Boundary and Water Commission between the United States and Mexico has been reduced from $700,000 to $300,000—or by 57 percent. The Passamaquoddy tidal survey has been cut from $1,349,000 to $1,344,000—or by only $5,000—a negligible cut. The Rama Road has been reduced from a request of $2 million to an amount of $1.5 million or by 25 percent. The item for buildings and facilities for the Federal prison system has been reduced from $7 million to $1 million, or by six-sevenths, or 85 percent. The item for acquisition and construction of radio facilities for the USIA has been cut from $4 million to $1.1 million or by $2.9 million, or by 72.5 percent.

Mr. President, one does not necessarily have to agree with the amount of each of these cuts and where they took place. If I were responsible for the individual items and had power over them by myself, I might well have done differently. However, I agree with the overall result even though I have some differences with the individual items.

The 35 percent cut is 10 percent more than the 25 percent average which I have advocated. However, as we did not cut the rivers and harbors authorization by the 25 percent which I offered on the floor of the Senate as an amendment to the bill, and as the full item for Coast Guard construction—which is the only other public-works item before us thus far—remained intact and was not cut by 25 percent as my amendment would have done, I feel that it is not unfair to have the public works items in this bill cut by more than I have advocated as a principle to follow.

Because of this situation, I shall not offer any amendments to the bill and I wish to congratulate the House committee, and especially the Senate committee and its chairman, Mr. JOHNSON of Texas, for the fine general effort which they have made in cutting this appropriation and, particu-

larly, the public works items in this appropriation.

Mr. JOHNSON of Texas subsequently said: Mr. President, through many long days and late into the evenings, the very efficient and cooperative staff of the Senate Committee on Appropriations has worked with the subcommittee on the State, Justice, judiciary, and related agencies appropriation bill.

I wish to express my gratitude to all of these members of the Senate Appropriations Committee staff and to two members of my own office, Gerald Siegel and Solis Horwitz, who diligently devoted themselves to the task until 1 or 2 o'clock some mornings, in order to be prepared for the hearings later in the same day.

Of the Appropriations Committee staff members, I wish to say particularly to Harold Merrick that I have never worked with a person who was more diligent, more loyal, or more dedicated to his task than he has been.

I also wish to express my gratitude to Bill Kennedy and Joe Gonzales for the great contribution which they made in getting the bill ready for presentation to the Senate.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relative to the educational exchange program.

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

STATEMENT BY SENATOR COOPER

I should like to commend the Appropriations Committee for allowing $24 million for the State Department's educational exchange program next year. During my service as Ambassador to India I had occasion to see this program in action and to observe some of its results. I can assure you that this is a sound investment in the promotion of understanding between our people and the peoples of other countries.

Many of those who have come to the United States under this program hold influential positions in their own countries. I need not underline how important it is for those who hold positions of leadership in other countries to know our country and our people from firsthand experience. They may not always agree with our policies but they do understand our motives and actions on the international scene.

I found in my short experience that the exchange program is also making a most worthwhile contribution to the broad educational program of the Government of India. To supplement the training of Indian teachers in the United States, a number of conferences have been held in India by American educators. These have been good, practical working conferences which have drawn teachers from all over India and have had the full support of the Indian Government. Other conferences have been held over the past 4 or 5 years for college and university teachers to discuss educational problems, and in these conferences there has developed a larger understanding of American Government and foreign policy, American history and literature, and our economic system, as well as the policies of India.

I cannot speak too highly of the service of the Americans who have gone to India under this program. They have been working in many cities in India (I believe 12 during my stay) and they have been willing to undertake speaking engagements and conferences in 20 or 30 other towns during their stay. They were able to establish an association with the people based on respect. One professor and his wife wrote that peasants and farmers were their neighbors. "We have a feeling," they said, "that in our friendships and talks we brought new understanding of America and Americans * * * we feel that this is more effective than Russia's managed cultural missions."

Since my return from India I have met a number of their leaders who have come here under the exchange program, and I am sure that their experience here will be valuable to understanding and good will between our two countries, and ultimately in our relations. And I am sure this applies equally to other countries, where this program is effective. I am glad to support the continuation of this human and vital effort.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] would each vote "Yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

If present and voting, the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

YEAS—77

Aiken	Goldwater	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Bennett	Hickenlooper	Neuberger
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Bush	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Javits	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Carroll	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Frear	McNamara	Young
Fulbright	Monroney	

NAYS—0

NOT VOTING—18

Barrett	Gore	Murray
Beall	Hennings	Neely
Butler	Humphrey	O'Mahoney
Case, S. Dak.	Jenner	Payne
Chavez	Langer	Revercomb
Flanders	McClellan	Symington

So the bill (H. R. 6871) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Texas, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MANSFIELD, Mr BRIDGES, Mr. SALTONSTALL, and Mr. HICKENLOOPER conferees on the part of the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

The Senate resumed the consideration of the resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 12 o'clock noon tomorrow.

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

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to give notice of a session on Friday. As all Senators are aware, we have a very crowded schedule. We have had four appropriation bills reported this week. Some of the criticism which is directed at the Senate comes from uninformed sources, which say our schedule is lagging. All Senators are devoting themselves to their committee work, and we are doing our best

to get action in some form or other on each and every recommendation the President has made. That does not mean we will adopt all recommendations, but it does mean we will pass judgment. That it is our duty to do.

I have been requested not to have the Senate to act on the supplemental appropriation bill this week. We could have a session of the Senate on Saturday, at which time the bill would have been before the Senate the required period of time.

I have discussed with the minority leader, with the distinguished Senator from Illinois [Mr. DOUGLAS], and with the distinguished chairman of the subcommittee [Mr. HOLLAND], the possibility of taking up the Commerce Department appropriation bill, not tomorrow, but on Friday, in the event of a Friday session. That bill is House bill 6700, and it is Calendar 309. The report and the bill are available to all Members. Copies of the hearings will be on each Member's desk in the morning.

ORDER FOR CONVENING OF THE SENATE AT 11 O'CLOCK A. M. FRIDAY—ORDER FOR CONSIDERATION OF HOUSE BILL 6700

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes on Friday, it convene at 11 o'clock a. m.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I also ask unanimous consent that it be in order, following the morning hour on Friday, to consider House bill 6700.

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

EXTENSION OF LIFE OF DISTRICT OF COLUMBIA AUDITORIUM COMMISSION—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Oregon [Mr. MORSE] has a conference report to submit, which he has discussed with the majority leader and the minority leader. We have gone over it, and are agreeable to it. Following that, there will be no further business, other than insertions in the RECORD.

Mr. MORSE. 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. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes. 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 amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, 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 House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the act entitled 'An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center,' approved July 1, 1955, as amended, is amended—

"(1) by striking out in subsection (a) of the first section of such act 'District of Columbia Auditorium Commission' and inserting in lieu thereof the following: 'Commission for a National Cultural Center';

"(2) by striking out in subsection (a) of the first section of such act 'national civic auditorium' and inserting in lieu thereof: 'national cultural center';

"(3) by adding at the end of the first section of such act the following new subsections:

"'(f) The Commission shall continue in existence until the construction of the national cultural center referred to in subsection (a) of this section has been completed.

"'(g) The Commission is authorized to sell (1) copies of the report and recommendations which it made to the President and to the Congress pursuant to the provisions of subsection (c) (4) of this section, and (2) any other publications which it might prepare in carrying out its duties under this act. Any receipts from the sale of any copies of such report, recommendations, and other publications by the Commission shall be deposited in the Treasury of the United States and credited to the current appropriation available for salaries and expenses of the Commission.'

"SEC. 2. Such act is further amended by redesignating section 3 as section 4, and by inserting after section 2 a new section as follows:

"'SEC. 3. The Administrator of General Services shall (1) acquire by purchase, condemnation, gift, or otherwise, the land and any improvements thereon situated in that area of the District of Columbia commonly referred to as "Foggy Bottom—South", and more particularly described in the report submitted by the Commission to the President and to the Congress on January 31, 1957, and (2) make such area available to the Commission as a site for the construction of the national cultural center as provided in subsection (a) of the first section of this act. Any right, title, or interest in and to any land or improvements thereon situated in such area which is held by any agency of the Government, other than the General Services Administration, shall be transferred without reimbursement or other monetary consideration by such agency to the Administrator of General Services for use in accordance with clause (2) of the preceding sentence.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

WAYNE MORSE,
JOSEPH S. CLARK,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

JIM MORRISON,
ABRAHAM J. MULTER,
KATHRYN E. GRANAHAN,
CARROLL D. KEARNS,
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 Senate proceeded to consider the report.

Mr. MORSE. Mr. President, I move that the Senate agree to the report.

The report was agreed to.

ALLOCATION OF PUBLIC POWER IN THE NORTHWEST

Mr. MORSE. Mr. President, I have an accumulation of insertions to make in the RECORD.

On May 10, 1957, I received a long letter, dated May 8, from Mr. Thomas W. Delzell, chairman of the board and chief executive officer of the Portland General Electric Co.

In essence, the letter deals with a problem which the Portland General Electric Co. has raised with the Oregon delegation in regard to the future allocation of power in the Pacific Northwest, with particular reference to power from the prospective John Day Dam.

The Portland General Electric Co. and other groups in the State seem to feel that the State of Oregon is going to be discriminated against in relation to the State of Washington and other States, unless some formula for the working out of the allocation of power is agreed to by the Congress.

The Portland General Electric Co. has a specific proposal which it has submitted to the Oregon delegation, and which I think can be described in general terms as a proposal which would allocate power on the basis of population. They take the position that because there are many more public preference groups in the State of Washington than in the State of Oregon, because Washington is more of a public power State than is the State of Oregon, the net result is that the people of Oregon receive a smaller quantity of power, and will continue to receive, to their disadvantage, according to this point of view, a lesser amount of power than will the people of the State of Washington.

I do not intend to take the time of the Senate this evening to discuss this problem in any great detail, but in fairness to the Portland General Electric Co., I think it is only right that I should insert, as a part of my remarks, the letter which I received from Mr. Delzell under date of May 8. I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

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

PORTLAND GENERAL ELECTRIC CO.,
Portland, Oreg., May 8, 1957.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: In order to bring all members of the Oregon delegation up to date on some of our activities of the past few weeks and to get this information to you ahead of your scheduled meeting for May 13, I am making this an identical letter to all of you.

As indicated by conversations with you and your staff, officials of this company, and more particularly myself have, during the past few weeks, taken some action to apprise certain people in Oregon of the need for legislation at the Federal level which would guarantee to Oregon's citizens a fair

and equitable share of the federally generated Columbia River power.

About two weeks ago we conducted a background and briefing session for the editors and editorial writers of a number of Oregon newspapers who could conveniently meet in Portland, such as the Journal, the Oregonian, the Salem Statesman, the Albany Democrat Herald, and several others. Each person who attended was given a copy of my letter of March 29 to Senator MORSE, a copy of the power distribution study prepared by this company, and the legal brief setting forth legislative precedents with respect to the allocation of Federal power. Parenthetically, Senator MORSE, thank you very much for letting me use a copy of my letter to you, as it did save considerable time.

Of course we were not able to state your position on this matter, simply because we did not know it and did not have the authority to speculate. I did point out that those of you in attendance at our breakfast conference listened attentively and expressed interest in the general problem. More specifically, I commented that Senator MORSE made certain affirmative comments with respect to his interest in the matter which seemed most encouraging to me, and that he proposed to have a meeting of the Democratic members of the Oregon delegation on May 13 to consider what action they might appropriately take. I also called attention to the Oregonian's news story of April 17, the opening paragraph of which reads as follows:

"Senator WAYNE MORSE promised the head of the Portland General Electric Co. Tuesday that the Democrats of the Oregon congressional delegation would consider legislative action to prevent Oregon being caught in the squeeze of a power shortage."

With respect to Congresswoman GREEN, Congressmen PORTER and ULLMAN, I indicated that they made no comment, other than that of general interest. At this same conference, Senator NEUBERGER, I said that your last comments to me had been that you had simply not made up your mind as to what action to take, although in response to questions—I believe in this instance from Governor Sprague—I did read from your news release of Wednesday, April 10, and indicated that it would have to speak for itself.

With respect to Congressman NORBLAD who was not present, I simply indicated, WALT, that in a separate conversation with you, you in turn had said that you favored a fair and equitable allocation for Oregon and other affected States; but insofar as it might be tied to congressional appropriations for John Day, you were not optimistic, simply because you felt the chances of getting any appropriations this year were very remote.

I think it accurate to report that the general tenor of the meeting with these newspapermen and subsequent conversations indicated an awareness on their part that Oregon must find some means to assure its citizens of a more equitable share of Federal power. Since a portion of our presentation showed how the situation might look in 1968 with John Day completed, I was queried as to the wisdom of tying the cure only to John Day and, in effect, why not have it apply to all Federal power. My answer, which seemed to satisfy the group, was that we had used John Day for illustrative purposes because it was one of the first projects that should be built; but that we, too, agreed that any fair and equitable allocation of its power or equivalent power would have to (1) take into account what was fair and equitable with respect to Federal power in the other States, and (2) be prospective rather than retroactive in application, since it was neither feasible nor proper to consider a cure which would violate existing contracts and reduce present deliveries of Federal power to the various preferred agencies or industries.

I must pass along to you my very definite feeling that, from the questions and comments, the newspapermen tended to favor Federal legislation as a cure, rather than a State power authority. Some of their comments were very specific with respect to their belief that a State power authority could never qualify as a middleman to purchase Federal power for resale to nonpreference customers; that is, to Oregon citizens in the absence of Federal legislation amending the Bonneville Project Act to permit this type of transaction.

Prior to this meeting, a conference was had with various municipal power agencies, a representative of the PUD's, a representative of the REA association, and investor-owned utilities. By and large the same material was presented here as was presented at the meeting mentioned above, and substantially the same comments were made with respect to the Oregon delegation. It was clear that the spokesmen for the municipals and the PUD's were wholly in accord with the premise that Oregon must have a fair and equitable share of Federal power and that the most effective way to achieve this is by means of legislation at the Federal level. However, since the REA representative was there as an observer for the president of that association, without authority to act, it was concluded by the several public agencies that they would have a subsequent meeting more definitely to determine their position on this matter, which they hoped would include concurrence by the Oregon REA co-ops. This meeting has been held, and although we have not had any official reports, our understanding is that the municipal and PUD representatives continue to look with favor on "fair and equitable" legislation, but that the cooperatives indicated a desire to give the matter further study. My assistant, Bob Short, is of the very definite impression that the basic reason given by the co-ops for needing time for further study was to explore what adverse effect, if any, a fair and equitable allocation of power for Oregon would have upon their sister public agencies in the State of Washington.

This interest on their part is understandable; but the answer is simply that if the cure is made as outlined above, then it follows that present deliveries of power would not be curtailed. But it would be equally true that at some time in the future Washington public agencies would be unable to secure from the Federal system all of their load growth requirements to the extent that Federal power was reserved for Oregon or other States in order to make State allocations meaningful. Interestingly enough, this should have the effect of securing widespread public support for an accelerated Federal construction program, since the additional Federal power would tend to meet the public agency requirements, and by virtue of increasingly larger State allocations would benefit customers of the nonpreference distributors.

The remainder of this letter will be devoted to answers or general observations, as the case may be, to the questions raised by you, Senator Neuberger, in your letter to me of April 2. You raised the question of whether a geographical allocation of John Day power would set up a yardstick to be used to our disadvantage in the future, and in that connection observed that such geographical allocation might not operate to the best interests of Oregon if one assumes an accelerated Federal development encompassing such projects as those on the lower Snake, Bruces Eddy on the Clearwater, Libby, Glacier View, Paradise, and so forth.

First, let me reiterate that my idea for a "fair and equitable" allocation is not one based upon plant locations. I say this, despite the fact that our data and charts left with you indicate clearly that Oregon would be far better off with a geographical allocation than it will be under existing statutes and contracts. But the same data indicate that it would be even better off if weight is given to population, which must be done if the allocation is to be fair and equitable.

You also observed "moreover, its consideration assumes little further Federal development in the Columbia Basin." I have no doubt others feel that our suggested allocation procedure is deficient in not giving enough weight to the results which would flow from a greatly accelerated Federal construction program. From the best information I have, it is my considered belief that an accelerated Federal construction program will not materially solve the Oregon power problems which I have heretofore delineated to you. On the contrary, I believe that such an accelerated program will, by and large, merely keep pace with the load growth of the public agencies, with most of the power output going to Washington, and with Oregon still the low man on the totem pole.

To support my conclusions, I enclose a table which shows Federal power existing and under construction as of June 30, 1956; the amount of non-Federal power existing and under construction as of the same date; and the amount of power authorized for Federal construction but not yet started. Please note that this totals 16,290,920 kilowatts of installed capacity, and let me particularly point out to you that it does not include any of the several potential power developments on the middle Snake, nor the Wells project on the Columbia for which the Douglas County PUD has a preliminary permit, nor Bruces Eddy, Glacier View, Paradise, and others, some of which you mentioned in your letter. The total is also exclusive of the city of Tacoma's projects which are partially constructed but presently held up indefinitely on account of litigation.

It is generally known that the Pacific Northwest area has a hydroelectric potential of approximately 35 million kilowatts. It is highly important, but not so generally known, that of this amount probably not more than 22 million kilowatts can be developed on an economical basis. That is the figure supplied to me by General Walsh, whose opinion is shared by competent engineers throughout the area. It is a simple question of economics. The cost per kilowatt of installed capacity is on the increase, as the sites become less desirable and farther removed from load centers, and because of rising costs. The cost per kilowatt installed at Wells, for illustration, is estimated to be close to $400. This cost, with transmission added, indicates that it and many other similar projects are borderline in comparison with steam.

If one assumes the 22-million-kilowatt figure reasonable, as I do, then the difference between this and the total shown on the enclosed tabulation is only some 5,710,000 kilowatts which, added to the authorized Federal projects not yet started, gives us a total of about 8,300,000 kilowatts of feasible hydro capacity yet to be developed. For the sake of the illustration, let's assume that the United States builds it all by 1980, which would represent a truly accelerated Federal program. This much capacity is equivalent to about 6,600,000 kilowatts of dependable peak at 66-percent-load factor, which is the average load factor at which the public agencies purchase Federal power. I am reluctant to give you so much arithmetic, but it is necessary to prove the point.

You may recall from table 8 of our company study on Federal Power Sales by States that the private utilities will presumably have their power withdrawn by about the end of 1964, which marks the beginning of the time when the public agencies will be unable to secure their expanding requirements from the Federal system. At that

time the Washington public agencies will be using about 3 million kilowatts of Federal power and the Oregon public agencies about 550,000.

The importance of these figures is simply that the public agenices have the contractual right to secure, if possible, their load growth from the Federal system. This load growth can be estimated to be about 7 percent annually, compounded; and if so, it will absorb the 8,300,000 kilowatts of additional Federal power assumed to be available by 1980. Stated in another way, the requirements of the public agencies will in 1980 at least equal, and very probably exceed, the entire capacity of the Federal system in being at that time.

In my opinion, the date of 1980 is unrealistic; and in fact the available Federal power for the public agencies will be exhausted sooner, probably by 1975. This is for several reasons. One is that it is unlikely that the United States will build all of the 8,300,000 kilowatts of capacity mentioned above. Some of this, not authorized for Federal construction and where FPC permits are outstanding, is very apt to be built by non-Federal agencies. The second reason is that it appears wholly improbable that the public agenices will be permitted to absorb all of the power now being sold to industry, even though the industry contracts do run out in the early 1970's. Also, I have to reject the possibility of the public agencies being permitted to absorb the power now being supplied to Federal agencies such as Hanford. Furthermore, if one assumes the Federal agency and industry loads will be served, then more than 8,300,000 kilowatts must be installed for the public agencies. It seems most unlikely that even under an accelerated program the United States, would in 23 years, do this and still complete the 1,455,250 kilowatts now under construction. This compares, for example, with 5 million kilowatts of installed capacity built since 1933.

In the John Day illustration it was shown that 1 year after its completion the public agencies absorbed all the firm power, with the lion's share going to Washington. It is equally apparent that if one starts in 1964–65 with Washington public agencies requiring 3 million kilowatts of Federal power and Oregon's public agencies 550,000 kilowatts, with each compounded annually at 7 percent, Washington will continue to monopolize available Federal Power.

In the interests of accuracy, I should point out two factors which could alleviate slightly the situation for nonpreference customers. The first is that we are discussing dependable capacity in an adverse water year; and thus in more favorable years there should be substantial quantities of secondary power upon which the public agencies would have a preference, but which otherwise might be made available to the customers of the private utilities, or to interruptible aluminum load, or to both. The second is that to the extent that the municipals, such as Tacoma and Eugene, could solve their legal difficulties and build their plants more rapidly, they might buy less Federal power for a period of time, which power in turn conceivably could be made available for nonpreference customers.

With respect to a solution, I appreciate Senator NEUBERGER's interest in the provision for a State allocation of power from dams in the Missouri River Basin included in S. 497, and his query as to my comments on its applicability to the Northwest situation. First, my apologies for not answering this query sooner, but I had hoped to cover it in personal conversations either in Washington or here, and had the further thought that perhaps my general comments at the breakfast meeting would suffice. I do think that the provision is a very interesting and helpful precedent for our problem. However, I must reiterate that any legislative language to cure the Northwest problem would have to be especially tailored and should not necessarily follow, word for word, that included in S. 497. In the Missouri Basin, as you perhaps all know, the basic problem was the desire of South Dakota and other States in the basin to protect their people against the public body preference which would be asserted by the public power State of Nebraska. To that extent, it is analogous with the problem of Oregon, Idaho, and Montana, as contrasted with Washington. However, in that case it was a problem of too many preference customers for the available Federal power; whereas out here it is a problem of giving equitable treatment to the majority of people, even though they are not preference customers by reason of their choice at the polls. Parenthetically, the Missouri Basin language contained in S. 497 is significant because it demonstrates the ultimate need for some method of allocation of federally generated power when the demand of preference customers exceeds the available supply. This is the exact situation which would occur in the Northwest if the State of Oregon could, through a State power authority, assert preferential rights for Federal power on behalf of its nonpreference citizens. Thus it appears obvious that a State power authority as a middleman on Federal power is no answer to our problems. Such an authority as a Johnny-come-lately in the preferred customer class could hardly expect to take any power away from the older established preferred customers until the expiration of their contracts which would be, generally speaking, in the early 1970's. At that time, if they are all put on an equitable basis, someone would have to make an allocation of power by States.

It is the sincere hope of my associates and me that the Oregon delegation will reach a conclusion that some legislative remedy is needed at the Federal level and that it will undertake to secure it as expeditiously as possible. Such remedy might be included with respect to possible appropriations for the John Day Dam; or failing in that, it might yet be included on the House side in S. 497 without suffering the delays which might be incident to new legislation, or possibly a clarifying amendment to the Bonneville Project Act.

Let me reiterate our offer to assist in any way we can with respect to this problem, including the submission of proposed legislative language for your consideration if you so desire. The Northwest Utilities Conference Committee will be in Washington on May 16 and 17, prepared to make statements in support of various Federal appropriations as previously outlined to you, and of course we will be represented. It is entirely probable that this company, and perhaps others, will make additional supplementary statements indicating the need for a fair and equitable allocation of Federal power for the benefit of the citizens of Oregon and the citizens of other affected States.

Sincerely yours,

THOS. W. DELZELL,
Chairman of the Board and Chief Executive Officer.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized

	Installed capacity in kilowatts	
Federal: [1]		
Federal projects existing as of June 30, 1956		5,059,000
Federal projects under construction		1,455,250
Federal subtotal		6,514,250

[1] See table X, p. 32, BPA annual report for 1956.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized—Continued

	Installed capacity in kilowatts	
Non-Federal: [2]		
Public agencies—existing	1,156,210	
Private utilities—existing	2,079,560	
		3,235,770
Non-Federal: [3] Under construction		3,963,900
Non-Federal subtotal		7,199,670
Federal: [1] Authorized projects (not started)		2,577,000
Total		16,290,920

[1] See table X, p. 32, BPA annual report for 1956.

[2] See BPA advance program for 1956, table 1.

[3] See p. 21, BPA advance program for 1956; 4,147,450 kilowatts, less city of Tacoma plants in controversy and Utah steam, but plus P. G. E.'s Clackamas River projects and Pacific Power & Light Co.'s Swift project. This excludes several large projects under FPC permit but not yet licensed or started.

Mr. MORSE. As I have pointed out to Portland General Electric Co. officials and to others this really involves a proposal for a reevaluation of the so-called public preference clause.

Last Monday morning, at a meeting of the Democratic members of the Oregon delegation, we discussed Mr. Delzell's letter, and following that discussion I wrote a letter under date of May 14 in reply to Mr. Delzell. I ask unanimous consent that my reply to Mr. Delzell be inserted in the RECORD at this point as a part of my remarks.

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

MAY 14, 1957.

Mr. THOMAS W. DELZELL,
Chairman of the Board, Portland General Electric Co., Portland, Oreg.

DEAR TOM: Many thanks for your detailed letter of May 8. As one of those who attended the breakfast conference with you a few weeks ago in Washington, I assure you that our discussions at that time were most helpful on the subject that is of great importance to all of us, namely, the Pacific Northwest power situation.

You were advised that the Oregon Democratic delegation would again discuss, at its May 13 delegation breakfast, the power problems facing Oregon including your presentation of the distribution difficulties that you foresee. However, each member of the delegation will of course speak for himself. This letter will restate some of my basic beliefs on resource development, particularly as they relate to your proposal for some system of allocating power to Oregon from the John Day Dam.

Because of the impending date of the hearings on the public works appropriations, I am not at this time commenting in detail upon the many points contained in your letter, but am, rather, limiting my comments to the relationship between your suggested allocation of power to Oregon and the possibility of obtaining appropriations for John Day Dam. That is the main subject of this reply to your letter. Naturally, the problems of future hydroelectric power for Oregon which we have discussed with you will continue to have further detailed attention by our delegation, both individually and at our biweekly meetings.

The immediate task at hand must be to carry on in the closest possible collabora-

tion with like-minded delegations from other States in the Columbia Basin in the fight for basin development, which continues to be faced with the opposition and hostility of the administration. Under these circumstances, it would be folly to introduce new factors which could only impair this collaboration upon which our hope of future success must rest.

1. This full development program for the basin has been slowed down in the past 4 years through the active opposition as well as the heel dragging of the administration. The scuttling of full river basin development by the administration has been aided and abetted by groups within our own State and elsewhere in our region who have fought against Federal development of our few remaining great multipurpose dam sites such as John Day Dam and Hells Canyon by joining in the diversionary tactics of the so-called "partnership" scheme.

The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:

"The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction." (hearing, February 7, 1957, p. 115).

By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.

The administration has just signed a $107 million initial contract—the largest ever signed—for Glenn Canyon Dam on the Upper Colorado River, but has not asked one cent for John Day Dam construction.

Since it appears that you and the Oregon Democratic delegation are in agreement on the need for immediate construction of John Day Dam, we hope that you will use your good offices with this administration in an effort to obtain withdrawal of its opposition to Federal construction of John Day Dam.

2. It will be difficult enough under the existing situation, as described above, to obtain an appropriation with which to start construction of John Day Dam without adding to our problems the matter of the future allocation of power from it. In addition, as we discussed with you, substantive legislation to resolve the proper allocation of power among the interested States, if included in an appropriation bill, would be subject to a point of order.

I feel that the immediate problem is that of securing additional low-cost Federal power and that our united efforts should be directed toward that end. By diverting our energies away from this main goal, we will weaken the possibility of obtaining our primary objective.

3. Winning an appropriation this year for John Day construction in the face of the administration's opposition will be difficult at best and to inject substantive language dealing with allocations would only create additional hazards.

Looking beyond the immediate problem of appropriations for John Day Dam and with respect to the points you raised in your letter concerning power allocation to Oregon, we will give continued thought to the problem. However, the Democrats of the Oregon delegation always have supported the public agency preference clause in the distribution of public power. I must stress this basic concept of our public power law which was included in the Bonneville Project Act under the leadership of the late Charles McNary, Oregon's great Republican leader, who fought a memorable battle for full development of the electric power potential of the Columbia River Basin.

As you yourself recognized during our breakfast conference in Washington, I am satisfied that any solution to the problem of fair allocation of electric power generated at Federal dams in the Pacific Northwest must be made within the framework of the preference clause.

4. I believe that further consideration should be given to creating within the State of Oregon preference customers which may claim for our State in the future a continued fair share of the federally generated power in the Columbia River system. This may require modernization of the State laws under which such municipal, PUD, or other preference systems may be created.

I also believe that there should be further discussion and serious consideration of a State industrial power agency to represent the State of Oregon as a preference customer in obtaining federally generated power for Oregon's economy where, in the judgment of the agency, it is most needed. Despite possible present problems of administrative interpretation of the Bonneville Act, I believe that the qualification of such an agency as a preference customer could be established by proper administration of this act—or, if the agency should meet opposition to its requests from the Federal executive departments involved, then I believe the matter can be resolved through amendments of the Federal law.

As I have indicated many times before, for example, in the newsletter to which you referred, summarizing my presentation at the National Hells Canyon Association meeting last December—consideration should be given to fair long-term contracts to private utilities for power, to serve their customers, from a common pool of power from all utilities, public and private. The first essential, as I have stressed for many years, is to do everything possible to assure sufficient power to meet the expected needs of all power users so that there will be an adequate supply for allocation. In other words, the first essential of a sound power program for Oregon on the Columbia Basin is rapid development of low-cost generating capacity to avert shortages. That is why I work so hard for full and rapid Federal development of John Day and Hells Canyon Dams. In view of the great need of all power users and utilities, I remain at a loss to understand why the private utilities have opposed the Federal power program, particularly John Day and Hells Canyon, which are so essential to their own future power supplies.

It is my firm purpose to concentrate on averting power shortages in Oregon by doing everything possible to achieve maximum development of our river resources as speedily as possible with supplemental power from atomic generators at Hanford. It will be difficult, indeed, to make up for the time lost during the last 4 years, but that loss of valuable time makes it all the more necessary to concentrate on acceleration achievement of the Federal main-control plan without disruption by so-called partnership.

In closing, let me again express my sincere appreciation for your courtesy in conferring with us about this vital problem of Oregon's future position with respect to the Federal power program. I am sure that we will continue to exercise the utmost of our efforts for full development of Oregon's great natural resources and those of the Pacific Northwest to the end that the interests of all the people may be served to the maximum.

With kindest regards.

Sincerely,

WAYNE MORSE.

Mr. MORSE. Mr. President, I wish to say by way of explanation that I am speaking at this late hour because earlier in the day I agreed with the leadership to withhold these comments until action had been taken on the appropriation bill. I had no idea that debate on the appropriation bill would consume as much time as has been taken.

However, I am speaking about matters which have already been referred to the Press Gallery, and have already been referred to individuals and organizations in my State, and which will be the subject of considerable discussion in my State tomorrow. Therefore, in fairness to my own record, I must take the necessary time tonight to make these statements.

As I was pointing out, the great concern of the Portland General Electric Co. and other groups, including the Eugene Water and Electric Board of my own hometown, about which board I shall have something to say shortly, is with proposals which involve a modification of the preference clause.

I have made clear in my reply to Mr. Delzell that, speaking for myself, I am not prepared to support any proposal for any modification of the preference clause. The preference clause in the Bonneville Act was the brainchild of a great Republican leader in our State, the late Charles McNary. Senator McNary recognized the importance of providing power from public dams to public bodies by preference.

At the time of this historic fight over the Bonneville Act, we were confronted in the Pacific Northwest with the policies of the private utilities. These policies have been, whenever a public yardstick with which to check them was not available, to charge what the traffic will bear.

That great Republican leader from our State, Senator Charles McNary, battled against the private utilities; and I do not intend now, as a Democrat, to let Charles McNary down. He made great contribution to the power program of the Pacific Northwest.

That does not mean that the senior Senator from Oregon is not perfectly willing to sit down with the spokesmen of this administration and consider a reappraisal and reevaluation of the power program. I have said that for many months past, and I said it in December in a speech delivered in Portland, Oreg., before the National Hells Canyon Association. The Democrats in the Oregon congressional delegation have made it clear to the President of the United States that we are perfectly willing to sit down with his administration to consider a reappraisal of the power problems of the Pacific Northwest.

We suggest again that the election results of 1956 warrant such a joint conference. We predict that the election results of 1958 and 1960 will make perfectly clear to this administration its

shortsightedness, if it stubbornly insists on a continuation of a power program that cheats the American people out of their just dues from their own heritage in their own rivers.

Mr. President, I wish to make it clear that, in spite of the past record of the Portland General Electric Co., of the Eugene Water Board, and of other representatives of the private utility point of view, my mind is open for a consideration of any reasonable proposal that they want to have considered. I have made that clear to Mr. Delzell, the chairman of the Portland General Electric Co. However, as I have indicated very clearly in my letter of May 14, and do now on the floor of the Senate, for the knowledge of the people in my State and elsewhere, I certainly am not ready now to commit myself to any proposal made by any group—private utility or public group—until there has been ample time to consider the matter, to study it and to find out what the facts are, and before those facts are presented in an appropriate hearing in Congress with relation to an appropriate bill.

Any proposal to solve this problem by way of a rider on an appropriation bill, I cannot accept. That is what the Portland General Electric Co., through Mr. Delzell is proposing.

Many times, as the record will show in the last 13 years, I have presented objections on the floor of the Senate to substantive legislation being added by way of riders to appropriation bills.

I do not think that that is the appropriate way to legislate. Furthermore, as I have indicated in my letter to Mr. Delzell, any proposal for a consideration of this allocation problem should be separate and distinct from the main problem that confronts us, namely, getting on with the construction of the very much-needed multiple-purpose dams. I want to get the dams built first.

When I say that, I only reiterate the position taken by Senator Charles McNary. Many a time when these conflicts developed over power dams in the Pacific Northwest, Senator McNary used to take the position that we ought to get on with the building of the dams; that the people want the dams; and that once we get the dams built and the generators start to generate power, there will be plenty of time to determine the administrative program that is to be followed in transmitting the power and in allocating the power, and in determining how we shall handle the operation of the dams.

That advice of Senator McNary, given many times in his day, is just as sound today.

Therefore, Mr. President, I am not going to be diverted from what I think is the primary job that confronts this Congress in regard to the John Day Dam, namely the job of getting appropriations for construction. I point out in my letter to Mr. Delzell that what we are up against, of course, is a hostile administration, an administration which proposes not one red cent for John Day in its budget this year. Why? I will tell the Senate why. I will tell it my suspicion. It does not like it, because it has not been able to get by with its partnership steal of the public's interests in John Day Dam power. That is why. We have stopped them cold so far.

To whatever extent I am able to continue to stop them cold on a partnership giveaway at John Day, I shall continue the fight. I do not propose to let President Dwight D. Eisenhower get by with that kind of handout to private utility interests. He is trying to get by—although we shall renew committee hearings on Friday—with a shocking giveaway to the Idaho Power Co. of millions of dollars, taking the money right out of the pockets of American taxpayers, by way of the accelerated amortization tax certificates that his Office of Defense Mobilization has given to the Idaho Power Co.

The American people will be told the unpleasant facts about the President in regard to the power matter. He is wrong about this, as he was wrong about Dixon-Yates. Once the people of this country came to understand the kind of political immorality inherent in the Dixon-Yates situation, for which the White House had the responsibility, the administration changed its policy. I am satisfied that once the American people come to understand the political immorality of the Dwight D. Eisenhower partnership program, they will be heard from, and they will force upon the President a long overdue change in that policy.

But, Mr. President, these reactionary fat cats die hard. They seem to have the proverbial nine lives of the cat. Only this year, one of their spokesmen before a congressional committee, Mr. Robert H. Merriam, as I point out in my letter to Mr. Delzell, had this to say. I read this paragraph from my letter to the chairman of the board of the Portland General Electric Co.:

> The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:
>
> "The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction."

That was Mr. Merriam's testimony on February 7, 1957.

Apparently the President never heard of the election returns. Apparently nobody was so fair as to notify the President of what occurred. One of the things about which I feel so badly is the way in which the President is treated by his advisers. They keep him so uninformed about the public's business. I feel very badly that no adviser of the President, apparently, ever told him about the Neuberger-Coon debates. Mr. Sam Coon, up until the last election, was a Representative from eastern Oregon, in which district the John Day Dam will be located.

Mr. Coon challenged my very able colleague, the junior Senator from Oregon [Mr. NEUBERGER], to a series of debates on partnership for John Day Dam, in which Mr. Coon tried to uphold Dwight D. Eisenhower's position on partnership for John Day. Senator NEUBERGER opposed partnership.

The record will speak for itself. Of course, the administration does not have the facts in support of partnership which will stand up in debate. Therefore, Mr. Coon's allegations failed to stand up, and he failed to be reelected. The people of his district understand the partnership issue. They know, as I said so many times during the campaign last fall, that under a partnership the ordinary practice is that the partners share the profits, unless there is a special agreement whereby one partner is to be given some advantage. I taught a course in partnership law for some years, and that simply happens to be an elementary principle of partnership law.

But that is not the Eisenhower scheme. Under the Eisenhower partnership scheme, the private utilities take the profits, and the people pay for the fish ladders and for all other nonreimbursable costs of the dams.

But people talk about political morality. It can be seen that what the Eisenhower administration, through Mr. Merriam, is saying, in effect, to the people of the Pacific Northwest is, "You will get the John Day Dam when you yield to our pressure on partnership."

I want to tell the Eisenhower administration that they are going to lose more and more men at the polls if they hold to the Merriam point of view as expressed on February 7 of this year.

To show you, Mr. President, the discriminatory policies of the Eisenhower administration, let me read what they have done to the upper Colorado. I was for the upper Colorado project. I supported the upper Colorado proposal. Some of the supporters of the upper Colorado project have made public statements expressing their appreciation for the support I gave them on the upper Colorado.

I am for the upper Colorado, and I am for substantial appropriations for the upper Colorado this year. I understand the request is for $25 million. I think we ought to proceed with the upper Colorado, because it is a great water service project. It will be costly—exceedingly costly—but if we think about the future, if we think about the American boys and girls of 100 years from now, we in Congress will start to appropriate money for the construction of the upper Colorado project. This is what I said in my letter to Mr. Delzell:

> By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.
>
> The administration has just signed a $107 million initial contract—the largest ever signed—for Glen Canyon Dam on the upper Colorado River, but has not asked 1 cent for John Day Dam construction.

The private utilities are not interested in the development of power projects in the upper Colorado, because they would be too costly. But over in the Columbia Basin and the Snake River, where there is a great abundance of water, the private utilities are very anxious to come in and to skim off the profit cream. They want to get control of John Day. They want to block forever the construction of Hells Canyon Dam. As I said in Salt Lake City at a water conference only last Saturday, it is a shocking example of privateering.

Mr. President, I give this advice to the private utilities, as I said to Mr. Delzell in my letter: Come on and join with us in getting the money to start the construction of John Day Dam, because the great power shortage in that region certainly shows the need for it Make it perfectly clear to the administration that it is politically immoral for the administration to put this kind of economic blackjack on the people of Oregon, Washington, Idaho, and other areas in the Pacific Northwest which need so much the power from John Day Dam. Say to the administration that the time has come to stop this kind of political duress and coercion. Take this matter out of politics.

One of the things we hear now from the proponents of partnership is that the issue should not be in politics. Who put it in politics? One Dwight D. Eisenhower put it in politics. He can take it out of politics by taking a look at the tabulation of the will of the people of the Pacific Northwest, and proceed to work out with us a reappraisal of the entire program.

I make that plea again, as I now discuss the request of the private utilities that the Democrats in the Oregon delegation give some consideration now to the plight in which the private utilities in Oregon find themselves.

I could be unkind about it, but I have no intention of being unkind. The private utilities are entitled to their views, and they were entitled to make the kind of fight they made, if they wanted to fight that way. Now that the battle is over, and the results are in, I, as a Senator from Oregon, am a Senator for all the people of the State, including the executives of the private utilities, for the term of my office. I have told them that I want to be of help in solving our power problem out there. But the record needs to be clear, too.

I am very glad that some of the officials, at least, of the private utilities, even if somewhat belatedly, are now taking a long look at the power situation in the Pacific Northwest. Although they tried to scuttle the rights of the people to the John Day Dam by having it made a partnership plan whereby the Portland General Electric Co. would have taken the profits away from the people, they now feel that there should be a reappraisal.

Mr. President, the record should be clear that members of the staff of the Portland General Electric Co. and the Eugene Water Board traveled with Mr. Sam Coon, during the famous Neuberger-Coon debates, and helped supply Sam Coon with the private-utility propaganda he used during those debates.

Mr. President, these are the men who tried to scuttle the people's rights at the multipurpose dam at John Day—a dam to belong to the people of the Nation, not a dam which would be but a source of power controlled by private utilities. That is the record. So, Mr. President, we shall begin with that point; and in my letter to Mr. Delzell I have made that perfectly clear.

We now have a private utility which was putting on a tremendous fight, a year ago, in trying to help the Eisenhower administration politically steal the power of the John Day Dam for the benefit of monopolistic forces which so dominate this administration that sometimes we cannot tell the difference between the President's statements on this matter and the full-page advertisements of the private utilities, published in our leading magazines, and paid for, in the last analysis, by the electric power ratepayers. In the case of the tax issue, Mr. President, we have listened to the private-utility officials verbally bleed about the taxes they pay into the United States Treasury, but I wish to point out that, in the first place, they are only driblets; and, in the second place, the private utilities do not pay them, for they are paid by the ratepayers. Certainly they are very, very small as compared with the great amount of taxes going into the Federal Treasury from the industrial developments which have resulted from the postage-stamp power rates which we were able to obtain from these dams because they belong to the people, not to a private utility. The interest on the investment in them is paid ahead of schedule, and the investment in them will be paid out before the schedule now calls for payment.

Mr. President, I wished to make this statement about this matter because I know there will be uninformed sources in Oregon who will fall for the propaganda of reactionary forces to the effect that the senior Senator from Oregon is seeking to prevent the maximum development of the power potentials of the Pacific Northwest, whereas the exact contrary is the case.

As I have pointed out, the responsibility rests upon those who have tried to foist upon the Pacific Northwest the phony partnership scheme of the Eisenhower administration.

One of the cohorts in this political theft, Mr. President, happens to be the Eugene Water Board, of my hometown. In name, it is a municipal ownership body. However, as I have said from the political platforms of Oregon, it is nothing but a bellwether of private-utility forces, which have taken personnel from that board and have sent it to Bonneville, under the Eisenhower administration, to help wreck the public-power program of the Pacific Northwest.

So, Mr. President, the other day I received from them a telegram. I ask unanimous consent to have the telegram I received from the Eugene Water Board printed at this point in the RECORD.

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

The Honorable WAYNE L. MORSE,
United States Senate, Senate Office Building, Washington, D. C.:

We understand that a meeting of the Oregon Congressional delegation is scheduled for May 13 at which time the subject of Oregon's future power supply will be discussed.

The figures showing Oregon's decreasing percentage of power from the Federal system under the present marketing procedures are well known to you and need not be repeated here. Loss of this power would require early recourse to high-priced thermal generation and would be a serious blow to the economic welfare of the State. We request that you give serious consideration to the problem and take action as necessary to assure the citizens of our State a fair and equitable share of the Federal output. We are urging the Appropriations Committees to authorize a full-scale start on the John Day project and know that you are working hard for this new start. We specifically request that the appropriation bill contain language that will provide for a fair allocation to Oregon of the output of John Day and future Federal projects. This is particularly important since Oregon's hydro potential is limited. Preference to public bodies would still apply within the State allocation.

We are citizens of Oregon first and operators of a publicly owned utility second. We believe that preserving our State's competitive position by assuring all of its people a fair share of the low cost Columbia power is of paramount importance.

This message sent to each member of Oregon's delegation.

EUGENE WATER AND ELECTRIC BOARD.
EUGENE, OREG.

Mr. MORSE. Mr. President, the telegram speaks for itself, as does my reply. My reply reads as follows:

MAY 15, 1957.

EUGENE WATER AND ELECTRIC BOARD,
Eugene, Oreg.

GENTLEMEN: This will acknowledge your recent telegram in which you commented upon the Pacific Northwest power situation, with special reference to the John Day Dam. My comments on that subject are set forth in the enclosed letter dated May 14 addressed to Mr. Thomas Delzell, chairman of the board of the Portland General Electric Co. The enclosure will provide you with my detailed views on the topics discussed in your wire.

On the subject of providing Oregon with a fair allocation of the output of John Day Dam and future Federal projects, I recall with a great deal of regret that over the past several years the Eugene Water and Electric Board failed to support a program for full development of our great Federal multipurpose dam projects in the Columbia River Basin.

Many of us warned the Eugene Water and Electric Board that its participation in the so-called partnership scheme of the administration would slow down construction of urgently needed power generating facilities in the area. By acting as the bellwether of the private electric utilities in trying to bring about a phony partnership development of Cougar Dam and by strongly supporting the "partnership" scheme for John Day Dam, you have contributed substantially to the setback of an orderly plan for full development of our great multipurpose dam sites.

It is indeed ironic that your organization, which worked so diligently in a program that curtailed Oregon's hydroelectric development, now deplores what is described in

your telegram as the limited hydroelectric potential of Oregon.

I am happy to observe that you now plan at the 11th hour to work for a full-scale development on John Day Dam. I shall continue to work as I have in the past for development of this and other great multipurpose projects in the public interest.

Sincerely,

WAYNE MORSE.

Mr. President, my name is signed to the letter. I think the language of the letter is subject to clear understanding, Mr. President. I always strive to reply to my constituents in language they can understand. When I received the telegram from the Eugene Water Board, and when I recognized the so-called political strategy behind the telegram, I deemed the answer I wrote to the board very appropriate.

Mr. President, let me say to the Eugene Water Board and to the private utilities of my State and to the people of my State that the job which confronts the Oregon delegation at this session of Congress, as I see it, in regard to the proposals for appropriations for very-much-needed electric-power dams in our State, is to get on with their building, just as Charles McNary used to point out on this floor.

Once we get the supply of power that is needed, then, under the pooling principle of the Bonneville Act, we can work out a fair formula for allocation and distribution. But, Mr. President, our real problem is lack of supply of power. One of the reasons why we suffer from that lack of supply is the shortsighted policy which has been followed not only by the private utilities of our area but also by many of the businessmen of our area. They have suffered from economic myopia. They have fallen for the private-untility monopoly propaganda. Chamber of commerce after chamber of commerce has been sucked in, as not only my mail but also some of the personal representations I have received from some of their representatives clearly show. Every business house in the State of Oregon has nothing to gain and has everything to lose by following the private-utility "line" about partnership development of multipurpose dams, because in the long run that would mean high, costly power rates; and in view of the great freight-rate differential from which we who live on the Pacific Coast suffer, as compared with the freight rates charged to those who live in the East, we simply have to have lower power rates if we are to compete. Yet a so-called public body, the Eugene Water Board, permits itself to be used as a bellwether for that kind of misleading treatment of the American people.

Mr. President, it has not been easy to fight, as I have for 13 years in the Senate, for the interest of the public in this matter, against the terrific odds of economic power. But if the private utilities want to join with me now and if the Eugene Water Board wants to join with me now, I welcome their help in urging upon this administration that funds be appropriated to start John Day Dam now. I give them my assurance that we will then, after we get the dam well under way, give careful consideration to various proposals for the most equitable allocation of the funds.

I want to say, Mr. President, so that the representatives of the Washington Congressional delegation will know that I have said it publicly, that I do not intend at this time to support any proposal by way of a rider on an appropriation bill dealing with the subject of the allocation of power as between Oregon and Washington. In the first place, I do not think that is the place to consider it. I do not think that is fair to my colleagues from other States. Secondly, I think it ought to be considered when we reach some common agreement, if we can reach some common agreement, by way of a piece of substantive legislation dealing with this matter of the allocation of power.

I wish to point out to the people of my State that I would not be representing them very well if I took any other course of action, because all I would do—I say to my fellow Oregonians from the floor of the Senate—would be to arouse, and rightly, the opposition of every Member of the delegation from the State of Washington. Why should they sit in the Congress of the United States and permit the senior Senator from Oregon to attempt, by way of an appropriation bill rider, in the necessary haste that could not be avoided in the consideration of an appropriation bill, to make a matter of law a formula for the allocation of power in which there has not been long study and careful deliberation by the Congress?

That is not the way that I deal with my colleagues in the Senate. It certainly is not intended by the proponents of the General Electric Co.'s proposal, and in fairness I want to say this, to take advantage of anyone. I do not think, however, this is the propitious time to go into this matter.

I think due notice shall be given to the delegation from the State of Washington about the concern we have in Oregon that we are not getting a fair share of our power in the Pacific Northwest, based upon population. But that is not the only criterion, Mr. President; there are others. Of course, Mr. President, we, as I indicated earlier, really would reduce this problem to a minimum of consequence if we build the dams, increase the supply, and pool the power.

As the Senate knows, I have taken the position taken by McNary, because, in my judgment, there is very little difference between the power program for which I have fought for 13 years here in the Senate and the power program of two of the men who, in my opinion, have had more to do with the development of our power program than have any other Members of the Senate, past or present—Charles McNary and George Norris. They, too, took the position, Mr. President, that we ought to get the supply of power solved first by building the dams.

Now, Mr. President, I have my differences with some of the public power advocates in my State. In fact, I have learned, Mr. President, that on any controversial issue, if one is going to dedicate himself to the public interest in the issue, he will usually find himself at odds with some of the advocates on both sides of the controversy.

I have received some criticism, Mr. President, over the years from some of the public power advocates because for a long time I have taken the position, and reiterate it tonight, that if the private utilities cooperate in the pooling policy—and it is the only policy that will guarantee a lower electric power rate—then they are entitled to long-term contracts for power out of the common pool, not necessarily limited to the amount of power they put into the pool.

I am using this language very advisedly, Mr. President, because this is the language in my speeches and writings on this subject that both sides go over with a fine-tooth comb, trying to read their own meaning into it instead of mine. Let me make that meaning clear again tonight, because I know what is going to happen in my State in the next few days on this matter.

I repeat my position. I am for assuring the private utilities of long-term contracts for power out of a common power pool, not necessarily limited to the amount of power they put into the pool.

You see, Mr. President, it is that language, "not necessarily limited to the amount of power they put into the pool," that some of the public power advocates do not like. I suppose if I were for a public power monopoly, I would not like it, either; but I do not happen to approve of a public power monopoly any more than I approve of a plan whereby the private utilities will have a monopoly on the power. I take the position that we need, and we should have, both public and private utility power.

I take the position, and I must reiterate it here tonight, Mr. President, even though it takes time, that there are 3 essentials to a sound power program for the Pacific Northwest. They happen to be the same principles that Charlie McNary fought for. First, that the Federal Government build the multipurpose dams; second, that the people of the United States—all of them—own the dams, but no part of the dams be owned by a private utility; and third, that those dams then be used in connection with a basin account approach for full river basin development.

The Eisenhower administration apparently just does not understand these three points, Mr. President. They have never caught the vision, because apparently they never studied Teddy Roosevelt's and Gifford Pinchot's great contributions to our whole conservation program, as far back as 1906, because that is where it goes back to. This is the Teddy Roosevelt-Gifford Pinchot power philosophy, Mr. President, that our river basins ought to be fully developed, not underdeveloped, as Dwight D. Eisenhower proposes.

Oh, I am sorry. I too, would like to speak in most glowing terms about my President, but I cannot do so on this matter, because the record does not support him. The most kindly thing I can say is he is just uninformed, but that does not help the people's interest any. I do not think he understands full river

basin development. His public pronouncements show he does not understand it.

If we are going to have full river basin development, Mr. President, then in my judgment we have to support a basin account program, which means, to make it specific, that we have to have the power revenues belonging to the people used in part to pay for other costs of full river basin development, such as reclamation.

The present Presiding Officer (Mr. YARBOROUGH in the chair) comes from a great State in which there is not an abundance of water, but a scarcity of water. I come from a great State in which there is an abundance of water. The present Presiding Officer of the Senate comes from a State in which, up until recent weeks, 244 counties out of 254 counties have been water distress areas, and were so designated officially.

The present Presiding Officer of the Senate knows that the economic future of his State rests upon the water table of Texas. I apply that nationally. The future level of America's civilization depends upon the level of her water table. Unless we protect that water table, Mr. President, by a sound conservation program, generations of Americans not so many centuries hence are going to find themselves living not in a high civilization but in a backward civilization, because history teaches the undeniable lesson that the water table of the nation becomes in large measure the level of the civilization of that nation.

I have cited historic examples before. China was at the height of its civilization when its water table was the highest. The Middle East, tinderbox of the world tonight, was an area not so many centuries ago where four times the land space, compared to now, was under green vegetation. Why? Because the people of the Middle East centuries ago protected their water table.

It is so easy, in one's time, when selfish economic interests are breathing down one's political neck, to yield, as this Eisenhower administration has yielded, to those interests, but it does not leave a record of statesmanship, just as Dwight D. Eisenhower is leaving a sorry record of political expediency in this matter of natural resources protection. I intend to see that the record is made against him on it, Mr. President.

If we are going to have full river development, Mr. President, we cannot support low-head dams of the Idaho Power Co. which will wash out the greatest remaining dam site in this country, Hells Canyon Dam, with a cost of about 50 percent of the potential of that reach of the Snake River. I am just aghast that any President, given these unanswerable facts, would persist in announcing from the putting green, or any place else, that he is still not for Hells Canyon. I am sorry that any President would take that position of stubbornness, Mr. President; that is just bullheaded stubbornness.

We have to have full river development, Mr. President, if we are going to protect future generations, and we have to have this basin account approach.

I wish to have the record show what I mean by the basin account approach. Last year I was the author of a bill known as the Crooked River project bill, which was a rather unfortunate name. We had a little fun about it at the time. As I have told the Senate once before, after we had passed the bill through the Senate I went over and talked to the great Speaker of the House of Representatives, SAM RAYBURN from the State of Texas, and the great majority leader, JOHN MCCORMACK, from Massachusetts, to ask them if they could not give me a little help in expediting my bill through the House. SAM RAYBURN said, "Wayne, do you think you could change the title of the bill? It would be a little easier if the bill had a different title." But he did a magnificent job, he and JOHN MCCORMACK, and we did get consideration of the bill on its merits, which were recognized by the House. The bill passed and is now law.

The Crooked River project is a project near Prineville, Oreg. The bill provided for the basic theory that a substantial part of the cost of that reclamation project shall be paid for by power revenues from The Dalles Dam, at The Dalles, Oreg., which is one of the great multiple-purpose dams of the West that belong to the public. Questions are raised as to the wisdom of this course of action, but I always point out, Mr. President, that we need these reclamation projects, and now is the time to put them in the bank, so to speak, for future use, because of the fact that population experts are so very much worried about where we are going to get the food supply for the American population by the year 2000.

Yet, we have these proposals for a scuttling of Hells Canyon Dam by this administration, for a sellout to private utilities under the phony partnership arrangement, all of which will result in underdevelopment of our power resources.

I hope, Mr. President, that either the administration will reconsider its sorry record in this matter, or the Congress will do what it did this afternoon, put another check on this administration, this time in the field of natural resources.

Mr. President, if we are to have full river development and develop the maximum potential of the resources of the rivers, including the electric power potential, it is only fair to the private utilities which cooperate in that program that they receive a fair share of the power for their customers. I have said that the first essential is that the multiple-purpose dams be built by the Federal Government, owned by the Federal Government, and paid for out of power revenues; also that some of the surplus of such revenues, over and above the cost of the dams, should be used to pay for other much needed benefits in the economic development of any river basin such, for example, as a reclamation project.

The second essential to a sound power program, as I see it, is that the private utilities be encouraged to build low-head dams at low-head dam sites. I will cooperate, as I have done in the case of Eden Ridge and the dam on the Swift River, and other low-head dams, with any private utility which wishes to build a low-head dam at a low-head dam site.

I also insist that they do not select a site such as Hells Canyon, a great multiple-purpose dam site, and use their proposal for a low-head dam—as the Idaho Power Co. is doing—to flood out and destroy forever a great multiple-purpose dam site.

Furthermore, I insist that they select a site which will not destroy great conservation values such as fisheries, wildlife, or valuable forest conservation values.

Every private utility official in my State knows that that is my position; and yet they continue, along with their reactionary political cohorts, to spread the political poison that I am for Federal power or no power at all. That is an unadulterated falsehood. I shall continue to oppose attempts on the part of private utilities to scuttle great multiple-purpose dam sites. I shall continue to cooperate with private utilities by trying to help them build low-head dams.

I shall continue to insist, as did McNary, that all the power, from both multiple-purpose and low-head dams—that is, from both public and private dams—shall be pooled into a common pool of power and distributed from that common pool in order to guarantee low-cost power.

But if we get that kind of cooperation from the private utilities, they are entitled to a "fair shake," so to speak, in the distribution of the power. As I have said, some of my public power friends do not like the position of the senior Senator from Oregon. They do not like it because I firmly believe that private and public power can coexist, to the mutual benefit of each. They do not like it because I am not a Federal power monopolist. Some of them go so far as not to like it because I will not support proposals which would seek to have all the private utilities in my State, for example, taken over by public bodies.

I think there is a very important place in our economic order for private utilities. I do not think, however, that they, either, should have a monopoly of the power resources of the Nation, because when they do, the record is perfectly clear that they charge all the traffic will bear, and the public suffers.

Those are the three elements of my power program. When I say that the private utilities are entitled to long-term contracts for power out of the common pool of power, not necessarily limited to the amount of power that they put into the pool, I call attention to the area of negotiation which I think should be entered into when each individual dam, as we proceed to build dams, is completed.

There are many factors which must be taken into account, in my judgment, in such negotiations. There is the factor of the customers of the private utility; the expression of the public desire to be served by a private utility rather than a public utility, and so forth. When we have the facts and are satisfied that we know what the desire of the people of the area is, I am not one who will say to a private utility, "You can get out of

the pool only the amount of power you put into it."

On the contrary, I think consideration should be given to the fair and equitable distribution of such power to a private utility, over and above the amount of power it puts into the pool.

What do my critics in the public-power groups say? They say, "Senator MORSE is proposing to emasculate the public-preference clause." I am proposing no such thing. I am only proposing to be fair. I do not think it is fair to say to private utilities, "You may cooperate with us and help to form a common pool, and put power in the common pool which will help us to keep down the power rates, increase business, increase jobs, and increase the productive wealth in our area, but you will not be able to buy back out of that power pool one kilowatt more than you put into it."

I am not prepared tonight, and I do not think anyone can be prepared until the supply question is determined, to make suggestions as to what the formula should be, because we must know what all the facts are after the dams, or many of them, have been built.

I will not hedge on that question. I say to the public-power advocates on the floor of the Senate tonight, "Count me out if, after we solve the supply problem, you want me to go along with any proposal to make available to a private utility only the number of kilowatts it puts into a common pool." That is not fair. The benefit must work both ways.

There are many criteria to be taken into account. I mention only 1 or 2 more tonight. I have already pointed out the desire of the customers. In my State, as contrasted with the State of Washington, there has been a much wider and broader public expression in behalf of service from private utilities. We have a good many public-utility bodies, a good many REA's, a good many PUD's, and several municipal plants. But the total number of customers served by the public bodies represents a minority as compared with the customers served by the private utilities.

I will not, as a Senator representing all the people of Oregon, say to the private-utility customers, "I am going to follow a course of action in the Senate which discriminates against your desires for electric-power service. If you want to be served by a private utility, then as your Senator I have the duty of trying to evolve a formula for allocation of the power which will make it possible for you to have that service, and have enough power to provide that service, on an equitable formula arrangement."

That does not mean that I would destroy the public-preference clause, but I refuse to let the public-preference clause be a sacred cow in my political philosophy. Rather, I intend to continue on this issue, and on all other issues, to ask myself the question, "What is fair to the greatest number?"

Anyone who follows that course of action gets himself into plenty of political hot water. I made very clear in my speech before the Hells Canyon Dam Association in December of last year at Portland that this was my position.

Apparently some thought that I therefore, in this session of Congress, long before the dams had been built, would proceed to advocate an allocation of power which would, in my opinion, do great damage to the public-preference clause. So to the public-power advocates let me make clear tonight in this speech that the presumption, so far as the senior Senator from Oregon is concerned, must continue to be in favor of the application of the public-preference clause, particularly during this period of time when we have a shortage of power. We do not have enough to divide up. We do not have an adequate supply. When we are confronted with that situation, who gets the power in the first instance? The public customers. That was the McNary philosophy. That is why he wrote that into the act known as the Bonneville Act, the theory being that the public pays the cost and the public ought to have first preference.

Now is not the time, in my judgment, to be proposing, by way of a rider on an appropriation bill, any proposal that would result, in effect, in modifying that public-preference clause.

But to the public utilities I repeat what I made clear in my December speech. I favor very much our pulling together, all of us, public-power advocates, private-power advocates, and those of us who believe in a monopoly for neither group, but with service for the public being the most important objective, in a common endeavor to try to get the appropriations necessary to start John Day Dam, to prevent this administration from giving away the peoples' heritage in the Hells Canyon Dam site, and to try to get a reevaluation and a reappraisal of this entire natural-resource issue in the Pacific Northwest, which involves primarily the problem of water conservation.

It is water that I am talking about, Mr. President, when I am talking about electric-power development, reclamation development, navigation development, and all the multipurpose uses to which these dams can be put; because unless we in our generation do a better job of conserving America's water supply, we will strike a serious blow at the standard of civilization of American boys and girls as soon as a hundred years from now.

Mr. President, I turn now to another matter.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Senator from Oregon has the floor.

PRESIDENT'S STATEMENT ABOUT UNITED STATES TROOP WITHDRAWAL FROM SOUTH KOREA IN 1950

Mr. MORSE. Mr. President, I turn to a subject now about which I served notice on the leadership earlier today that I would address myself to before the day was over, and at which time I agreed to postpone the comments until the leadership had disposed of the appropriation bill.

I hold in my hand a news ticker dispatch from the Associated Press. It reads as follows:

WASHINGTON.—Former Secretary of State Dean Acheson accused President Eisenhower today of displaying bad grace with his Tuesday night comment on Korea.

Acheson said that Eisenhower, in his broadcast last night, "referred to what he called the tragic results of withdrawing United States forces from South Korea prior to 1950."

"He did not mention, however," Acheson continued, "that the recommendation to make this withdrawal was transmitted to the State Department under date of September 25, 1947 over his own signature as the then Chief of Staff of the Army."

Acheson was Secretary of State under President Truman and his statement today was distributed by the Democratic National Committee.

The Acheson statement concluded:

"The State Department at the time protested General Eisenhower's recommendation but eventually bowed to the insistent views of the military.

"Whether or not it was wise for the State Department to have so bowed, it would come in bad grace for the man who made the recommendation to imply such criticism."

It was after the American forces were withdrawn that the North Koreans poured into South Korea, setting off warfare that lasted until 1953.

Here is what Eisenhower said about Korea last night:

"Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea.

"That area was then declared to be outside our defense perimeter.

"The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens."

I regret very much that the President said that last night. I am very sorry that he revived this old skeleton in his political closet, a skeleton which symbolizes the tragic mistake he made in 1952 when, in a speech in Detroit, Mich., he misinformed the American people about the facts in regard to the withdrawal of troops from South Korea.

In his Detroit speech of 1952 he put the blame on the then administration, particularly the State Department of that administration, for the withdrawal of those troops.

I was a member of the Committee on Armed Services at the time. I was so shocked that the Republican candidate would so misinform the American people that I called the President of the United States the next morning, at 9 o'clock or thereabouts, and I called his attention to Candidate Eisenhower's misstatement of the fact.

I pointed out that in 1947 Dwight D. Eisenhower was Chief of Staff of the United States Army, and that it was Dwight D. Eisenhower who then urged upon the Armed Services Committee, of which I was a member, that the troops be taken out of South Korea because they were not necessary either as a matter of military policy or as a matter of strategy in South Korea.

I refreshed the memory of the President of the United States, Mr. Harry S.

Truman, that Dwight D. Eisenhower continued to keep on the pressure for that course of action, with the result that the Department of State then sent a memorandum to the Department of Defense, asking the Department, through its Joint Chiefs of Staff, to advise the administration as to its position. The Joint Chiefs of Staff, with Dwight D. Eisenhower as Chief of Staff of the United States Army, unanimously recommended that the troops be taken out of South Korea as a matter of military strategy and policy.

I said, "Mr. President, there is a document in the Pentagon Building which would point that out. After consideration of the matter, if you are willing to have that document released, I will point it out in a speech I shall make in Minneapolis on Monday."

This was on a Saturday morning. I have discussed this matter before, but I want to make the record clear again.

The President of the United States advised me over the telephone that he was fully aware of the situation and would have the document sent to me in an hour; that it would be declassified; and that I would be free to use it in my Minneapolis speech. I used it in my Minneapolis speech.

A couple of my colleagues, it may be recalled, thought that I ought to be charged with espionage, and sent a telegram to the Department of Justice asking that I be investigated for espionage because I had used a top-secret document. No longer was it a top-secret document, as they well knew. The President of the United States, as the Commander in Chief, had declassified it, and I used it. I used it again in New York City the following Wednesday night.

Yet we were treated again in a speech last night by the President of the United States to this misrepresentation of fact. Why, Mr. President, not only did he join in the unanimous document on behalf of the Joint Chiefs of Staff, calling for the withdrawal of troops from South Korea; but after he became the President's chief civilian military adviser, when he was President of Columbia University, he continued to urge the withdrawal of troops from South Korea. They were finally withdrawn. That happens to be the fact.

Mr. President, I ask unanimous consent to have printed in the RECORD a document sent to the United States Chiefs of Staff on United States policy in Korea, dated September 15, 1947.

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

SEPTEMBER 15, 1947.

Memorandum by the State-War-Navy Coordinating Committee to the Joint Chiefs of Staff on United States policy in Korea

The following has been received from the State member, State-War-Navy Coordinating Committee:

"In view of the continuing stalemate in the joint commission in Korea and in view of the recent Soviet refusal to participate in Four Power consultations in Washington on proposals for the early achievement of the aims of the Moscow agreement, the State Department is currently considering what further steps should be taken to implement United States policy in Korea. In order that such consideration may include the basic elements, the State Department requests, as a matter of urgency, the views of the Joint Chiefs of Staff regarding the interest of the United States in military occupation of South Korea from the point of view of the military security of the United States."

It is requested that the views of the Joint Chiefs of Staff on the above be obtained as a matter of urgency and forwarded to the Secretary, State-War-Navy Coordinating Committee.

Mr. MORSE. Mr. President, I now ask unanimous consent to have printed in the RECORD the reply to the request of the State Department, dated September 26, 1947, signed by James Forrestal, then the Secretary of Defense.

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

THE SECRETARY OF DEFENSE,
Washington, September 26, 1947.

Memorandum for the Secretary of State.

Subject: The interest of the United States in military occupation of South Korea from the point of view of the military security of the United States.

Pursuant to the request in SWN-5694 (copy attached), initiated by the State member of the committee, the following views have been received:

The Joint Chiefs of Staff consider that, from the standpoint of military security, the United States has little strategic interest in maintaining the present troops and bases in Korea for the reasons hereafter stated.

In the event of hostilities in the Far East, our present forces in Korea would be a military liability and could not be maintained there without substantial reinforcement prior to the initiation of hostilities. Moreover, any offensive operation the United States might wish to conduct on the Asiatic continent most probably would bypass the Korean Peninsula.

If, on the other hand, an enemy were able to establish and maintain strong air and naval bases in the Korean Peninsula, he might be able to interfere with United States communications and operations in East China, Manchuria, the Yellow Sea, Sea of Japan, and adjacent islands. Such interference would require an enemy to maintain substantial air and naval forces in an area where they would be subject to neutralization by air action. Neutralization by air action would be more feasible and less costly than large scale ground operations.

In light of the present severe shortage of military manpower, the corps of two divisions, totaling some 45,000 men, now maintained in South Korea, could well be used elsewhere, the withdrawal of these forces from Korea would not impair the military position of the Far East Command unless, in consequence, the Soviets establish military strength in South Korea capable of mounting an assault on Japan.

At the present time, the occupation of Korea is requiring very large expenditures for the primary purpose of preventing disease and disorder which might endanger our occupation forces with little, if any, lasting benefit to the security of the United States.

Authoritative reports from Korea indicate that continued lack of progress toward a free and independent Korea, unless offset by an elaborate program of economic, political, and cultural rehabilitation, in all probability will result in such conditions, including violent disorder, as to make the position of United States occupation forces untenable. A precipitate withdrawal of our forces under such circumstances would lower the military prestige of the United States, quite possibly to the extent of adversely affecting cooperation in other areas more vital to the security of the United States.

JAMES FORRESTAL.

Mr. MORSE. Mr. President, Dean Acheson points out in the communication today that there were other communications, also, all to the same effect, namely, that the Chief of Staff of the United States Army, Dwight D. Eisenhower, in September, 1947, urged the withdrawal of American troops from South Korea. The record is replete that after he left that assignment and became the President of Columbia University, and also the chief civilian military adviser of President Truman, he continued to urge the taking of troops out of South Korea.

As a member of the Committee on Armed Services, I tell the Senate I know that to be a fact of my knowledge, because that was the representation made to the committee. It comes, as Dean Acheson says, in exceeding poor taste for the President of the United States, in view of the great influence he exerted in the making of the very decision he now criticizes, to proceed to attack the Democratic administration for the taking of the troops out of South Korea. It happens to be my judgment that no man in America was more responsible for that than was Dwight D. Eisenhower.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE PHANTOM FARM PROSPERITY OF SECRETARY BENSON

Mr. MORSE. Mr. President, the income return to farmers in this fifth year of Eisenhower-Benson prosperity is a cause of deep concern. I say Eisenhower-Benson prosperity because it is my sincere conviction that the unhealthy inflation-of-living costs that masquerades as that prosperity has been achieved, for the most part, through a deliberate subsidization of big industry at the expense of the American farmer.

THE 5-PERCENT WILL-O'-THE-WISP

The administration, from Mr. Eisenhower down, is currently promising farmers increased prosperity next year. It appears that Mr. Benson has told Mr. Eisenhower that farm prices and incomes should be about 5 percent better a year from now.

This is the same Mr. Benson who solemnly declared 21 times, more or less, during the first Eisenhower-Benson administration, that the worst was over for the farmers—that the bottom had been hit. That has not come true yet. But that does not bother the administration. They merely make bigger promises. Instead of promising an end to the decline in farm prices and incomes, they are promising an upswing next year of 5 percent. Next year—election year—they will probably double or triple that amount. And I have no doubt that by 1960 prosperity will be just around the corner again, as in the early thirties. As production declines in steel, auto, farm equipment, housing, and other industries, there is only one way farm income can go under the Eisenhower-Benson, free-market team. That is down.

Mr. President, I ask unanimous consent to have printed at this point in my

remarks a table prepared by the Oregon Crop and Livestock Reporting Service which supports this unhappy conclusion.

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

APRIL 15, 1957, PRICE REPORT

United States: The index of prices received by Farmers increased 2 percent during the month ended April 15. The index of prices paid by farmers established another new high this month, reaching 296 percent of its 1910–14 average. Over the past 12 months, the increase in farm product prices has not kept pace with the rise in prices of commodities and services bought by farmers, including interest, taxes, and wage rates. In consequence, the mid-April parity ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In this report prices received are at the point of first sale out of farmers' hands and are averages based on all methods of sales of all grades and sizes.

Agricultural prices and United States parity price comparisons

Commodity	Unit	Average prices					United States parity	
		Oregon			United States		Effective parity price, Apr. 15, 1957	Price as percent of parity
		Apr. 15, 1956	Mar. 15, 1957	Apr. 15, 1957	Apr. 15, 1956	Apr. 15, 1957		
Prices received by farmers:								
Wheat	Bushel	$1.98	$2.29	$2.31	$2.03	$2.05	[1] $2.50	82
Rye	do	1.50	1.30	1.28	1.01	1.13	1.68	67
Corn	Ton	60.70	60.70	58.90	47.10	43.20	64.60	67
Oats	do	50.00	45.60	44.40	38.90	44.50	54.80	81
Barley	do	45.00	42.50	41.70	39.50	41.00	56.70	72
Hay, all baled	do	30.90	20.20	19.90	21.10	21.10	24.90	85
Potatoes	Hundredweight	2.70	1.40	1.20	2.72	1.24	2.46	50
Hogs	do	16.00	18.80	19.40	14.40	17.40	21.90	79
Beef cattle	do	14.30	16.70	17.60	15.00	16.90	22.40	75
Calves	do	17.00	19.40	21.30	16.70	18.30	24.60	74
Sheep	do	5.70	6.70	5.50	6.26	6.26	10.10	62
Lambs	do	17.00	19.50	19.00	18.20	20.70	24.90	83
Butterfat in cream	Pound	.600	.630	[2] .620	.579	[2] .591	.743	[3] 81
Milk, wholesale	Hundredweight	4.30	4.80	[2] 4.50	3.83	[2] 3.99	4.82	[3] 88
Farm chickens, live	Pound	.210	.150	.145	.197	.145		
Commercial broilers, live	do	.230	.235	.220	.208	.191		
All chickens, live	do	.223	.204	.190	.206	.184	.286	64
Turkeys, live	do	.260	.200	.210	.308	.268	.373	72
Eggs	Dozen	.450	.400	.360	.385	.308	.480	[3] 70
Wool [4]	Pound	.440	.520	.570	.413	.509	.654	78
Milk cows	Head	120.00	130.00	135.00	152.00	161.00		
Prices paid by farmers for feed:								
Alfalfa hay, baled	Ton	47.00	36.00	35.50	32.50	33.40		
Mill run	Hundredweight	2.70	2.80	2.75	2.81	2.82		
Cottonseed meal	do	4.65	4.55	4.55	3.65	3.82		
Soybean meal	do	4.80	4.60	4.50	3.92	3.77		
Mixed dairy feed [5]	do	3.60	3.60	3.65	3.67	3.83		
16 percent dairy feed	do	3.65	3.65	3.70	3.62	3.78		
Laying mash	do	4.55	4.60	4.55	4.42	4.48		
Scratch grain	do	4.20	4.35	4.35	4.05	4.11		
Broiler growing mash	do	5.10	5.30	5.20	4.91	4.95		
Commodity-feed price ratio:								
Egg feed	(6)	11.3	9.7	8.8	11.0	8.7		
Chicken feed:								
Farm chickens	(6)	5.3	3.6	3.5	5.6	4.1		
Broilers	(6)	4.5	4.4	4.2	4.2	3.9		
Milk feed	(7)	1.32	1.47	[2] 1.36	1.27	[2] 1.28		
Butterfat feed	(7)	18.2	19.3	[2] 18.8	22.0	[2] 21.3		

[1] Transitional parity, basic commodities 95 percent and nonbasic commodities 60 percent (65 percent during 1956) of parity price computed under formula in use prior to Jan. 1, 1950.
[2] Preliminary.
[3] Adjusted for seasonal variation.
[4] Does not include incentive payment.
[5] Average for feed less than 29 percent protein.
[6] Pounds of poultry ration equal in value to 1 dozen eggs or 1 pound of chicken.
[7] Pounds of feed equal in value to 1 pound of wholesale milk or 1 pound of butterfat in cream.

Mr. MORSE. Mr. President, I direct the attention of the Senate to the last sentence of the paragraph which introduces the table:

In consequence, the mid-April Parity Ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In plain terms, Mr. President, so far as real income is concerned, our farmers have taken another wage cut of 2 percent. The problem is particularly acute in the case of certain crops and products. Potatoes, for example, in Oregon, according to the report on April 15 were being sold by the farmer at $1.20 a hundred pounds, or 4 cents under the United States average price, and $1.50 a hundred less than the price of a year ago. The fair or parity price for this product, in terms of production costs and the cost of products purchased by the farmer, is $2.46 a hundred pounds. The Oregon potato farmer is thus receiving less than one-half of what he ought to receive. The Oregon turkey producer on April 15 was getting 21 cents a pound live weight, instead of the parity price of slightly over 37 cents a pound, or a price-parity ratio of 56 percent.

Oregon sheep raisers received $5.50 a hundred, instead of the parity price of $10.10, or 56 percent.

The chart shows fairly clearly also that costs are still going up for segments of our farmers. This is especially true for our poultry raisers. The comparison of feed-price ratio for last year, in April, and this year is startling. In 1956, for a dozen eggs sold, the poultryman could buy 11.3 pounds of feed. This year, for the money received from the sale of a dozen eggs, he can buy but 8.8 pounds of feed. It looks to me as if the downhill slide for these farmers, at least, is continuing, and will continue until Secretary Benson changes drastically his policies and puts solid support behind our farmers in their effort to get a decent return for the time and effort they are expending.

NO OVERPRODUCTION, BUT UNDERCONSUMPTION

I am getting a little tired, too, I may say at this point, of being told that we have overproduction of food in this country. So long as we have in our cities conditions similar to those we can see every day in Washington, D. C.—and I am morally certain that there is human need for more and better food in every great city of this land—there is no question of having too much food. Far too many of our low-income families at home, to say nothing of those abroad, are not getting enough to eat now because they cannot afford to buy the chickens, the turkeys, the potatoes, the eggs, and the mutton that they need and should be able to get.

So long as we have hungry children in our land—and the recent statement of Gerard Shea, Director of Public Welfare of the District of Columbia, was to the effect that in Washington, D. C., there are approximately 30,000 children potentially in this category, if it were not for welfare aid—it is hypocritical nonsense to talk about overproduction of food.

Mr. President, I have always said that, on the facts, we have no surplus of food. We simply are not using the food we have for the human beings who are crying for it.

What is needed is a shortcut method of getting this food, at fair prices to the farmer, brought directly to the stomachs of hungry people. By doing this we can solve two of the shameful problems before us today. We can help our farmers make a decent living at their vital industry, and we can feed our poor a diet that is consistent with standards of health and decency. I have said many times on the floor of the Senate, Mr. President, that the children of this nation are its most precious resource.

A change of heart and program on the part of the Secretary of Agriculture is needed, so that he will give emphasis where emphasis is due. Only by having the Government assure the farmer the return to which he is entitled as a minimum—the 100 percent parity situation which was promised by this administration—and only by properly channeling the food to millions of undernourished families in this country today—families of the aged, the blind, the destitute mother, families with income under $2,000 per year—by a food-stamp program or some other distribution device, if necessary, then, and only then, can the Secretary of Agriculture and the President rest easy in their airconditioned offices and at their country estates. Mr. President, until this is done, and until the present policy of drift, dream, and dally is replaced by positive action in the public interest, I charge that Secretary Benson and President Eisenhower are derelict in their duty, are equivocal in their statements, and are callously indifferent to the needs of the people of this country.

In conclusion, Mr. President, I ask unanimous consent that there be printed at this point in the RECORD, as a part of my remarks, a letter from Mr. Elvis R. Eaton, a farmer from the great State of Washington, who has sharply set forth his opinion of the present inertia and inadequacy in the Department of Agriculture. His voice may seem rough, but in my judgment it is the voice of the American farmer, and all of us here would do well to listen and take heed.

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

HOQUIAM, WASH., *May 2, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Farm prices are still sliding down Benson's chute, and many of the farmers have lost their pants. Those that haven't, have them badly worn with interest increases and mortgage loans. I attended two auction sales in the last month of young farmers of World War II. Those farm boys left hoping and praying for an increase in prices.

I know you to whom I am addressing this letter do not need to be prodded, as I follow your voting, but are doing your best to solve the problem for the farmer which is the No. 1 problem in America. Yet nothing is being done about it. How can I and other farmers help you make other Representatives and Senators of the United States wake up?

Free use of teamsters' moneys without interest is just peanuts to the use of county, State, and Federal funds by the banks of America for which they pay no interest, but still raise the rate to the farmer by 33⅓ percent and are willing to fight our Government lending agencies which are set up to lend low-rate interest money to farmers and homeowners.

Have you ever heard of a graduated income tax with an exemption for each man, woman, and child? Has it worked and is it working? Some seem to think that it has not but I think that it is doing the job. Have you heard of a Brennan plan? A plan by a man by the name of Senator KEFAUVER? I mailed you a similar plan in a previous letter. Those plans are nothing but a graduated farm plan, the same as the income-tax plan.

The present farm plans are unfair. Both the soil bank and present parity plan because they are not graduated. Ninety percent of the payments are going to 5 percent of the farmers of the United States and many farmers receive no help. Yes, a farm program of a few, for a few, by a few. Let's change this.

I see by the papers that we need more billions of Government spending through banks and big industry to keep sufficient buying power and money in circulation. It reminds me of Bill Rogers' quip when in Hoover's administration the Federal Government was pouring money into the banks to stimulate business. Bill said that he did not know water started at the ocean and flowed uphill. He thought it started with raindrops, then rivulets, creeks, and rivers, and then into the ocean, and on its way nourished the lands and fed its people and made the country prosperous. Billions are being spent that way now, why not put that buying power in the hands of millions of farmers by giving them their just share of the national income, and I am sure it would be put into circulation.

Keep the three-legged stool without a short leg. We do not want the proposed self-help plan for the producer dairyman of the United States. The control is far enough out of our hands now without putting the industry in the hands of a 15-man committee whom we do not actually elect, and are farther away from us than our 9 Congressmen whom we do elect from the State of Washington. We would only have one man on the committee from 3 States, and he would be appointed by the President from the farmers' choice of 3. If the President didn't do any better job in picking that 1 out of 3 than he did in selecting the present Secretary of Agriculture, we would not have anything but added grief. Enough said.

In conclusion I would just like to have 2 hours on the floor of the joint House and Senate to tell them what the majority of the farmers of America want and how they feel about the no-program they now have, and I will assure you what I would have to say would be just as interesting, constructive, and informative as many assemblages of Congress.

Yours with hopes for a more worthy and representative farm program.

Very truly yours,

ELVIS R. EATON.

(To Senators WARREN MAGNUSON, HENRY JACKSON, WAYNE MORSE, RICHARD NEUBERGER; Representatives DON MAGNUSON and EDITH GREEN.)

FIFTEENTH ANNIVERSARY OF THE MILITARY DISTRICT OF WASHINGTON

Mr. MORSE. Mr. President, May 5 was the 15th anniversary of the Military District of Washington, United States Army. Upon behalf of Senator MATTHEW M. NEELY, chairman of the District of Columbia Committee, I commend Maj. Gen. John G. Van Houten and his military and civilian personnel for the faithful execution of their various duties and the good will they have established with the people of Washington; and I request unanimous consent to have printed at this point in the CONGRESSIONAL RECORD a report of the Military District of Washington.

Although in presenting this material, Mr. President, I have done so on behalf of the great liberal and great statesman, the chairman of the Committee on the District of Columbia, Senator MATTHEW M. NEELY, of West Virginia, I wish to have the RECORD show that I completely associate myself with his views.

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

MILITARY DISTRICT OF WASHINGTON TO CELEBRATE 15TH ANNIVERSARY MAY 5

The Military District of Washington (MDW) will observe its 15th anniversary on May 5. Organized under that designation in 1942, it was established solely to meet the needs of the Nation's Capital. Before coming into being 15 years ago several other organizations existed from time to time but were more limited in scope and authority.

Today, MDW, as it is commonly known, has two specific functions:

To provide a well-organized and responsible support in defense of the capital in the event of an emergency, and

To perform the numerous services required by the Department of the Army in the Washington area.

Commanded by Maj. Gen. John G. Van Houten, MDW is limited geographically, but within this small area many installations, activities and units of differing characteristics exist.

With its headquarters in Building T-7 at Gravelly Point (a 5-minute walk from Washington National Airport), MDW includes 6 counties in Virginia: Arlington, Fairfax, Prince William, Stafford, King George, and Westmoreland; 5 in Maryland: Calvert, Charles, Montgomery, Prince George, and St. Marys—including the District of Columbia.

Installations under MDW command include Fort Myer (home of the Army Chief of Staff, Gen. Maxwell D. Taylor, and Air Force Chief of Staff, Gen. Nathan F. Twining); Fort Lesley J. McNair, located in southwest Washington (home of the National War College and the Industrial College of the Armed Forces); and Cameron Station in Alexandria, Va., charged with the shipping of Government property, packing, crating, and shipping the household effects belonging to Armed Forces personnel. Also located here are a number of small technical units.

In addition, the headquarters is responsible for the First Arctic Test Center stationed in the far north at Fort Churchill, Manitoba, Canada, and has courts-martial jurisdiction over all military attachés abroad.

MDW's responsibilities are basically similar to those of the six continental Army commands. Its special responsibilities involve the Department of the Army and various other Government agencies.

Not to be confused with military districts established in all States and the District of Columbia which are charged with the administration of Reserve and National Guard recruiting activities, MDW is, for the most part, not directly concerned with these activities.

Some of the more important functions, as far as the public and the capital are concerned, involve the Army's oldest regiment, the 3d "Old Guard" Infantry Regiment, with headquarters at Fort Myer, and a battalion at Fort McNair.

This famous regiment is the ceremonial honor guard for the President and as such leads the inaugural parades. The 3d also participates in receptions for foreign dignitaries visiting Washington. Arrangements for arrivals and departures, which involve split-second timing, security measures, and traffic control—all rest on MDW.

One of the most impressive duties which soldiers of the 3d Infantry perform is the constant vigil at the Tomb of the Unknown Soldier. Here specially selected men pace before the tomb night and day, rain or shine, 24 hours a day, 365 days a year.

Tens of thousands every year witness the changing of the guard at the tomb which occurs every hour on the hour.

The 3d is also responsible for honor guards in military funerals held at Arlington National Cemetery, the burial place of the Nation's heroes.

The United States Army Band—one of the country's outstanding military bands—makes its headquarters at Fort Myer as does the newly created United States Army Chorus. MDW is responsible for the activities of both groups.

MDW, through its headquarters commandant, administers the vast complex operation of the world's largest office building—the Pentagon. It supervises the internal security guard forces of this and seven other defense buildings in the Washington area.

It also provides support for the Capital's antiaircraft defense groups, the Army Map Service, the Army Command and Management School, the White House Motor Pool, and the White House Communications Center which receives and transmits information of the greatest importance to this country and the free world.

Under MDW control is the 3d Transportation Co. (helicopter), stationed at Davison United States Army Airfield, adjoining Fort Belvoir. The Army aircraft at Davison range from small to large helicopters, from L-19 fixed-wing planes to multiengine Army planes.

Despite these many and varied functions, the Military District of Washington exists

primarily to meet Washington's defense needs. This is symbolized by its patch—the Washington Monument crossed by a large two-handed sword, an emblem of protection.

In the field of community relations, MDW has during the past year participated in a variety of programs aimed at bringing the Army and the public closer together for the betterment of mutual understanding.

Sunday ceremony parades, initiated by this headquarters to honor deserving national organizations, opened the summer season on April 15. The honored organization was the Daughters of the Amercian Revolution, an organization with a membership of 182,000. A citation was presented to the DAR by the Commanding General, MDW, honoring the society's high patriotic aims and achievements.

On April 18, the second in the series, honoring four Congressmen, veterans of World War II, was staged before a distinguished assemblage, including some 100 Members of the Senate and House. Secretary of Army Brucker highlighted the ceremony with the presentation of the Bronze Star Medals to the Congressman veterans.

On May 6, 18,000 Girl Scouts were present at Fort Myer on the occasion of MDW's salute to their organization.

More than 60 nations were represented on June 3 when the Military District of Washington honored the military attachés of all embassies in Washington. Approximately 130 military attachés, their families, other embassy personnel, and the general public attended.

On June 10, Eric Johnston, representing the motion-picture industry, received the salute of the troops in a parade honoring the Motion Picture Association of America.

Organizations so honored at the 3d Infanrty Regiment's Sunday parades for the 1956 season are as follows:

April 15: Daughters of the American Revolution.
April 18: Congressional award ceremony.
April 22: Inter-American Defense Board.
April 23: National Security Training Commission.
April 29: Normal retirement.
May 6: Girl Scouts of America.
May 13: Award of DSC.
May 27: Normal retirement.
June 3: Military attachés.
June 10: Motion Picture Association of America.
June 17: 4-H Clubs.
June 24: General officers' retirement.
July 1: Armed Services Hospitality Committee.
July 15: Legion of Valor.
July 22: American Legion Boys Nation.
July 29: Chaplains Corps.
July 31: General officers retirement.
August 5: Kiwanis.
August 12: Battalion retreat parade.
August 19: Normal retirement.
August 26: Regimental retreat parade.

The above ceremonies were in addition to routine retirement parades, both at Forts Myer and McNair. In connection with retirement ceremonies, the most notable was the retirement of General Gruenther at Fort McNair. It is believed these parades admirably serve in fulfilling community-relations objectives in a most effective way.

FORT CHURCHILL

Easily the highlight of the period was the International Geophysical Year rocketry project at Fort Churchill which ran through October and November. Approximately 230 visitors from all parts of the United States visited the rocket-launching site each day from August 13 to August 20. An officer was appointed to tell the visitors of the difficulties encountered during construction of the rocket site. Also, an officer from the IGY project talked to the visitors, telling them what the scientists hope to gain from the rocketry program. This program was established so that Fort Churchill could show, at least to a small portion of the American public, what the United States Army is doing away from the United States.

SPEAKERS

In line with the Chief of Staff's desire for maximum emphasis on "selling the Army" through the medium of officers qualified to speak before the public on the Army's programs, problems, and achievements, letters were sent to more than 40 representative civic, patriotic, professional, and luncheon organizations in the Washington metropolitan area, informing them of the availability of qualified speakers and the loan of selected Army films obtainable from MDW headquarters. As a result of these 40 queries, 37 speaking engagements were booked.

The most popular of the films loaned to various organizations were The Nike Guards the Nation's Capital; Diary of a Sergeant, Guided Missiles, and Military Use of Helicopters.

In addition to performing the normal duties required of any military headquarters, MDW provided full military honors for 2,267 funerals; 65 VIP arrivals and departures; 115 wreath-laying ceremonies; and 420 miscellaneous public events and ceremonies in 1956.

ADDITIONAL REPORTS OF COMMITTEES

Mr. MORSE. Mr. President, I ask unanimous consent, out of order to report favorably from the Committee on the District of Columbia a series of five bills; and I submit reports thereon.

I inquire of the Chair whether I have reported the bills in appropriate form, so they may be placed on the calendar.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, the reports will be received, and the bills will be placed on the calendar.

The bills reported by Mr. MORSE are as follows:

S. 1269. A bill to amend the act entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; with amendments (Rept. No. 326);

S. 1708. A bill to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951; with amendments (Rept. No. 327);

S. 1842. A bill to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925; without amendment (Rept. No. 328);

S. 1906. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; without amendment (Rept. No. 329); and

H. R. 192. A bill to provide that members of the Board of Education of the District of Columbia may be removed for cause; with an amendment (Rept. No. 330).

Mr. MORSE. Mr. President, I wish to thank the Presiding Officer for his patience in permitting me to complete the record which I announced earlier today to the leadership I would have to complete before the adjournment tonight, because of the vital importance of these matters both in so far as the State of Oregon is concerned and in so far as my own record is concerned.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has the floor.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the order previously entered I move that the Senate now stand adjourned.

The motion was agreed to; and (at 10 o'clock and 8 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 16, 1957, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 15, 1957

The House met at 12 o'clock noon.

Rev. K. Warriston McCracken, associate minister of the New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are here today with great responsibilities of which most of us are conscious. So move by Thy spirit within us that we may seek what is best for all people involved in every situation to which we have any relation. Help us to find the wider vision that sees service and not selfishness, principles rather than pride, justice rather than justification.

We thank Thee for the incentive to goodness that prevails within our lives. Enable us to find in the knowledge of a task well done our satisfaction and our reward. Keep us humble in the midst of our opportunities so that we see ourselves as means to an end and not as the end in itself.

Direct us throughout this day that our thoughts may be clear, our speech concise but not offensive, our work worthy of the legislature of which we have been called to be a part. This all we pray in the name of Jesus Christ, our Lord. Amen.

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

SPECIAL ORDER VACATED

Mrs. KELLY of New York. Mr. Speaker, I ask unanimous consent that the special order granted me for tomorrow be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE CAROL COOK ALLEN

The SPEAKER. The Chair recognizes the gentleman from California [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, it is with deep regret that I announce to the membership of the House the passing on yesterday of the wife of our esteemed colleague, the Honorable JOHN J. ALLEN, JR., of California.

The unexpected and untimely death of Carol Cook Allen comes as a great shock to all who knew her as a gracious lady and a devoted wife and mother. Mrs.

Allen was a native daughter of California and was married to our colleague 31 years ago. To this union were born two daughters, Ramona and Suzanne.

I know that I express the deep sympathy of not only the members of the California delegation in the Congress but of the entire membership on this sad occasion to the bereaved husband and other surviving members of a fine American family.

Funeral services will be conducted on tomorrow at the Episcopal Church, 3d and A Streets NE.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Adair	Eberharter	Miller, N. Y.
Allen, Calif.	Evins	Morrison
Anderson, Mont.	Fallon	Moulder
	Fogarty	Murray
Ashley	Gray	Powell
Ayres	Griffin	Rodino
Barden	Gross	Sadlak
Baring	Gubser	Scherer
Barrett	Gwinn	Shelley
Beamer	Hays, Ohio	Sikes
Blatnik	Holt	Stauffer
Boggs	Holtzman	Taylor
Bowler	James	Teller
Boykin	Kearney	Wilson, Calif.
Buckley	Kelley, Pa.	Wolverton
Cole	Long	
Dawson, Ill.	Magnuson	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 6, page 1, of the bill. If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; $16,586,000.

Mr. WIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIER: On page 4, line 16, that the figure "$16,586,000" be stricken and the figure "$18,718,000" be substituted.

Mr. WIER. Mr. Chairman, this is one item in this agricultural appropriation bill that I am somewhat concerned about. I am concerned about the meat inspection department of the Department of Agriculture. I want at all times to be sure that the meats that the American people eat are properly inspected, and any cut in this Department, I feel rather disturbed about.

Mr. Chairman, I am not going to make any elaborate statement of it, but I want to express my interest in it, and I would like to ask the chairman of the subcommittee to just give the reasons of why a cut of $2 million was made under what the Department of the Budget approved. I see there is about a $2 million difference between the figure presented by the Committee on Appropriations and that of the Bureau of the Budget. If I am assured that the American people are going to have equally as good meat inspection under your $16 million as they would under the $18 million, I will be satisfied.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield to me, I feel certain I can give the gentleman that assurance and I should like to explain why I can. Meat inspection is required by law. The meat has to be inspected.

This item was cut in line with the general policy of the committee to hold the Department down to this year's level, which we have done through the bill except as to conservation of resources. Where meat inspection is concerned there is a provision whereby if the inspectors we do have must work overtime, that overtime is paid by the packers. The packers can have as much time of the inspection staff as they wish, except that beyond the amount provided in the bill, the packers pay for that time. But the law requires that the inspection be the same one way or the other. So whichever way it is done, if an additional amount were included, it would mean that much less the packers would pay and that much more the Government would pay. Under either figure the inspection is required and the public health is protected. It is just a question, in view of our efforts to hold down the total number of Federal employees and to hold the Department down to this year's level, whether any increased time and the cost thereof would be passed on to the packers.

Mr. WIER. All I want from my good friend from Mississippi is the assurance that there will be no cutback in the number of inspections required to carry out the law, nor any reduction in the quality of the inspection that may result because of the cutback.

Mr. WHITTEN. The gentleman is carrying me a little further than I can go in that I cannot say that they would not cut back on the number of inspectors in order to be able to buy some uniforms; and I cannot say that they would not cut the number back for some other purpose. But I would say that in my judgment there will be the same kind and type of inspection that is required under the amount that is in the bill as there would be under the amount in the amendment. The difference would be in who paid the increase in cost.

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

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I merely repeat that the committee felt that this item, along with other items in the bill, should be held to this year's level. We are convinced that under the policy followed and under the law, the public health would be protected to the same degree on the basis of the amount in the bill as it would if the pending amendment were adopted. Therefore I hope the committee will turn down the amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

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

Mr. H. CARL ANDERSEN. Mr. Chairman, I wish to inform the committee that on this side we are in full agreement with the statement of the gentleman from Mississippi. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. WIER].

The amendment was rejected.

The Clerk read as follows:

AGRICULTURAL MARKETING SERVICE

Marketing research and service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 United States Code 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed $10,000, except for two buildings to be constructed or improved at a cost not to exceed $20,000 each, and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 3 percent of the cost of the building, whichever is greater.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the events of the past few months, with respect to agriculture, have been discouraging, to say the least. There has developed not only dissension and antagonism within the ranks of those who are the friends of agriculture, but there appears now to be a general attitude of despair and despondency as to the future. Possibly the latter reaction naturally follows the former condition.

Having been through some rugged times as a farmer myself, I know that as a historical truth the trends in agriculture never run smoothly. Yet, in my family, we have never wavered in our faith in the importance and ultimate success of this vital segment of our economy. During the 137 years the Harvey family has lived on the farm where I now live, we have survived at

least four major postwar depressions. On two occasions, the farm was in hock and serious jeopardy, but eventually we recovered and bailed it out. I cite our experience not because it is so unusual; on the contrary, it is typical of much family farm history.

The farmer is in a tight financial squeeze right now, and no one knows that better than the farmer himself. In 1940, farmers spent almost $7 billion in cash in the operation of their farms, and last year they spent nearly $22 billion. Yet the average farmer in my area—incidentally one of the best—makes less than a man who works in a factory and has neither investment nor managerial responsibilities.

Now these are facts, but even so, I am not especially discouraged, nor would I conclude that the situation is hopeless. We ought to have faith in our judgment here in Congress. We enacted a soil-bank program to supplement our price-support laws, which had proved inadequate to meet the postwar impact of increased production and decreasing markets. We also enacted Public Law 480, to assist in the disposal of surplus commodities in an efficient manner, both at home and abroad. Both these programs are just getting under way and I for one am unwilling to throw up my hands and declare them a failure before they have had time to prove their worth—time they have not yet had.

It would not be my belief that there is no other solution or that present programs should continue indefinitely. If we are to emerge from this postwar adjustment period without a major depression, we must use them and recognize them for what they are—temporary expedients to bridge a difficult period. In my judgment, we ought to be putting much more emphasis on the potentials of greater use for our farm production. We ought to be employing our best research talent to find new uses for what we can produce or new products to grow for new uses.

It will be said that we have seen this, and in a way we have. But the emphasis in agricultural research has been on production and not on utilization. The Research and Extension Subcommittee of the House Committee on Agriculture held hearings on this subject and recently heard a progress report from the Commission established last year to investigate the potential in this field and to determine the progress being made by both public and private research agencies. Several members of Congress have introduced bills on this subject, and my own, H. R. 6985, is among those pending.

There is no feature of our efforts to stabilize the income of farmers and promote general prosperity that holds greater promise to the rank and file of farmers than the research-for-use endeavor. Farmers inherently like to produce to the limit of their capacity rather than to abide by a system of artificial restraints. But they will abide by such restraints if necessary to survive.

The whole history of our country has been one of progress and development, and certainly agriculture today is a most challenging problem. In my humble opinion we should attach more importance to farm research for commercial utilization, for in this direction we can lead American agriculture to a hitherto unimagined prosperity that will invigorate our whole economy.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent (at the request of Mr. H. CARL ANDERSEN), Mr. HARVEY was granted permission to proceed for an additional 2 minutes.)

Mr. HARVEY. Mr. Chairman, I want to compliment this subcommittee, headed by the gentleman from Mississippi [Mr. ABERNETHY] for the fine work they are doing. I think we must expand this effort and we must put a great deal more emphasis behind it. It is not a quickie answer, but I am thinking it is the best and the only long-range solution for this most difficult problem.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Utah.

Mr. DIXON. I wish to join in complimenting the gentleman from Mississippi [Mr. ABERNETHY] and his committee on their work on utilization research, and also wish to join with my colleague, Representative HARVEY, in his statement. My position is that production research has worked miracles and that that is one of the causes for our great surpluses which have depressed prices. If production research can work miracles, certainly consumption research can also work miracles. Is that not the gentleman's position?

Mr. HARVEY. I think so beyond the question of a doubt. I am just saying in essence here to you, my good friends, that in the past we have been a country whose whole history has been one of imagination and progress. Let us just put our imagination and our efforts to work in this field, and eventually we will come up with a solution that will not only mean prosperity to our agriculture, but which will also mean almost undreamed-of prosperity for our country as a whole.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $25,000 for representation allowances, and for expenses pursuant to section 8 of the act approved August 3, 1956 (70 Stat. 1034), $3,902,300: *Provided*, That not less than $400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

Mr. ROONEY. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. ROONEY. Mr. Chairman, I make a point of order with regard to the language beginning with the words *"Provided further,"* on line 8, at page 10, down to and including the word "Service" on line 14, the language being as follows:

Provided further, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

I make the point of order, Mr. Chairman, on the ground that this language is legislation on an appropriation bill.

Mr. WHITTEN. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The gentleman from Mississippi concedes the point of order. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act as follows: Rural electrification program, $179,000,000, of which not to exceed $20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, $60,000,000, of which not to exceed $10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program.

Mr. BECKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BECKER: On page 11, line 16, strike out the paragraph entitled "Loan Authorization" through line 7 on page 12.

Mr. BECKER. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

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

Mr. H. CARL ANDERSEN. Mr. Chairman, I object in connection with such an amendment as this.

The CHAIRMAN. The gentleman from New York is recognized in support of his amendment.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. MASON. I want to say that I shall object to all requests for extension of time from now on.

Mr. BECKER. Mr. Chairman, the reason for this amendment is a very simple one. Under the Rural Electrification Act of 1936, and amendments of 1939 and 1949, the United States Treasury is bound to loan money to the REA at 2 percent. We know that through the years the Treasury is paying 2½, 3, and today 3¼ percent. The REA owes the Treasury today approximately $2,500,000,000. Factual information which I will read here—that is why I wanted the extra time—proves that the REA has untold surpluses that they are loaning, and buying United States Treasury bonds today and loaning out at higher interest rates and making a profit on the 2-percent money of the taxpayers of this country. This interest rate is costing the taxpayers some $25 to $35 million a year on something that I believe is absolutely unwarranted during this era of prosperity, and in view of the fact that the areas that are being served by the REA are increasing their incomes day after day. I have in mind that the Tennessee Valley Authority is asking permission to sell revenue bonds, on top of the $1,200,000,000 that they owe the United States Treasury Department at no interest, and that the interest is being paid by the taxpayers. I do not want to stultify areas of this country that need electricity. I want to read a statement of the Public Service Commission of Indiana:

EXTRACT FROM AN OPINION OF THE PUBLIC SERVICE COMMISSION OF INDIANA IN CASE NO. 26077 DATED DECEMBER 14, 1956

The annual reports of the REMC's on file with this commission show that all the REMC's are now operating on a remarkably profitable basis and have generally greatly reduced, and in some cases already fully paid off, their debts to the Rural Electrification Administration. Further, these membership corporations now have accumulated large surpluses which are in some instances invested in Government bonds. From these investments net operating incomes are annually augmented by interest earnings at rates in excess of the amount that these same membership corporations pay to the Federal Government as borrowers. Some, if not all, of the net operating and investment profits of the membership corporations are occasioned by the fact that unlike other utilities these cooperatives do not pay any Federal income taxes upon such profits.

If this comes from the State Public Service Commission of the State of Indiana, then I say it is about time we stopped and hesitated before the advancement of further loans without investigating how much surplus the REA has and why they cannot repay their loans to the United States Government so that our Treasury can reduce its bonded indebtedness.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HARVEY. I would be happy to explain to the gentleman, because I know of the situation concerning which he speaks, and that the funds in question are those that are required to be set aside by various cooperatives to meet emergencies in the case of terrific ice storms, such as we had recently. Those funds are invested for that purpose.

Mr. BECKER. We have investigated that, but we find they are far beyond the amount they are allowed to retain as reserves. All these REA's are tax free.

They are tax-free; and they are in direct competition with private utility companies that are paying billions of dollars of taxes into the Treasury.

I feel that there should be an equalization somewhere. I do not want to cut this off, I may say to my good friend from Indiana, but I do think the time has come when we should halt this expenditure at this time. I feel that ultimately legislation should be enacted so these loans will pay the going interest rate that it is necessary for the Treasury to pay to get the money to lend to them.

I believe there are many expenditures of the Government necessary for the development of our country, and I think we should do everything we can to develop our own country. REA received appropriations of $577 million last year. I think it is time that we revised our position, and had an investigation of the surpluses they have.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BECKER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BECKER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes on his preferential motion.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from California.

Mr. HIESTAND. Is it not a fact that about a week ago we voted additional lending authority for REA of $200 million, and they requested an increase of $179 million on top of that? Has the gentleman evidence of how that is going to be used?

Mr. BECKER. No; I have no evidence of how that is going to be used. I presume that was presented before the Committee on Appropriations at the time. I mentioned a few minutes ago that the total appropriation last year was $577 million, and they want this $239 million in addition.

I do not accuse any Member or group of Members in this House of advocating socialism or socialistic practices, but if there is such a thing as socialism this certainly is it. I oppose socialism wherever it shows its head in my country in opposition to the free-enterprise system and the citizens who have to furnish the taxes. Legislation has been introduced in this House by Members who want to reduce the income tax. I know of two bills that would increase allowances by $100 and $200. How can we possibly reduce income taxes if you vote for such programs as this that compete with businesses operated by the very people who are paying the taxes?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. In just a moment.

As I said before, it is not my desire to stultify the growing areas of this country; I want to see them grow and I want to see them prosper, but I think the very recipients of these rural electrification programs want to pay their own way, or at least a part of their own way.

All I am asking is that on these loans they pay the going interest rate that must be paid by the Treasury for borrowing the money that is necessary to give to the REA. Likewise in the case of other services.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from West Virginia.

Mr. BAILEY. The type of socialism the gentleman is talking about appears to be a type of socialism that the average American likes pretty well.

Mr. BECKER. I feel they do not like it. They do not like it in my district, I know.

Mr. BAILEY. That may be true in the gentleman's district, but it is not true for all America.

Mr. BECKER. That may be true, too, but it is also true that Americans like to pay for what they have. I know Americans and I know they like to pay their own way. Every American I have talked to about any of these programs wants to pay at least a part of the share of what he is getting from this great country of ours. I know that many things are done for political expediency, and this is one. This type of legislation, I do not think, is proposed just because they say the people cannot afford it.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from Illinois.

Mr. MASON. Does the gentleman mean to say this Government is lending money at 2 percent and then these REA's which have a surplus are lending it back to the Government by buying bonds and getting 2¾ percent or more on their loans?

Mr. BECKER. That is absolutely correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield on that?

Mr. BECKER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would just like to point out that we are referring to the REA in a rather confused way. The headquarters organization of the REA is down at the Department and is headed by the Director.

The REA back in the rural area is an individual, locally operated and owned cooperative; and may I say that the Director in Washington, so far as I know, and we asked him about it, has not approved a single loan to a single cooperative that is in this situation. If I may be permitted to complete my statement, some cooperatives have gotten into the position where they have their own reserves and, therefore, do not have to come to the Government, but others are not in that fortunate position. No REA can get a loan unless the administration approves the loan.

Mr. BECKER. Then may I ask this question: If they are all in the same boat, why should they not lend the money at 2 percent to the other REA's

that need help and not come to the Federal Treasury at a lower percentage while they are lending their own surpluses out at 2½, 3, or 4 percent?

Mr. WHITTEN. If the gentleman could get such legislation as that on the floor for consideration, I would give it much thought. For the present we have to meet it under existing law until that is changed.

Mr. BECKER. Then let us have an investigation before we advance this money and find out what the surpluses are in these REA cooperatives. We can then come back here with legislation when we have the information that no one can get from the REA. I have tried and others have tried to get this information for me. I think we should have the information before us as to what the surplus really is.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from New York [Mr. BECKER].

Mr. Chairman, I am certain that the committee will not agree to kill REA just simply to cut out a comparatively small amount having to do with the size of the interest rates. I hope, Mr. Chairman, that we can defeat this amendment immediately and get along with consideration of the bill.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. May I say in regard to REA not paying taxes that the REA's in the United States have paid over $10 million in taxes in 1956. I have those figures already in the CONGRESSIONAL RECORD and I will be glad to put them in again. That is exclusive of any taxes paid by generating systems, such as the TVA or Bonneville. That is just the REA cooperatives alone. The assertion that they do not pay taxes is a fabrication instituted by the power trust of the United States and advertised all over the country.

Mr. H. CARL ANDERSEN. May I quote from page 1417 of the hearings this paragraph about what the REA's have done for others than agriculture:

> We must keep in mind that were it not for the development of REA, that business totaling hundreds of millions of dollars, involving electric supplies, television, radios, and so forth, that are now being sold out in the rural areas, would never have developed to the value of what we might term "private enterprise."

Let us keep in mind, Mr. Chairman, that whatever we do to help the REA's, we are also pumping out of the $2,800,000,000 possibly a half billion dollars in direct purchases from television, electrical supply companies and what have you. I am sure that the Committee will not be foolish enough to even grant much consideration to the suggestion of the gentleman from New York that the REA program be killed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I would like to ask the gentleman from New York, author of the amendment, as to how much the total amount of loans are that have been available from the REA's that the REA's have invested in interest gathering schemes? I do not know whether the gentleman from New York can supply us that information or not.

Mr. H. CARL ANDERSEN. The gentleman may do so in his own time. I want to add that the gentleman from New York does not bring out the fact that when money was cheaper, when the REA was drawing out of the Treasury at 2 percent, they were rolling up to the credit of these REA's an amount of nearly $40 million, if the figures are correct. We want that as a cushion toward offsetting this as a possible additional cost now to the Treasury of the United States.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I wonder if the gentleman would not look with suspect at the gentleman from New York's philosophy of socialism, because he is not critical of private utilities having obtained tax amortization in amounts in excess of $2.3 million. I just wonder what form of socialism he might brand that type of program.

Mr. H. CARL ANDERSEN. Might I suggest to my friend that if the definition of "socialist" or "socialism" prevails as explained by the gentleman from New York relative to REA, there are a lot of socialists today in this Congress of the United States.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New York [Mr. BECKER].

The motion was rejected.

Mr. HIESTAND. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we should make clear just what the issue is here by the amendment offered by the gentleman from New York [Mr. BECKER]. The previous speaker, my very good friend from Minnesota, for whom I have a very high regard, claimed that this was an attempt to kill REA. Mr. Chairman, that is not the issue at all.

Mr. H. CARL ANDERSEN. Mr. Chairman, if the gentleman will yield, the amendment was offered to knock this paragraph out. What other issue is there before us?

Mr. HIESTAND. The paragraph was only an added grant of loans to what they already have.

Mr. Chairman, this program was a fine program. It was a fine program when developed in 1936 to electrify farms, farms situated so far apart, with so few customers to the mile, that private funds, immensely short in the depression, simply were not available. This fine program is, of course, known to you all as the Rural Electrification Act.

The Department of Agriculture has accomplished its purpose so completely that today the Administrator of REA reports 96 percent of all farms have been electrified, a monument to the dedication and spirit of all those who took part. Let us not condemn REA as such.

Let us consider this amendment. The amendment would add $179 million added loan authority to the $200 million we voted a week or 10 days ago. It is in the nature of a further subsidy, because it loans at a cost below that which the Treasury has to pay. That makes a total of $379 million. When the measure last week was up, we had somebody telephone down to find out if the Administration really wanted that money and, if so, why, and we got the information that the association of cooperatives was active in the field. Ninety-six percent of the farms having been already electrified, the association was active in the field, and very active, in order frantically to scrape the bottom of the barrel to dig up more projects so that they could get some more money and spend some more money in that way. They had a hard time finding new projects. Then they had the Congressmen, it is said, from those districts where those projects were to be located importuned to back REA to support that request.

Mr. Chairman, if the job is 96 percent done and we have this big balance available, why do we need that $200 million voted last week plus another $179 million presently asked for? Well, it is said that some of it is to be used for telephones. Now, that is an interesting thing, too. I had a letter from a constituent who had come back from Alaska where a far-flung REA telephone line was being put in, 150 miles from nowhere, 5 customers; the installation was being badly managed. This man was one of those who had tried to install it and finally quit in disgust because it was being so badly installed. Finally it was abandoned. Cost, thousands of taxpayers money. That is a sample of the extension of this operation. The Administrator estimates that if these loan rates were raised to the going rate that the Treasury pays, it would mean to the average customer an addition to his cost of only 1¾ cents per month. Likewise, if we continue to loan at 2 percent and pay at 3¼ percent, it is a direct drain on the Treasury and there is no chance for any private capital to be used. It all must come out of the Treasury.

The President, in a letter to the Speaker in April, recommended the establishment of interest rates for Government loan programs that would induce private capital to participate in their financing, and to require at least that any such rates cover the cost of borrowing by the Federal Government.

I heartily support the amendment and hope it will carry.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, REA is one of the great achievements of our present day Government. I am sincerely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. Since its inception REA has had a net income from lending operations, beginning in 1935 and extending to June 30, 1956, of $47,504,355. Several weeks ago this matter was brought to the attention of our Subcommittee on Agriculture Appro-

priations. At that time the Secretary of Agriculture, Mr. Benson, was before the committee. I interrogated the Secretary concerning an increase in REA interest rates. This may be found on page 118 of the hearings.

I quote:

Mr. Secretary, I am definitely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. REA serves every county in my district. REA, to me, is one of the great achievements of our present-day Government.

Now, Mr. Secretary, I am just wondering if this administration is planning to recommend an increase in the REA interest rate.

Secretary BENSON. Mr. Natcher, I can only say this, that the Department has no plans for increasing or recommending an increase in the interest rates on REA loans.

Mr. NATCHER. At present?

Secretary BENSON. To my knowledge, we have no studies being conducted by the Department with respect to the interest rate or any interest rate increases.

Mr. NATCHER. There are no studies underway at the present time?

Secretary BENSON. Not to my knowledge.

Mr. NATCHER. Mr. Secretary, do you agree with me that the way to destroy REA is to increase the interest rates and to make loans more difficult to secure?

Secretary BENSON. I don't like to even think about destroying REA. I think it is filling a real need, and it is doing a good job, and I think anything that is done ought to be done in the direction of strengthening it rather than weakening it.

Mr. Chairman, the adoption of the amendment offered by the distinguished gentleman from New York would destroy REA. Again I say to you that REA is one of the great achievements of our Government. REA has meant more to our farmers than anything else during the 20th century.

Mr. Chairman, I urge that the amendment be defeated.

Mr. VURSELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to associate myself with the gentleman from Kentucky [Mr. NATCHER], in his remarks against this amendment. I would like to point out that in the prior year when this matter was proposed, Mr. Benson came before our committee; and long before he came before our committee they made a Department study of this matter and came out strongly against it.

May I point out also that the Director of REA, at that time, Ancher Nelsen, joined with the Secretary of Agriculture in stating, and he stated then and afterwards before our committee, that they had made the study, that this would wreck and destroy REA throughout this country and its service to the country. He pointed out that some $2.5 billion had already been loaned under contracts, and the final study of it showed that if they went through with increasing this interest rate that all of the contracts would be in jeopardy and it would practically destroy REA as it has been operated in this country and as it has been known.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. That same condition prevailed last week in connection with the college housing. They were borrowing money at 2⅞ percent. The bill we passed last week raises that to 3.5 percent. They have a lot of these contracts being arranged. I think the Government has set a pattern that should be just as well applied to other things. I am not picking on REA.

Mr. VURSELL. The REA is organized by farmers at the grassroots, who put in millions of dollars worth of their time without any cost. They have managed this great organization so well that there are only 3 or 4 of the small cooperatives that are in jeopardy, and they are being taken care of. There are no losses.

In addition, one of the great contributions that has been made is that there are millions of people working in factories today turning out appliances that would not be used and could not be used if it had not been for the ingenuity of the farmers and because most of them gave their own time to establish the REA that has less loss than probably any business in America. There are many millions of dollars in taxes that come into the Treasury each year that never would come into the Treasury were it not for the success of REA. Billions of dollars are spent each year in buying electric appliances that would not be in use if REA had not been organized and established.

May I say further that the Treasury has had a cushion of some $40 million for the last 2 or 3 years paid ahead by the REA when interest rates were lower than the 2 percent the REA was borrowing at, at that time. It has made a great contribution. There is no question but that the best financial brains in this country say that you cannot increase these rates to 3 or 3.5 percent without practically destroying the financial structure and the financial services of REA in the future.

The question was taken; and on a division (demanded by Mr. BECKER) there were—ayes 26, noes 58.

So the amendment was rejected.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word, and take this opportunity to note that not one Member on the Democratic side of the aisle stood up in favor of the amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $24 million, of which not to exceed $2,500,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, $180 million; the act of August 28, 1937, as amended, $5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

Mr. McINTIRE. I move to strike out the last word.

Mr. Chairman, I take this time to ask of the chairman of the subcommittee a question relative to the authorizations of this bill which is at the bottom of page 13 relating to Farmers' Home Administration farm ownership and farm housing loans. I share with a great many Members of the House my interest in the Farmers' Home Administration lending activity for the family-sized farm. It is my understanding, Mr. Chairman, that the reference here is particularly to the farm ownership loans, that is, that the farm housing loans are in the larger figure of $450 million. My question to the gentleman from Mississippi is in relation to the committee bill authorizing $24 million, in view of the budget request for $50 million. It is my understanding, and I would appreciate being corrected if I am not accurate on this, that the first deficiency bill has a request for $26 million. The authorization last year was $24 million which would bring it up to the total of $50 million.

At the present time there is approximately $20 million of loans pending or in process, and if the deficiency item is not granted, then this $20 million would be applied against the $24 million authorized in this bill. Am I correct on that point?

Mr. WHITTEN. That is my understanding, may I say to the gentleman. I am hopeful we will get together on the deficiency so far as that goes. But, the reasoning of our committee is frankly this. While we believe in the Farmers' Home Administration, and we have supported the farm purchase program—under present conditions with the present farm prices and farm problems you are not helping a young man by lending him money to buy a small farm. It is for that reason we felt that it was not a time to increase the amount of money which would enable a young man to go into debt to buy a farm. We felt that when folks with small farms, who are not even in debt for the purchase price of their farms are finding it more and more difficult just to hold on, it was no favor to any veteran or nonveteran to enable him to borrow money and to try to make a living and repay the debt. So, that being the reasoning of the committee, we are glad to leave it up to the House and up to the Congress as to what it wishes to do. But, we felt we were on sound ground in holding this amount down to the present year's level.

Now it was anticipated, and I anticipate now that the deficiency bill will be worked out somewhere along the line. As to that, I cannot guarantee, but we did anticipate it.

Mr. McINTIRE. Am I to interpret from the gentleman's remarks that if the deficiency item is granted and the lending program for fiscal 1957 would be aggregated close to the $50 million, that it is the position of the committee that

there should not be a total of $50 million available for fiscal 1958?

May I also interpret the committee's position that it is the intent by the limitation of money, to mold the lending program, and relying primarily on that and not on the opinion of the advisory committee and the folks in the field as to the individual case, standing on its own feet, and the merits of that loan on an individual farm?

Mr. WHITTEN. I would not differ with the gentleman's description, but I prefer to put it in my own words. We felt it is no favor to a young man to make money available to him to buy a small farm. In fact, it could be a disservice, and it was our opinion that you could not find $24 million worth of small farms on which any farmer could make a living and pay the debt. Therefore, we held it to $24 million because we did not believe they could find that many small farms that would be a sound investment. That is our position.

Mr. McINTIRE. I thank the gentleman.

Mr. Chairman, it has been my privilege to attend many hearings of the full committee of the House Committee of Agriculture and subcommittees of that Committee in many parts of the country, especially in areas producing basic commodities. May I agree with the Chairman of the subcommittee, the gentleman from Mississippi, that farm programs are not working. It is not only more recent programs as the gentleman's reference would imply by use of the term the last 4 years, but programs written into law years before 1952.

It is my understanding the basic premise of a program of high-level supports is that production shall be controlled to make it work. I have listened to farmers under marketing quota pleading for permission to plant more acres because they will not make a living on acreage allowed under the program. The gentleman from Mississippi has stated that farm income is production time price less cost of operation. He is correct in stating this rule and in accepting this rule I believe it indeed a challenge to the soundness of premise that production can be controlled to make a fixed-price program work whether it be in a flexible approach or at higher fixed levels.

May I believe we need expanded programs on marketing and utilization research and the rural development programs. I am not in accord with the impatience which I believe is implied in the committee report.

In closing, may I express my deepest respect of the gentleman from Mississippi and each member of the subcommittee and find myself, as a member of the House Committee on Agriculture, joining with them in a sincere desire to deal constructively with the problem of the American farmer and his rightful place in the American economy.

Mr. Chairman, I withdraw the amendment.

(The pro forma amendment was withdrawn.)

The Clerk read as follows:

SOIL AND WATER CONSERVATION

For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a–590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001–1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701–709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831–1837 and 1802–1814), the acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033–1039), $535 million, to remain available until expended: *Provided*, That not to exceed $40 million shall be available for administrative expenses in carrying out sections 7–17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than $30 million may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That not to exceed $7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which $1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed $20,000 for alterations of buildings, without regard to limitations prescribed in this act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $10,000 and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 3 percent of the cost of the building, whichever is greater; not to exceed $150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention," and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee regarding an item on page 18. For several years we have had some controversy, and I have had a little part in it, regarding the amount any one participant could receive under the agricultural conservation program. It is my understanding that in the past few years we have been gradually bringing down and lowering the amount that one participant could receive. I find on page 18 of the bill, line 17, that—

No participant shall receive more than $2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community.

In reading the report I see no mention, at least I have found no mention made of any change in that amount. My recollection is that for 1957 there is a lower figure than $2,500, and there is an increase carried in this legislation—my understanding is it is $1,500 for this year.

Mr. WHITTEN. The gentleman is correct. I would be glad to explain the reasoning of the committee, if the gentleman desires.

Mr. ABBITT. I would be pleased to hear the gentleman.

Mr. WHITTEN. The gentleman's expression that the limitation on what can be paid to individual participants is perhaps his interpretation, but my expression would be the other way; that it limits the amount of contribution that the Federal Government will make to any one particular participant, even if it is thought that the small watershed program and the need to do the things that really help these flood prevention problems, that if you have a larger amount available, realizing that under the program the participant has to put up his share of the cost, you will get more resulting benefit in the nature of soil conservation by having it large enough to have a sound project than to keep it low enough for the relatively minor projects.

The gentleman is right. The increase was from $1,500 to $2,500 and that was in recognition of the increased cost of operations—a recognition at least by our committee, the various Members of Congress, and others that many worthwhile projects were not possible because of the limitation in the size of the projects.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. REES of Kansas. At the proper time I expect to offer an amendment striking out $2,500 and inserting $1,500, putting it back to where it is in the current law.

In my opinion $1,500 is sufficiently liberal.

If you want to save a little money without injuring anyone I suggest to the gentleman that here is a chance to do it. A study of the question shows that most of the money goes to those who can well afford to take care of their own conservation program.

Mr. ABBITT. I shall be glad to support the gentleman's amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the situation correctly, the existing law is that each individual shall be limited to $1,500.

Mr. ABBITT. That is right.

Mr. SMITH of Virginia. This bill changes that law and increases it to $2,500.

Mr. ABBITT. That is right.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. WHITTEN. As I understand, the basic law provides no limitation; both the $1,500 and the $2,500 is a limitation where none exists in the basic law.

Mr. SMITH of Virginia. Let me ask the gentleman this: If you had not changed that what would have been the result? Would it have been $1,500?

Mr. WHITTEN. Unless we had rewritten it we had to put the limitation either way, either follow last year's bill, which would have been $1,500, or put in some other figure, because there is no limitation in the basic law.

Mr. SMITH of Virginia. The gentleman's contention is that if there is no

limitation in the appropriation bill there would be none at all.

Mr. WHITTEN. That is right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. TABER. The situation is this: If no limitation is expressed in this bill there will be no limitation. To be effective the limitation has to be written into each annual appropriation.

Mr. ABBITT. As I understand, answering the gentleman from Virginia, that last year the limitation was $1,500 for those who participate under the bill, but the bill as written now raises the limitation from $1,500 to $2,500.

I take this time to call attention to a provision—I have not seen it in written form—but I am sure the gentleman from Kansas [Mr. REES], will offer an amendment setting the limitation this year again at $1,500. I shall support the gentleman's amendment.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to $250,000,000, including administration, and no participant shall receive more than $2,500, except where the participants from 2 or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 percent of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 18, line 17, strike out "$2,500" and insert "$1,500."

Mr. REES of Kansas. Mr. Chairman, there has been considerable discussion on the floor of the House in recent days about saving money, cutting expenditures, but more especially taking care of the little fellow. Here is a place where you can save some expenditures without injury to anyone, but most important is to allocate funds on a more equitable basis.

The question of allocating funds under soil-conservation programs has been with us for a long time. There was a time when there was hardly any limitation at all. It was discovered the thing was so inequitable there was a limitation of $10,000 established. Then later on it was limited to $5,000. It went down to $750. Then it was raised to $1,500. That is the limitation at the present time. All I am doing is following the present law, limiting payments to $1,500, to participants under the act.

This money is intended to assist farmers in soil-conservation programs on their own land. A good share of it goes to people who can well take care of their own soil program, but more important of all is that when allocations are made to the States, the big operator is taken care of, but many times there is little left for the small operator. He is the fellow we want to assist. If the Federal Government is going to pay money to a farmer or a farm operator for conserving his own soil, then we ought to see that the smaller operator, the one who lives on his land and operates it, is given a fair share of these funds. I remind you again, this money is intended to help the farmer take care of his own soil. All we are saying in this amendment is that the individual operator is limited to $1,500 in Government payment.

More of the funds should go to the smaller operator and less to the big plantation owner or the big grain producer.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to point out that there is a formula where these funds are allocated to the States. Whether you take the gentleman's amendment or leave the bill alone, the States would get the same amount of money either way, whether the amount stays as it is here or whether it is as the gentleman would amend it. Now, the people of Kansas can limit it to $150. The higher limitation would let those States with a major problem have a higher leeway to meet their problem. There is no money involved. It is a question of whether the latitude shall be high enough to meet the problems of some States, and whether you take the gentleman's amendment or that in the bill, you do not affect the total amount of money spent at all. The people in Kansas can cut it down to $100 if they wish to.

Mr. REES of Kansas. By the same token you could increase it to $5,000 and the gentleman's argument would apply in this case. All we are saying is that nobody, whether they be in Kansas, Virginia, or Mississippi, or any State, can receive payment from the Government beyond the limit of $1,500. Of course, if a man does not want to earn more than $100, or earn any, that is his privilege. But let us limit it to $1,500 as the present law provides, and you will save some money and certainly make more equitable distribution if you adopt my amendment. If a State does not want to take the money allocated to it, that is its privilege. That can be done under my amendment. If a man cannot protect his own soil by getting $1,500 from the Federal Government to assist him something is wrong.

Mr. WHITTEN. I would repeat that you do not save any money either way. You do not require a State to have a lesser amount.

Mr. REES of Kansas. I am not requiring a State to have a lesser limit, no, but you will save a considerable amount if you will limit the overall payment to one person. That is, if the $250 million is the amount you are allocating on the basis that all farmers will take part in this program.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. WITHROW. In connection with the wording of this, it is recognized that in all probability even $2,500 would not be enough because it reads as follows: "$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community."

There is the impractical thing about this. These farmers are reluctant to get together and to have a project on one of their pieces of property; so the result of it is that in my area where we have draws, we are not getting the projects we should because the individual cannot afford to put the money into the project he should in order to make it practical. If you are going to have real conservation, if you are going to control floods, you have to control them at the source, not wait until they get down to the river.

Mr. REES of Kansas. That is a different situation. The gentleman showed my amendment does not change or alter the situation on which he calls attention. I do not change the formula. My amendment simply limits the payment to $1,500 instead of $2,500. I am trying to assist about 70 percent of the participants who get payments averaging less than $400. The adoption of my amendment is more equitable and will save some money for the taxpayer. It certainly injures no one.

Mr. Chairman, I think it should be definitely understood my amendment relates only to payments made to individual land owners or tenants, or both, for following practices required by the Department of Agriculture, in improving the soil they own or operate. It does not relate to what has been known as a general soil conservation program, that is carried on entirely by the United States Government.

Even under present law, under this program, about 25 percent of those who participate, get approximately 70 percent of the appropriation in this bill. Think what you are doing when you add a thousand dollars to the payment to each of those who now receive the limit of $1,500.

Mr. JOHNSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment striking out the figure

$2,500, lowering the present limitation in the bill before us.

I am principally interested in seeing the limitation left as it is in the bill so that more work can be done on gully control structures in States with a topography like we have in western Wisconsin. The present limitation was established at a time when construction costs were considerably less than they are today. People active in this work in Wisconsin tell me that the limitation is blocking gully control work because of increased costs. An incomplete survey in Wisconsin shows that 89 projects for gully control were not started last year because, under the present limitation in the law, the Government could not enter into the construction beyond the $1,500 figure.

Many of the farms and hilly areas of western Wisconsin and other States with similar topography are unable to progress any further with soil conservation work unless the amount allowed for gully-dam construction is increased. The old $1,500 limitation accounts for the fact that many States are not using the total ACP appropriation. Wisconsin returned $1,758,000 in 1955, and the preliminary figure for the year 1956 shows that the State returned $750,000.

In speaking to people engaged in soil conservation work, I was told that for a number of years it has been impossible for the State to proceed with major gully control work because of this provision in the law. They told me that if this exception were not included in the law, they would be able to go into the various watersheds, do part of the gully control work on individual farms and, when the total project came up for planning, the cost-benefit ratio would come out favorably and the project would be eligible for Federal assistance.

I believe every member of this committee is aware that, if this condition is permitted to exist, areas where the gullies have made such headway will be without value for future farming operations and we will have a country similar to China, where soil erosion was permitted to run rampant for centuries. The gullies I refer to in my district have made such headway that, even if the farmers follow the conservation practices set up for them, they are unable to retard these large gullies from making further advances through the valleys without doing special gully control work.

Let me quote from letters I have received from Wisconsin soil-conservation leaders concerning the price limitation. The first statement is from Mr. Henry E. Graff, chairman of the Eau Claire County Board, and Mr. Arthur Donaldson, chairman of the Eau Claire County Agricultural Committee:

> The $1,500 limitation per farm in the AC program has deferred the installation of large control structures. Construction costs have gone up to a point where the $1,500 limitation does not provide for equitable cost sharing on large structures. It is our understanding that sizable unexpended balances from the AC program have been returned. We believe it would be far better to encourage the structure program by raising the present limitation and using at least a portion of the unexpended balance for permanent structures.

I should also like to quote from the letter of a man engaged in soil-conservation work in western Wisconsin:

> You are familiar with the rugged terrain of this area. Many of our farms have large gullies on them. In order to prevent them from spreading, it is necessary to construct earthen and mechanical structures at their heads. This sometimes runs as high as $6,000 for a single gully. The average cost is probably close to $3,000. Most of the farmers in this 6 or 7 county area cannot financially afford to spend this much on these gullies. The agricultural-conservation program of the Agricultural Conservation and Stabilization Service of the Department of Agriculture helps share the cost of these practices. The law states that the Government will pay 75 percent of the cost of these structures. However, another section of the same law states that no farm may earn over $1,500 in any 1 year. In the case of gully control structures costing $3,000, the percentage immediately falls from 75 percent to 50 percent because of the $1,500 limitation. I understand that a change in the law requires an act of Congress. I feel that the $1,500 limitation should be removed in case of structures and the 75-percent limitation alone apply.

The Dunn County Soil Conservation District annual report for 1956 also recommends a change in the law, and I shall quote in part from it:

> We would like to make one recommendation for a change in the above-mentioned ACP program. We have an estimated 150 large gullies in need of gully control structures. Many of these will cost the farmers from $3,500 to $5,500 to install. Under the present ACP program the Government will reimburse the farmer 75 percent of the cost of gully control works. This is fine but Congress has imposed a maximum payment per farm of $1,500. Under this regulation the farmer is not able to recover anywhere near 75 percent of the cost. For the benefit of the gully control program, we would like to see the $1,500 ceiling raised to $3,500 per farm for gully-control work only. Most of our farmers find themselves in a financial stress and are unable to spend necessary money to halt large gullies which are eating into valuable cropland and in some cases building sites. In most cases, these gullies are a threat to neighboring farms as well as public highways.

In reply to an inquiry I made of a county agent in Wisconsin, I received the following statement:

> There is one item on which we might get more done, if the ASC aid was a little more realistic. The present incentive payments on erosion control structures put in by a farmer are 75 percent of the cost, with an upper limit of $1,500. In this area, the average cost of structures has been about $3,000, and a top of around $6,000, which means that the average man only gets about 50 percent of the cost back, and in the larger ones, they would get as little as 75 percent.

This situation is not confined exclusively to my district. I am told the same problems exist in Kentucky, eastern Iowa, parts of Missouri and Nebraska, and perhaps in many other States of which I am not aware. I believe the purpose of the restriction is to prevent a few large farms from receiving large grants under the ACP, and I am in favor of this purpose. However, I would like to see the language changed so that the limitation of $1,500 for individual farmers for doing gully-control work is raised to a figure compatible with current construction costs, or excepted entirely.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the amendment. First of all, I believe that we all recognize the fact that flood control and soil conservation are essential and we want to find practical means to bring about a condition that will permit us to have soil conservation in a practical sort of way. All this provision does is to raise the amount that may be paid to an individual to $2,500. In other words, it fixes a ceiling. The money will then go to the State, in the gentleman's case, the State of Kansas and in my case the State of Wisconsin. They will make the determination as to what the ceiling shall be in the particular State.

The only difference between the law as it is and that proposed by the committee after careful study is that the amount has been raised from $1,500 to $2,500. That is the only difference. There is a proviso whereby two or more farmers may get together and then they may be allotted more money.

Mr. REES of Kansas. That is in the present law.

Mr. WITHROW. That is in the present law. But that has not been workable, particularly in my locality because, as you know, the farmers and the ranchers are reluctant to get together on an agreement. So $1,500 was recognized as being impractical and therefore it was raised to $2,500.

If my recollection serves me correctly, the gentleman from Kansas [Mr. REES] was opposed to $1,500 the last time this matter was before us. We had the same argument at that time in regard to it. Now, if you really want soil conservation, if you really want flood control, you had better approach this at the grassroots. This is the only way you can do it in a practical sort of way. That is all there is to it.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. WITHROW. I yield to the gentleman.

Mr. REES of Kansas. The gentleman understands that all in the world I am doing in my amendment is leaving the present law as it is.

Mr. WITHROW. The bill raises it $1,000.

Mr. REES of Kansas. My amendment would leave the present law just as it is. The gentleman understands that.

Mr. WITHROW. Yes, $1,500; and we want $2,500 because it has been recognized by the committee that $1,500 is not a practical approach.

Mr. REES of Kansas. I am saying that $1,500 is what the law is now; just leave it alone instead of spending this additional fund the gentleman is talking about. That is about all there is to it. Following the gentleman's argument, we should make it more than $2,500.

Mr. WITHROW. I think it should be $3,500 but I am perfectly willing to settle for $2,500, try that out and see if it is practical. The gentleman does not want to have anything in that provision.

Mr. REES of Kansas. Oh, yes.

Mr. WITHROW. The gentleman was against $1,500 a year ago.

Mr. REES of Kansas. I tried to put it at $1,000.

Mr. WITHROW. You bet you did, and the gentleman would like to have it there now.

Mr. REES of Kansas. Yes, sir.

Mr. WITHROW. The gentleman is like the boy in the Army, they are all out of step but him.

Mr. REES of Kansas. Oh, no; I am for the small-farm operator in submitting this amendment.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the amendment offered by the gentleman from Kansas. I take the floor more specifically to point out the fact that there is no way in the world that a farmer can get a dollar of the agricultural conservation program money as money. I know. I have been in full compliance with every agricultural program since the first corn and hog program, and I have participated in the agricultural conservation program since its very beginning.

If a farmer gets $2,500 of assistance, he is going to have to put up $2,500 of his own money in order to get it and, in addition, he will have to do all the labor that is required. At the present time you cannot get agricultural lime or rock phosphate or mixed commercial fertilizer to go on your soil unless you first have a soil test, and that is usually made by the county agent. You have to meet the requirements. If your limitation is $1,500 you can get $1,500 of aid by putting up $1,500 of your own money in most cases. In some cases you have to put up more than 50–50.

In Missouri on rock phosphate the Government will pay $9.30 and you will pay $11.60 in order to get your rock phosphate. It was $13.60. So I resent the implication laid before this House, if such implication was made, that the ACP hands money to the farmer. It does not. It assists him at 50 cents on the dollar down to about 39 cents on the dollar in buying the material to help conserve the soil. It is a good thing. It is nice that the Government does it. But do not forget that when the Government puts up a dollar the farmer must put up a dollar or more of his own money and do all the work himself. I wanted to correct that impression. That is why I took the floor. If I have any time left I yield it back, and close by saying that I hope the amendment offered by the gentleman from Kansas is defeated.

Mr. MASON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do this to use this illustration: I have some property. It is a factory, or any other kind of property that is bringing in an income for me. If I spend $2,500 on that factory building to improve it, then under this philosophy I should get $2,500 from the Federal Government for improving my own factory.

This soil-conservation program was put across when the farmers of this Nation were down at the bottom. It was done to help them improve their own property. Today it seems to me it has long passed its need. We should not aid the farmer to improve his own property any more than we aid the city man to improve his own property.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

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

There was no objection.

Mr. WHITTEN. Mr. Chairman, I have the highest regard for my friend from Illinois [Mr. MASON], and I mean that from the bottom of my heart. But I do think I should point out the basis on which the agricultural conservation program was passed and has continued.

Before we had this program the record shows the American farmers wore out 40 percent of our land. They wore out 80 percent of our timber. In recent years it has been my privilege to visit China and other old countries of the world where the people did not see to it that a sufficient share of what was taken from the land was put back into it.

The gentleman is right. This program is a Federal contribution toward getting soil conservation work on land. The Federal Government puts up about half of the money and the farmer puts up half of the money plus his labor. It is predicated on the belief, and I subscribe to that belief, that all of us have an interest in maintaining for ourselves and the future generations the wealth of natural resources that we have inherited. There are many places in this country where the land is washing away. At Memphis, Tenn., on the Mississippi, for instance, there is a layer of topsoil that rolls down that river and on out to sea, each day, some 10 feet wide and some 20 feet deep. That topsoil is washing away from farms where it is not financially feasible for that farmer to do the things to keep that soil there. If you would sit, as I sit, on this committee and listen to the testimony about the thousands of acres of land in our country that have eroded and gone, and the thousands of acres where we do not have any timber, where we have black rot in tobacco, and the thousands of acres that are no longer fit for the production of food and fiber for our people in this country, it makes you realize that in 270 short years we have wasted more fertile soil than any nation in history. Luckily, we have had more to waste. I say to you this is one of the soundest investments in the future. I believe in a balanced budget. I believe we ought to keep the financial structure sound, but I do know that you could burn up every dollar and every bond and your children could come back as long as they have fertile acres, highways, electricity, and the know-how in the factories, and all of the material things.

Now, Mr. Chairman, I would like to address myself to the gentleman's amendment. You know these projects should be big enough to do some good. They should be large enough to stop erosion before the flow starts. This limitation is a limitation on what any one State can do. But any State can put its own limitations far below this ceiling. We have in this bill a certain amount of money and it is divided to the States under a formula. The State will get its money. I say you should permit a State with a particular type of problem to have enough of a ceiling to spend this money wisely. In the final analysis, it is a contribution only to the cost of work to preserve our land.

I live in a county-seat town—not a big one, mind you—and I am not a farmer either. But, I say that the greatest heritage for the future that I can leave to my children will be to leave them rich land. It would be most foolish under present conditions and declining farm prices to hope that the farmer out of his limited income will stop this erosion and protect that land. I say to my good friend, this is different from what happens to a man's factory. Sure, the farmer should take what he does make and look after the land for himself and for us, too, but history teaches us that that is not done. We passed a bill trying to get him to do it. Believe you me, he has to spend this money that he gets from the Government and he has to spend an equal amount of his own money, and he has to do the work. Do not put a ceiling on those who do not need a ceiling. Put it on yourself in the State of Kansas, Mr. REES, and I will put it on in my district, because we do not need this much. But, there are areas in this country where we ought to raise the ceiling so they can meet their problems where it will really be of some benefit.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are two counties in Oklahoma that I just happened to think of, the name of one of them is Caddo County, and I remember that because it is in my congressional district. Then, there is one other county. These two counties in the last fifty years have lost more soil by erosion according to the information that has come to me, than all of Ireland has lost during that time. I cannot say for certain that those figures are true, but I believe they are true. I have the greatest respect for the gentleman from Illinois [Mr. MASON] and I have the greatest respect for the gentleman from Kansas [Mr. REES] who offered this amendment. They are both splendid gentlemen and they are both very efficient Members of the House of Representatives. They are men of great sincerity and nobility of purpose. But, I just cannot agree with them on this matter. Let me give you some figures here which I think are rather startling. The gentleman from Illinois used the illustration that it was not right for a farmer to receive $2,500 from the Government to help to protect his soil. I want to say to the gentleman from Illinois that your manufacturer you mention has received far more than $2,500 from this Government and from the taxpaying people of this country. Here are some figures. I am going to try to verify these figures. I think these figures are true. They come from a very reliable source. During the period extending from 1933 to 1955, we, the taxpayers of the United States, have subsidized the manufacturers in this country to the extent of $40.8 billion. We have subsidized shipping and airline interests to the extent of $5 billion. We have subsidized in support prices for farm products, to the extent of $1.2

billion. So actually the farmers have received a subsidy of $1.2 billion; the manufacturers have received a subsidy of $40.8 billion during that same period of time—that is from 1933 to 1955.

I do not complain of that subsidy to the manufacturers, but when you and I buy a suit of clothes we pay approximately twice as much for that suit as we would pay if we did not have the tariff. So the American public has paid billions upon billions of dollars in subsidies to the manufacturing interests of this country. When we ask you to give us a pittance for the protection of the farmers of this country, the newspapers, the radio, and the TV dramatize the little dribble that the farmers get, but say little or nothing about the billions and billions of dollars that the shippers, the airlines, and the manufacturers get. So let us be fair with each other, and help us to carry on this fine soil conservation program.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is never pleasant to find myself at differences with some of my colleagues from the agricultural areas, particularly from my own State. But as one who comes from a farming district, the income of which is largely from small farms, I say to you this amendment ought to be adopted and it ought to be adopted in the interest of small farmers.

Before a ceiling was placed on this particular program, payments to some of the farmers had gotten so high that it created a terrible scandal in this country and under this dome. So, to eliminate that scandal and in order to spread the funds among more farmers, a ceiling was placed on the amount any one farmer could receive. I do not remember what the earlier ceilings were, but I know that for the last year or two we have operated at a ceiling of $1,500.

The money is divided and distributed among the States and from the States to the counties. In the counties the money is distributed by a county committee. I know of counties where the money petered out before it reached many of the small farmers. Some bitter feeling was created because of the method of distribution.

I am not going to say that any of the county committees especially favor some farmers against others. That would not be unpolitic. But I will say that the lower the ceiling the wider the spread and a greater number of people will benefit from the program; and there will be less opportunity for county committees to favor certain farmers should there be an indication to favor such.

Let us say that the amount of this appropriation was only $15,000 and that you had a ceiling of $2,500. That would permit the distribution of the entire $15,000 among six farmers; they would gobble it all up, and if there were ten farmers in the county there would be four who would not get anything. But if you apply a ceiling of $1,500, each of the farmers will come in for a part of the benefits.

This amendment does not cut down the amount of money that is to be authorized; it does not add to the amount; it does not take away from this program a thing in the world. I am just as strong for the program as any member of the House. In fact, it was my bill that this House passed just a few days ago which gave permanent status to the program. It was so given because it has been accepted as one of the finest programs ever designed for American farm and farmers.

I would like to see this amendment adopted because with the lower ceiling we will benefit more people. Remember the total amount of money will remain the same, but with the higher ceiling you will reach fewer people and fewer farmers.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I am happy to yield to my colleague from Texas.

Mr. MAHON. As I understand it from Chairman WHITTEN the States can fix any ceiling the State desires to fix.

Mr. ABERNETHY. Yes, they can.

Mr. MAHON. And while the gentleman's State may desire to fix one ceiling, another State with different problems may desire to fix a different ceiling. So it seems to me the amendment is bad and should not be adopted.

Mr. ABERNETHY. I agree with the gentleman that that is possible, but unless we write a ceiling here, there will be a fight in every State capital as to what the ceiling would be, and the big farmers will get the money.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. MASON. And all the States will be levied upon for this fund in taxes, and then one State will limit it at $100 and another State at $2,500. It is ridiculous.

Mr. ABERNETHY. I would like to say to the gentleman from Illinois that this money will come out of every taxpayer's pocket.

Mr. MASON. But it will not pay back into each farmer's pocket.

Mr. ABERNETHY. That is right, especially under the proposed higher ceiling.

Mr. PILCHER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield for a consent request?

Mr. PILCHER. I yield.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. GATHINGS. Mr. Chairman, reserving the right to object, does that include the 5 minutes to which the gentleman from Georgia, already recognized, is entitled?

Mr. WHITTEN. It would. I am not trying to foreclose anyone else.

Mr. Chairman, I modify my request and now ask that all debate on this amendment close in 10 minutes.

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

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PILCHER. Mr. Chairman, if I did not think this amendment was beneficial to the farmers I certainly would not be in favor of it.

I have farmed all my life, and for several years I was chairman of the ASC committee of my county.

My colleague, the gentleman from Mississippi [Mr. ABERNETHY] has explained the operation of this payment program so clearly I cannot see how anyone could fail to understand it. This money comes from Washington to the States. Each State allots it to the counties.

In my county we have a good many city farmers—and they are my friends. These so-called city farmers who do not make their living on the farm, go in and gobble this money up within 10 or 15 days after the program is out, and two-thirds of the small farmers do not get a dime of it. In all fairness to the little farmers, the amendment should be agreed to. This does not hurt anybody. It does not cut down the money. It will go farther, it will help more little farmers than if the amount were left at $2,500. Personally I would vote to reduce it to $1,000 because it would help more little farmers.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to say that the gentleman makes a very plausible argument in support of his position. The gentleman would agree that the State of Georgia can pass whatever limitation it might wish. I do not believe the gentleman would want to put the same limitation on to Western States where the problems are different, such as flash floods like what happened in Texas. I do believe that the gentleman's argument in favor of a limitation in Georgia is good, and Georgia under either amendment could place such a limitation; but I do question whether the gentleman would want to impose a Georgia rule on another State. Our committee had much testimony to indicate that the problems in many areas are much different than they are in Mississippi and Georgia. I ask that in all sincerity because I can appreciate the gentleman's feeling insofar as Georgia and the southeastern region is concerned. But the whole of the country is different.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

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

Mr. JOHNSON. I would like to explain to the gentleman from Georgia how the program is working on a small farm in Wisconsin. Take a farm that is only worth $6,000. Maybe it has a big gully in it and it would cost $3,000 to fix it. Under the law the Government is supposed to pay 75 percent, which would be about $2,300 and the farmer would have to pay $700. The way it is working out with a limitation of $1,500, the Government could only pay $1,500. What happens? The farmer does not

fix the gully, it gets worse every year. He can perform all the soil conservation practice he wants to but that does not stop the gully from getting worse. If you keep the limitation in the law, you will stop a big part of the soil conservation work as it applies to gullies.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

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

Mr. REES of Kansas. The gentleman knows from his own experience, having personally dealt with this problem, and having been a member of a county committee and knows what he is talking about. He will agree with me, that the way this thing is managed, the man who owns the larger tract of land is the one who gets most of the money. Only a small share of it goes to the little fellow who needs the money. Is that not about the way it goes?

Mr. PILCHER. Yes, and the little fellow is not altogether blameless, either. This is not an answer to the farm problem.

Mr. REES of Kansas. I agree with that statement.

Mr. PILCHER. There are a lot of little farmers and businessmen who are not too helpful, either. They will get these little fertilizer payments and some goes to raise a little more cotton or a little more peanuts with the fertilizer money.

Mr. Chairman, I would not do anything which would hurt any farmer. I just know from practical experience this is not going to hurt the farmer that we all want to help or the one we are talking about, the little farmer. I think it will help the little farmer.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to oppose the pending amendment for a number of reasons, but in view of the arguments made by those who have preceded me, may I say that one of the main points that should be made is that the amendment takes further authority away from the States to deal with the problem involved. This amendment is a further proscription upon the States. Basically, if this limitation which we are attempting to raise is not raised, there will be a further decline in the amount of acreage involved that is improved. The idea behind the program is not to give a handout to the farmers. The idea is to get as much acreage treated in such manner as to prevent poor conservation practices, and to conserve soil.

Mr. Chairman, the idea is not to give any handout to any one farmer to increase his income, but to enrich the soil, to bring about practices that will keep this rich soil available not only to the farmer who is farming it today, but to the people who, we hope, will be farming that land in generations to come. It can only be done through practices that are large enough to be undertaken with the type of payment that is proposed.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I trust that this amendment will not be agreed to. The gentleman from Missouri made a very fine speech awhile ago, and I hope that all of you will agree with him. He stated that the farmer paid one-half or more of the cost of the practices. He also contributes his labor.

Now, what you are doing in this amendment is endangering the tenant and the sharecropper. Do not overlook the fact that those checks are divided between the landowner and his tenant, and the sharecropper. In order for the tenants and sharecroppers to participate in the agricultural-conservation program the landowner must first be given the privilege of coming in. You are going to say, because a farmer saved his money throughout all the years, of such a size as would require tenants or sharecroppers on that farm, he cannot participate in this conservation program, the purpose of which is to assure a fertile and rich soil in the years ahead. You cannot just say that we want to conserve the soil by conserving a very small acreage. If you are going to conserve the soil a large farm and small farm as well as middle sized acreages should be a part of the program. When this program was first inaugurated there was no limit at all. Then it was cut down to $10,000. Then from $10,000 it came down to $5,000, then to $2,500, and now they want to further limit it down to $1,500.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from Minnesota.

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

There was no objection.

Mr. MARSHALL. Mr. Chairman, you know sometimes things get just a little bit amusing. Do you realize that this particular proposition of raising the limitation from $1,500 to $2,500 came really from the little farm areas? That is where it came from. Those are the people who proposed to the committee that this limitation was placing a hardship on them.

Now, is it not rather peculiar that we hear so much said that we were hurting the little fellow when we raised this limitation?

I would like to say another thing about this particular feature. Some Members of this body have persisted and believed that agricultural conservation payments are a dole. That is the way they look at it. And, if you think in terms of a dole and you want to limit the amount to $1,500, I cannot argue with you at all one bit on that score. But, I happen to believe differently than that. I believe that the agricultural conservation program is a necessary program and a worthwhile program to conserve the resources of this country and a cooperative effort with the farmers in this country to do just that.

Now, what do you do when you limit it at $1,500? One of the things you do is that you tend to siphon the money into program practices that are of a temporary nature. What do you do when you increase the limit? You put it over into the higher priced permanent practices, such as terraces, putting in dams, and things of that kind. You are putting money into permanent practices, things that are set year after year after year to preserve practical soil conservation in this country.

I am interested in another thing. I am one of those people who believes that it is proper for the farmer to make a contribution to these practices. I think he respects them more when he does. And, when the farmer contributes about two-thirds of the cost of these practices, I think that is fine.

Now, I love my committee members over on the Committee on Agriculture. Some of those members are my best friends and some of the finest men that ever served in this House. But, you do have other programs where you are putting in permanent practices where the Government pays 100 percent of those practices; that is, you do not ask the farmer to contribute anything.

Where do some of those practices go? I have been out and have seen some of those practices, and they are worthwhile practices; I am for them; they are good practices. But they come on some of the larger farms in this country. Mr. Chairman, this amendment ought to be defeated and it ought to be defeated in the name of helping the little fellow to do what needs to be done to conserve the soil of this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. HEISTAND) there were—ayes 56, noes 55.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. REES of Kansas and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 72, noes 74.

So the amendment was rejected.

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 18, line 16, strike out "$250,000,000" and insert in lieu thereof "$180,000,000"; and on line 21, strike out "fertilizers, lime."

Mr. PELLY. Mr. Chairman, in general debate on this bill, I pointed up the "ridiculous contradiction" of spending $1 billion to cut down cropland to reduce surpluses, yet on the other hand spending millions to expand crop production on the remaining acreage. Since I covered the subject of this amendment yesterday, I will be brief and to the point today.

This amendment would eliminate two items from the so-called conservation program, namely, free lime and fertilizer which have entailed an annual cost of

approximately $70 million. Lime and fertilizer do not represent true conservation like terracing and tree planting or seeding land with a cover crop. Their purpose is to increase production and their being included is the result of high-pressure lobbying to have the Government do what private enterprise should be doing both in the selling and buying.

Officials of the Department of Agriculture advise me that on payments for lime we have been spending about $31.9 million a year and on fertilizer about $37.7 million.

I urge in the interest of reducing the budget and doing away with one element of farming by bureaucracy, in the interest, likewise, of the economy and the consumer-at-large, adoption of my amendment.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know there are great differences of opinion about many things in this bill. But, I would like to point out the gentleman's amendment does not strike out these practices. The language which the gentleman's amendment would strike out is facilitating language. The right to pay a part of the cost of these particular practices is in the basic law and would continue. This language which the amendment would strike out permits the Department, when it is advantageous to the Government, to pay for these materials and to furnish materials in lieu of furnishing money in an equal amount or in an amount so that it might be acquired elsewhere. It enables this operation to be run more economically with the language than without the language.

Now, I would like to address myself for a moment to this type of practice, which this amendment again does not reach. Witnesses before our committee said—take limestone—if we pay for limestone under the—this is Mr. Koger who heads this program.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. WHITTEN. I yield.

Mr. TABER. The language here is a limitation upon the things that the $250 million can be used to contract for and, therefore, the elimination of the words "fertilizers and lime" would accomplish the cutting out of that in the letting of the contracts with these farmers.

Mr. WHITTEN. I beg to differ with the gentleman. If the gentleman will read the amendment closely, he will see that it strikes out language which will permit the agency to acquire lime and fertilizer. But, the fact that the agency is prohibited from acquiring it would not at all prevent the agency from paying a part of the cost and doing things to the land. So I respectfully submit that the language here is facilitating language and is not as the gentleman from New York interprets it.

Mr. TABER. I beg to differ with the gentleman.

Mr. WHITTEN. The gentleman from New York has differed with me many, many times and we remain very good friends. But, I would point out again that having worked with this program in detail, as I have, in my judgment and based on the whole experience, this merely cuts out facilitating language and would not in the least prohibit the carrying out of these practices. I want to point out again Mr. Benson, through his assistant who heads this program, says that under present conditions these practices, which again this amendment does not reach, is now limited to those places where it helps to put cover on the land. I would remind you that President Eisenhower only a few weeks ago spoke in Texas and pointed out that we have to have a Great Plains program which has been sponsored by this administration. We have appropriated in the last year because of disasters largely brought about by the lack of cover on the land about $70 million for a feed program to help in these disasters which, as I have said, have largely been caused by having no cover on the land. Twenty million dollars has been given out of the Treasury to meet the problems of erosion in these areas. The Great Plains program, sponsored by the administration, is in this budget to the tune of $20 million. Again I am saying that to prohibit the use of these practices, which are limited according to the administration, to help to bring about permanent cover on this land, is to help to solve this problem in which we put $110 million in the last year. That is sound business. Again, even if you do not believe that that is sound business, my experience over the many years that I have had to do with running this committee is that this language is merely facilitating language which would be stricken, and it would leave the Government in a situation where it could not go in and acquire these things where it was economically practicable and where they could save money, but it would require them to do it by giving money to farmers to carry it out. I, therefore, submit under either approach the amendment should be defeated.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is ill-advised. If every Member knew exactly what fertilizer does and the great advantage there is in it for the farmers and for the land, there would be very few votes for this amendment.

Here is the story. The extension service of every State, through the land grant colleges, determines the kind of fertilizer that must be used on different soils. There are many different types of soil. It is necessary for people who are skilled in the art of analyzing soil, in order to determine the change that is likely in that soil, and to understand the necessary kinds of fertilizer which the soil needs. So we have many different kinds of commercial fertilizers. Each kind is suited to make the land more productive, of course.

As the gentleman from Mississippi [Mr. WHITTEN] has just explained, we have a situation where, unless we can have good cover crops we will have terrific erosion of our soil. It is necessary to have plenty of vegetation on hilly land. If we do not have it our rich topsoil will soon rush to the rivers and to the seas. Soil conservation benefits all the people living today and for coming generations.

The Great Plains are greatly in need of these commercial fertilizers in order to make it possible for vegetation to grow in that great arid and semiarid country. Fertilizer is necessary to grow vegetation on those Great Plains that add so much to the filling of silt in the great reservoirs that have cost the people of America billions of dollars.

I would dislike very much to see the farmers of this Nation denied an opportunity to acquire the kind of commercial fertilizer that is necessary to supplement the nutrients that are lacking in the soil.

As I said before, fertilizer is not only used to grow more crops such as corn, wheat, and oats, but much is used on pastureland and on every type of land, in order that we may have proper soil conservation. Certainly the soil-conservation program as directed by the Soil Conservation Service has done wonders for every American in this great country of ours for few dollars, comparatively speaking, compared with other things we spend money for which are not nearly as necessarily useful and as long lasting as is the great soil-conservation program. If this amendment prevails, the soil-conservation program which all of us support will be much less effective. That is a certainty. I am sure the membership can see the folly of such a proposal.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to this amendment and do so because of the importance of this particular amendment and its effect upon this program.

I know it sounds as though it would be a fine thing to do away with fertilizer, to do away with lime. It may be particularly appealing in a time when we have a surplus of agricultural commodities such as we have at the present; but I do want to point out, Mr. Chairman, that there are many many places in these United States where you cannot get a cover crop unless you first put on lime and fertilizer. That is the only way you can establish a grass cover in some of these places where one is needed so very badly. Some of those areas are not far from the Capital City of Washington. When you go out and see some of the beautiful rolling hills in Virginia, you see where cover crops have been used for grass waterways. And the farther west you go, the problem becomes the greater and the grass cover crop more badly needed.

Let me point out to the Members of the House that every one of the practices in the agriculture conservation program is gone over carefully and recommended by the best soil experts in every State in the Union. It is their recommendation that determines what practices shall be used.

Any State can change the program; if it feels it is not necessary to use lime for fertilizer for the establishment of grass cover crops it is possible for them to eliminate that practice, and under the formula established use the fund for other worthwhile practices. College

groups and soil experts have gone over every one of these practices and said that they are the things necessary to conserve the soil resources of this country, to help establish stands of grass and legumes to stop erosion.

Mr. Chairman, in my opinion this amendment would be most disastrous to the agricultural conservation program. It would interfere with conservation programs. In my opinion, in certainly ought to be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman has made a very clear and worthwhile statement. I want to ask him this question: Is it fair or just to say to one big area of this country, the New England area especially, that the farmers up there are not entitled to share in the benefits of this particular conservation program?

Mr. MARSHALL. This practice, as my good friend and my colleague from Minnesota knows, is a most beneficial practice to the New England area. I am glad he called my attention to that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. Whatever our opinions may be on restrictions and allotments they are still in the law and, of course, we need fertilizer and lime to help the farmer make better use of what he has left after the allotments have been made.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. My understanding of the gentleman's presentation is that this fertilizer and lime is to be used in relation to a conservation program rather than for the increasing of crops per acre.

Mr. MARSHALL. I am glad the gentleman brought that out because the regulations governing the agriculture conservation program in my area, and I rather think it is true nationally, that the principal purpose in mind is the establishment of a stand of grass and legumes and is not to be used on depleted crops. I am sure this is true in every State in the United States.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the pending amendment. But the primary reason I take this time is for the record to show that in spite of the fact the President went on television and radio last night in an effort to work up some interest in his budget, my office has received no telephone calls or telegrams today asking me to restore the cuts that we have made in his budget so far.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise at this time to make a few observations in reference to this appropriation that we are considering and to register my opposition to the pending amendment. When you think of all the new, improved, highly questionable activities of the Department of Agriculture these days, you wonder why anyone would pick on the old, tried, and true conservation program to make cuts. This program dates back many, many years; and the amount approved by the committee is not $1 more than was appropriated last year. Let us defeat the amendment.

Now while I am on my feet, I want to say that this is one vote I shall cast for an appropriation with a lot of misgivings and very little confidence about what it will accomplish.

This is the largest agricultural appropriation in the history of the United States. The Department of Agriculture has more employees than ever before in history—10,000 more this year than last.

We are about to vote some $3 billion theoretically to help American farmers. But when this appropriation is passed, I hope no one will feel that Congress has done a good job, or that we have discharged our obligation to the Nation's farm problem.

Did you ever stop to figure out how many farmers in your State will participate in the programs financed by this appropriation? Missouri has more than 200,000 farmers, I am sure; and I know that Missouri's gross farm income is in excess of $1 billion a year—the only billion-dollar industry we have. Only 2,000 farmers will receive a check from the conservation reserve division of the soil bank this year.

The total amount of all the checks will be three-tenths of 1 percent of Missouri's total gross farm income.

There will be another few thousand checks issued for the acreage reserve portion of the soil bank and another 1 or 2 percent of the farm people of Missouri will get checks that will total less than 2 percent of the total farm income of Missouri. Only a few farmers have good enough bottom land or good enough land of any kind to grow the so-called basic crops that seem to be the foundation of all our agricultural program—cotton, peanuts, tobacco, wheat, corn and rice—and not all the crop farmers sign up for commodity credit support loans. So there will be some few thousand more checks issued to those people who sign up for basic crop-support CCC loans—but the total money involved is less than 6 percent of Missouri's farm income.

Total them all up, soil-bank payments, crop-support checks, conservation payments—all Government checks for all purposes in the State of Missouri will be less than 10 percent of Missouri's total gross farm income. Yet in the State of Mississippi—and I do not single that State out for any particular reason, it is true of many basic crop States—Mississippi has a total gross farm income of only $500 million; and each year, 30 percent of Mississippi's total farm income will come from Government checks—direct payments or support loans.

I point this out because this thing called a farm program, is not really a farm program at all. It is a basic crop program. Last year, in 1956, a great segment of our American farm population—the poultry raisers—had the worst depression year since the thirties. But there is not anything in this bill or anything that the Government is doing to help correct the poultry depression. It is often said that poultrymen do not want Government help. They would rather shoulder it themselves. But you come down and talk to my people who are growing poultry and ask them how it feels to shoulder a depression yourself when the Government is helping other people shoulder their depression. Ask my livestock growers in south Missouri who will contribute so much to our total gross farm income how it feels to shoulder their depression, their low farm prices, when other people are receiving direct Government checks to support theirs. All I am saying is brought out clearly by the committee in its report, and I am directing the attention of this committee to it at this time because it is later than we think and we have only a few more weeks or a couple of months or so before this session adjourns.

This committee says:

> It is the opinion of the majority of the members of this committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country.

Can we not bear that in mind and can we not call on our great Committee on Agriculture to come forth with some new ideas that will get away from basic crops, acreage allotments, and this monstrous paying of people for growing nothing in an attempt to reduce production. Wherever it is we think we are going, I fear we will never get there this way. Let us get back to fundamentals and meet face to face this problem of the total American agricultural picture with a new program that recognizes the need for new markets, new foreign marketing and development of new methods of disposing of food and fiber, so farmers can farm again.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The amendment was rejected.

The Clerk read as follows:

ACREAGE RESERVE, SOIL BANK

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821–1824 and 1802–1814), $600,000,000: *Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of $500,000,000 with respect to the 1958 crops.

Mr. HARRISON of Virginia. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRISON of Virginia: On page 21, strike out all following the word "program" in line 2 and strike out all of line 3.

Mr. HARRISON of Virginia. Mr. Chairman, inasmuch as my good friend from Illinois announced that no speech will last more than 5 minutes, I ask that I be permitted to develop my thoughts on this amendment and, if I have time, I will yield for questions.

Mr. Chairman, this amendment will make this part of the bill read as follows, beginning on the last line on page 20:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

Now, this does not spell, and is not intended to spell, the sudden death of the soil-bank acreage reserve. It does not affect any contract that has been made up to this time. The purpose of this amendment is to put the acreage-reserve program on the shelf and give the Committee on Agriculture and Congress opportunity to examine the matter, and to determine whether or not it should be continued after this crop year. I call your attention to the fact that if the Committee on Agriculture proceeds to make such a study and determines that the soil bank should continue another year, a deficiency bill could supply the necessary money and it could go right ahead. If, on the other hand, they proceed to make a study and determine that it should stop, if this $500 million remains in the bill, it could not be stopped until the 1959 crops.

The soil-bank acreage reserve has been under heavy indictment. First, it is indicted, in effect, by the Secretary of Agriculture, who, in a letter to Senator ELLENDER last week, stated that the entire farm program must be reconsidered. Now, every objection that the Secretary makes in his letter to Senator ELLENDER to the rigid price-support payments would apply with equal, if not greater, force to the payments under the acreage-reserve program. His objection to limitations by acres which apply to the price support on the basic commodities also applies to this.

The acreage reserve of the soil bank is under heavy indictment from the committee which has presented this bill. It has made a very thorough, complete report in which it criticizes the administration of this program and its effect in devastating language.

The Secretary of Agriculture has pointed out that production limitations based on acres do not result in lower production of crops. Let us remember that the only excuse for the acreage reserve of the soil bank was to reduce production, and it is a system of production control based on limiting acres planted to a crop—a system which even the Secretary of Agriculture admits will not work. Then, the committee substantiated this failure by its own investigations and reported that the adoption of this program had not reduced surpluses in the crops affected. Whether it has or not, Mr. Chairman, I would like to point out these facts. The entire price-support program on the basic crops is for the benefit of 23 percent of the cash income of the American farmers. The other 77 percent, some of whom I have the honor to represent here, and who are also to be found in other coastal States, the Middle Atlantic States, the New England States, and in many other States, never have shared in these expensive programs. Now, this program comes along and although they do not share in it, and although it does not reduce surpluses, it transfers the surpluses from the basic crops into the other crops which these 77 percent of the farmers produce, creating new difficulties and injustices.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman.

Mr. ALBERT. Does not the gentleman think that this is a matter for the legislative committee?

Mr. HARRISON of Virginia. The object of this amendment is to give the legislative committee an opportunity to consider it. What good would it do for the legislative committee to consider the program if the $500 million already has been made available for 1958? If the legislative committee says that this program is a national scandal, which I claim it is, then they can stop it, if this money has not been voted in advance. But if we leave this money in, and the legislative committe says that it should be stopped, it would be too late to do it, because the allocations for 1958 would have been made and the program could not be stopped until 1959.

The administration of this program is accompanied by enormous injustices. Mr. Chairman, I call your attention to insertions I have placed in the record on the distribution of this fund among the various States. In the State of Kansas, for example, total soil-bank allotments this year, when related to the total number of farms in the State, figure out to $736.47 per farm. But in the State of New Hampshire, they figure to only $1.37 a farm. In my State it is only $24.96 per farm; why they took the 4 cents off from an even $25 I do not know, unless it was to take care of the 4-cent postage stamp that they hope to have.

Mr. Chairman, I urge the adoption of this amendment.

Mr. COOLEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am constrained to support this amendment for the very good reasons that have been assigned by the author of the amendment. For the benefit of the Members of the House I should like to say that Secretary Benson is scheduled to appear before our committee tomorrow morning at 10 o'clock. We were prompted to invite him to appear before the committee by the letter which he had written to Senator ELLENDER last week, which was referred to by the gentleman from Virginia [Mr. HARRISON] a moment ago.

In that letter, Secretary Benson indicates that we need a new legislative approach to the farm program. This committee has agreed with Secretary Benson in that regard.

I feel that this amendment is somewhat in the nature of a temporary injunction against the use of this $500 million until Congress decides clearly whether we should continue this acreage reserve program. We have had evidence of many abuses of the program. It has not only resulted in plowing under farmers, but farm communities and the people of those communities. We had evidence to the effect that it is a very wasteful program, that it actually costs more than twice as much to put a bale of cotton into the soil bank than it does to put it into the foreign markets on a subsidized program. I do not see that any harm could come by granting this temporary injunction on the use of this $500 million until the legislative committee can work its will on legislation which might be proposed by the Secretary of Agriculture tomorrow morning. As the gentleman from Virginia [Mr. HARRISON] has said, unless we do hold up this money it will no doubt be obligated before we can work our will upon new legislation.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. GARY. Does not the gentleman think that where the Congress has authorized a program—and that is all the general legislation is—and abuses have developed, that it is the duty of the Congress to stop those abuses just as soon as we possibly can?

Mr. COOLEY. I agree with my friend, and I think that the Appropriations Committee has by this report indicated that it, too, believes that we should put the brakes on this money until we can determine just what the policy of our Government is going to be in 1958.

Five hundred million dollars is a lot of money. I, for one, am anxious to economize if, indeed, we can actually economize by eliminating the expenditure of this stupendous sum of money in the good year 1958. I am frank to say that we are waiting and hoping and praying that the Secretary of Agriculture will come up with something concrete and something constructive. He has seen fit to criticize and to vilify these programs throughout the length and the breadth of the country. All of us are aware of the fact that agriculture is now in a desperate predicament. Think of the money that has been spent and will be spent, and our situation seems to be growing progressively worse.

The Secretary says that surpluses are disappearing and markets are returning, but the facts and figures of his Department belie that statement. The fact is, as he sells 3 bales of cotton he buys 2 bales to take their place. Our investment in inventories has gone up. He took over inventories valued at a little more than $2.5 billion, and even now, after all of these gigantic losses, we have more than $8 billion invested in inventory. He took over slightly more than 1 million bales of cotton and now he has approximately 10 million bales of cotton staring him in the face.

We have no panacea. We have offered two-price systems, we have offered compensatory payment programs, equalization fees, and all of the different things, but the Secretary of Agriculture has turned thumbs down on everything that any member of our committee has proposed. The situation is growing worse. I hope the Members of the House will vote for the amendment offered by the gentleman from Virginia [Mr. HARRISON], which, I say, is nothing but a temporary injunction until the committee can meet tomorrow and hear what the Secretary of Agriculture has to offer.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in this instance I am certainly constrained to object to the amendment and to say that I believe it would not be in the best interest of agriculture, even in areas that think they are not getting much out of it.

Let me say first of all that the criticisms that have been leveled against the program are hardly valid, for it was inaugurated just late last year. Many of the complaints with respect to starting it in 1956 were voiced by the Secretary himself as being inherent in a program he would be compelled to administer with so little preparation. We are really in just the first year of the program. We have no way yet of knowing how it is going to work.

I am reminded particularly of a statement made by my colleague from Illinois [Mr. SIMPSON] in the committee that to him one of the most unfortunate aspects of our efforts to help agriculture is that we have not stuck to any one program long enough in a period when we had a peacetime economy to know whether or not it would work.

I hope and pray that you will not literally use the meat ax on this program, because it came out in a bipartisan fashion with the blessing of both sides of the aisle and on the basis that it was the best we could come up with to meet this very critical situation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from North Carolina apparently does not like this program. I have sometimes wondered just for sure what he himself does want in the way of a program. He referred to this action as a temporary injunction. It would seem to me that if you strike out all this money that is not a temporary injunction. That is a death blow to the program. Why should we march down the hill so rapidly before we march up the hill before we have a chance to see what it can do?

Mr. HARVEY. I agree with my colleague and there is one point the gentleman from Virginia made that I should like to address myself to specifically, because it is important.

The Secretary himself said, and I want to be perfectly fair and clear on this, that the basic program accounted for only 23 percent of the gross farm income. Technically speaking that is correct, but here is the gimmick to that. Our program for sustaining grain prices has been the foundation that has sustained livestock prices, and livestock accounts for 60 percent of the total farm income. When you add that 60 percent to the 23 percent, you come up with 83 percent which is an entirely different figure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. COOLEY. I would just like to say to my friend, the gentleman from Indiana, that I refer to this as a temporary restraining order because if the Secretary tomorrow morning says he wants to continue the acreage reserve program, and if the committee and the House approve, it would be very easy to bring this provision in, in a supplemental appropriation bill. But, if we do not tie the money down now, it will certainly be obligated in the next few weeks.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HALLECK. If that is the reasoning of the gentleman, it is one of the weirdest things I have ever heard proposed around here. Here is this appropriation bill brought in to provide money for this program——

Mr. COOLEY. For next year.

Mr. HALLECK. Then it would seem to me better to go ahead with the bill and provide the money. Then, if the program is abandoned, they would not spend the money.

Mr. COOLEY. That is all right except for the fact that it would be obligated on contracts with farmers and we would have to keep faith with the program and go on with it whether we wanted to or not.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BELCHER. What would be signed up within the next few weeks? All the corn contracts have been signed. There are no wheat or cotton contracts that would be signed up within the next few weeks.

Mr. COOLEY. That would be for the wheat coming out for next year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. WHITTEN. I would like to point out that I am speaking for the committee's position. We personally felt we should handle it as we did, but I would like to point out to the gentleman from Indiana, in view of his comments and questions that involved in this bill are two things, the money to pay for this year's contract, which is not touched by this amendment, and an announcement of the program for 1958. The amendment merely limits or restricts the entering into any contracts for next year. But, the money will continue in the bill to pay for this year's contracts. I thought that ought to be made clear.

Mr. HARVEY. I thank the gentleman.

Mr. Chairman, I would like to say, in conclusion, that we embarked upon this program in good faith. Both parties believed in it. I think we ought to have at least the good faith to continue until the program itself has had a chance to prove itself. Certainly, we will not be doing that by this kind of action. To me this drastic action would be detrimental and destructive to the entire well-being of agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think here is a place where we need to use a little moderation. I say that in all sincerity. I, too, as members of the full Committee on Appropriations well know, have been critical of some of the actions in regard to the acreage reserve. I, too, am of the opinion that unless we can correct the deficiencies in these operations, and unless we can prevent the acreage-reserve program from being used as a crop-insurance measure or as a drought-relief measure, I then would be personally obliged to recommend to my subcommittee that we abolish this particular section of the soil bank. But let us not do anything foolhardy here today. We on the subcommittee, under the leadership of the gentleman from Mississippi [Mr. WHITTEN] have brought out through our investigation that certain deficiencies do exist. What are we doing? We are saying to the Department, because of those deficiencies and defects, we are holding down the size of this particular program for the crop year 1958 from the $750 million program, which the gentleman from North Carolina [Mr. COOLEY] and his committee approved last year down to $500 million. That is a one-third reduction for the express purpose of tightening up the administration of the program, but we still want to see that $500 million made available to farmers if they want it. This is a voluntary program and not forced on anyone.

In other words, our subcommittee is putting on the brakes, and we certainly do not intend to come in here and kill it today, as the gentleman from North Carolina [Mr. COOLEY] and others would like you to do, before this particular section of the program has even had a full year's operation. Let us not be foolhardy. Let us use moderation. Moderation is exactly what we on this subcommittee have proposed. That is, we are reducing the program next year from $750 million down to $500 million. I will give you my word—and I am sure the balance of my subcommittee will agree—that unless we can get these few little items of discord corrected that we are going to be very, very hard upon the acreage reserve portion of the soil bank. I am speaking as one of the two original authors of this entire program in this House—Mr. MARSHALL and myself. I want to reiterate that Mr. MARSHALL and I agree that the other section, the soil-conservation section, is the real soil bank. That was what we had in mind when we first proposed a soil-bank program. But, in regard to the acreage reserve, do not depress the price of wheat in Chicago and other markets by 10 cents or more by taking unconscionable action here. Remember that this acreage reserve, in spite of what has been said against it, has already been responsible for knocking down the production of wheat and corn in the great Midwest. In that way it has been saving the taxpayers hundreds of millions of dollars in storage charges and in price-support charges that they otherwise have to meet. No. Let us be moderate. Let us not listen in this case to the gentleman from North Carolina [Mr. COOLEY], much as I respect him, but let us go ahead with this program and try it for at least 1 full year, and then next year let us take stock. But this argument that unless we do it now we never can do it is fallacious. After all, we on this Subcommittee on Appropriations will see that no funds are available in a hurry if we find that these abuses, which are not as heavy as some might indicate, are corrected. I

will guarantee to you that our subcommittee will get tough.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield back the remainder of my time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to the fact that about a year ago I stood at this same spot and pointed out that while this soil bank could, and I hoped, would be a measure of assistance to individual farmers in certain cases, that it was certain in the long run to reduce community income and to reduce national income from agriculture by approximately 50 percent to the extent that it was effective. I think that all who have observed the operation of the program will now agree that that is certainly true; that the whole community suffers when we place a large portion of our productive land in acreage reserve.

Last week the Secretary of Agriculture, who originally suggested the soil bank, sent a letter to the chairman of a committee in another body, and made it public, in which he said that the soil bank had failed. I do not know just how far we have to go when our own experience proves that the program is having a disastrous effect on many of our communities; when our Secretary of Agriculture publicly and officially states that the program is a failure, and when no friend of the program even contends that this acreage reserve is working. I do not know why we should require it to continue for years past the time that outstanding contracts expire. If the program proves itself good in 1957 there will still be opportunity to provide funds for 1958. This amendment simply places the burden on the program to prove its value. The proponents of the existing arrangement have repeatedly insisted that we should give the program a full year's trial before we judge it. As I see it if we are to keep ourselves free to actually be guided by the experience of a full year's history we must surely avoid any commitments for 1958. That is exactly what this amendment does.

The amendment is carefully drawn so as not to deprive anyone of any contractual rights he now possesses. But by the same token it says that we in agriculture are as interested as other Members of this House in saving the solvency of America. We have half a billion dollars at stake in this amendment—half a billion dollars.

The President of the United States said last night you could not cut his budget. I am telling you where you can cut his budget and I am not asking you to cut it out of somebody else's pocket; I am telling you where you can cut this budget and take it out of the agriculture bill in which I am deeply interested. I am not telling you to cut the other man's budget; I am telling you where you can cut the budget for the Department of Agriculture, I am telling you how you can save half a billion dollars. I do not want to be unfair to anybody but I want to see just how interested you are in a real budget cut. Now if you are serious about this savings proposition here we have the real hard test.

Do you want to save your budget or do you want to save your Secretary of Agriculture? It is just that simple. It is just a question: Are you really sincerely interested in cutting this budget?

The farmers of America are not here asking you to spend this half billion dollars; they are here asking you to balance this budget; they are here saying they are willing to make their contribution to it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. I would just like to say again for the benefit of the House that tomorrow morning we will have the Secretary of Agriculture before our committee for the first time in weeks and months. Then we will find out whether he wants this program continued. He himself has denounced it. Not only that but the committee says the advisability of continuing this program is doubtful. Why should we appropriate the $500 million if the committee is in doubt about it, the Secretary is in doubt about it, and we are all in doubt about it?

Mr. POAGE. There is so much difference of opinion on this acreage reserve program that unless we act now we may very well find ourselves in the position where we have made commitments. To change them we would have to break promises. That is not the way to do business. Before we make promises let us be sure that we want to follow the program.

If you mean to save money, if you are serious about saving money, do not commit us to the point where we have to break promises in order to save it. This is one of the few opportunities you have had to make a saving without breaking some promises that have already been made. I plead with the House, if you are serious about economy, if you want to save half a billion dollars, let us vote for this amendment. If we are to have economy we must cut some items. Somebody profits by every one of these items, but surely there is less prospective loss to farmers in this cut than in any comparable cut that anyone has suggested. Let us keep our sound farm program. Let us appropriate enough to pay for them. Let us make the cuts on the doubtful items. Surely this is doubtful to say the least.

Mr. RAINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. RAINS. Mr. Chairman, I take this time to point out the importance to American agriculture of the agricultural county agents and the home demonstration agents, and the inadequacy of their present salaries.

Along with several outstanding county agents from my State of Alabama, I appeared before the Subcommittee on Agriculture Appropriations, chairmaned by the distinguished gentleman from Mississippi [Mr. WHITTEN] in an effort to spotlight the great inequities which exist in nearly every State in the Union, with reference to salaries for agriculture county agents, and home demonstration agents.

I am pleased to note that the committee report recognizes the inadequacy of salaries for these dedicated servants of the people, and pays tribute to them in the following language:

> It should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system.

In the record of the hearings before the Agriculture Appropriations Committee, the gentleman from Mississippi, Chairman WHITTEN, the gentleman from Kentucky [Mr. NATCHER], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and the gentleman from Minnesota [Mr. MARSHALL] made it clear that they feel something should be done to adjust the salaries of county agents upward to a reasonable level and on at least a parity with other agricultural workers. I want to commend each of my colleagues on the Subcommittee for Appropriations for Agriculture, for the manifest interest they have shown in this problem, and to express the hope that something will be done before the final passage of the agricultural appropriations bill to alleviate the situation in which we find our county agents.

It is interesting but sad to note that county agents' salaries, extremely low in some States, now average $6,115 annually. The average for ASC office managers is $7,000. This disparity between agricultural workers should not be allowed to continue. I certainly am not advocating that the salaries of ASC office managers be reduced, but I am insisting that we should raise the salaries of our county agents, the accepted deans of agriculture, in our counties. It is clear to all of us that no organization can be stronger than its personnel. It is a well known fact that county agents are leaving the Extension Service in large numbers, and new recruitments, because of extremely low salaries are not available. It is an alarming fact to note that enrollment in many outstanding agricultural colleges by high-school students to pursue courses in agriculture to train for county agents' careers is off 50 percent to what it was 10 years ago. Director G. C. Gipson, of the Texas Extension Service, has stated that enrollment of college students to pursue courses in agriculture, throughout the Nation was off 36 percent.

Naturally, high-school students are not going to enroll in a course whose pay scale is so notoriously low, as is the county agents and home demonstration agents. It seems a little strange to me, since a considerable portion of the salaries of county agents is paid by the Federal Government, that the Committee on Appropriations for Agriculture finds it beyond the power of the Appropriations Committee to correct this salary deficiency. I understand, of course, that contributions to county agents' salaries are made by the States and by the counties, but I feel there should be some way whereby adequate Federal funds could be earmarked for matching basis by the

State and county, to bring these salaries up to levels comparable with other agricultural employees. In my own State of Alabama, I am convinced beyond peradventure of a doubt, that the extension director, the Honorable P. O. Davis, one of Alabama's most distinguished public servants in the field of agriculture, one who has the welfare of county agents and home demonstration agents at heart, would, without hesitancy, if the funds were available and he had the authority, make the adjustments in these salaries which should be made.

I think that we here in the Congress should do something specific about this matter. Also, I think it is high time that those in charge of the Extension Service at the top level, in the Department of Agriculture, and the Secretary himself, should realize the plight of these faithful men and women in the county agents and home demonstration offices, and do something about it.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my good friend the gentleman from North Carolina [Mr. COOLEY] and my good friend from Texas may recall that when we recently had the corn legislation before us I stated that they confused me. They are confusing me again.

My good friend the gentleman from Texas [Mr. POAGE] says that here is an opportunity to save half a billion dollars, but when the emergency corn bill was under consideration in March he offered an amendment that would increase the cost $750 million to $1 billion.

The gentleman must be more stable than that. You cannot stand here today and attempt to cut $500 million out of one bill and then advocate another amendment for the same objective that would add $750 million to the cost of the same legislation. It does not add up.

The gentleman spoke of the Secretary of Agriculture and his appearance before this committee on tomorrow. What will be the practical result? This bill will be passed here today and be over to the Senate by the time Secretary Benson can come before the committee and the committee then learn what his views on this matter are. Read the RECORD of yesterday and you will find a letter from the Secretary in which he expressed himself. That letter is part of the RECORD and was read into the RECORD by the gentleman from Colorado [Mr. HILL]. The letter was addressed to the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee. In the letter he said this, and so this gives you the information you want:

> The Department cannot agree with this position. The soil-bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

Here is the sentence that is important, and this is the Secretary speaking in his letter to the chairman of the Subcommittee on Agriculture, the gentleman from Mississippi [Mr. WHITTEN]:

> The law makes a soil-bank commitment to farmers through 1959. This commitment should be carried out.

In other words, the gentleman from North Carolina does not have to wait until tomorrow to find out what the Secretary says. But the Secretary set forth in his letter that he wanted this program and that is what this House ought to do. Accordingly I am giving you this information in order that you may reverse your position and not support the pending amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. VORYS. Everyone has been talking about what the Secretary said somewhere to somebody. As one who is not an expert on farm matters, I am interested in the letter the gentleman from Illinois has been reading, because it contains what the Secretary wrote to the House yesterday, giving his views. I want to quote another part of that letter:

> The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did."

Then the Secretary says, and this is something I can understand:

> This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway.

If that is the sort of view the committee takes on it, I am willing to go along with something that a city man can understand about this program.

Here is what the Secretary says in his letter:

> No program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

He also says that the present law makes the soil-bank commitment until 1959. That is something I can understand. I am not confused about that.

Mr. ARENDS. So we must go ahead with the contracts that we have entered into with our farmer friends on the basis of the practices now followed for 1957. Do not be misled by the idea that we should withdraw because of the money. After all, as I said a moment ago, this quick shifting position is not going to get us anywhere. We cannot save money today and put some back tomorrow, add to it. This clarifies the situation very much. So let us pass the bill now as it is written.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to say that the chairman of the committee made it perfectly clear that this amendment does not in any way affect the 1957 program. It affects the 1958 program. The gentleman talks about the success of it. Please tell the committee with the expenditure of $179 million last year in the corn-producing area how much reduction we had in the overall production of corn?

Mr. ARENDS. The whole problem of agriculture and the matter of reduction depend a lot on what the Good Lord does. In the State of Illinois he smiled on us last year and we had the greatest corn production that we have had for years. For that, we are thankful. However, the big reason the reduction in acreage was not as large as might have been expected, was the fault of the Congress in not making the program effective at an earlier date. The program for the crop year 1956 was not given a fair chance to really work. The emergency-corn legislation if passed in March of this year would have permitted hundreds of thousands of acres of corn to go into the program for the crop year 1957.

Mr. COOLEY. The Secretary said he got more cooperation than he anticipated.

Mr. ARENDS. The gentleman is not telling us where these acres are. I know where they are. They are not in our part of the country where we grow the greatest amount of corn. They are in other parts of the country where there are less productive acres.

Mr. BELCHER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it has been my policy since I have been a Member of the House of Representatives to never engage in partisan politics on the floor. I think my record is clear in that respect.

Now in this particular instance may I say that every year the Committee on Agriculture, until this year, has been a nonpartisan group. But this year we have divided right down the middle. I do not know who has been responsible for that, but I have told my own committee members many times that when we start washing our dirty linen on the floor instead of in committee, we are going to run into trouble.

Now, my good chairman of the committee says that in just a day or two we will hear the Secretary of Agriculture. Well, we have had ever since January to hear the Secretary of Agriculture. If you thought the soil bank was not a success, why has not a bill been introduced to kill the soil bank and not come in in the last 15 minutes and kill the appropriation for it?

There has been talk of confusion. We are saying to the farmers that we have a soil-bank program. Today we are saying to the farmers we have no money. Now, take the people out in the field. What are they going to tell the farmers day after tomorrow? Are we going to have a program or are we not going to have a program? We do not know until the gentleman from North Carolina [Mr. COOLEY] questions the Secretary of Agriculture and determines whether the soil bank is a good proposition.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I have introduced a bill to do away with it, and I have asked them to give me time to consider the bill before they make allocations for the 1958 crops.

Mr. BELCHER. There will be no allocation made under this until the Committee on Agriculture can thoroughly go into the entire soil-bank program and kill the entire thing before $1 of this will be committed.

Mr. HARRISON of Virginia. How can you say that when the bill carries appropriations for the 1958 crops of $500 million?

Mr. BELCHER. Some of you have said you have been confused at the attitude and statement of the gentleman from Texas. I have not been confused. He told me very frankly in our committee that if any bill came to the floor that did not include feed grains or do something for the people of his district, he would be against it. Apparently this does not include feed grains and it is not going to give any money to the people in his district. Frankly, I am not confused with his attitude and I am not confused with the attitude of the chairman of the committee, but I think it is a very poor policy, and I am saying this to other members of our committee. I have said this many times. It is a poor policy to get up here and use this method of trying to kill this program. Let us go back to our committee. Let us consider the soil bank thoroughly and completely. I am not defending or condemning the soil bank. I am one Member of this House who did not rush in and try to claim credit for it, but I do not know of anybody else connected with the Committee on Agriculture that did not. I was for the two-price system for wheat. That was my part of the bill. But you all rushed in and claimed credit, and now you are all rushing in and saying that it is the worst program that was ever brought here. If it is, kill it.

Mr. ABERNETHY. I did not claim any credit for it.

Mr. BELCHER. I do not recall that the gentleman said anything against it, but so far as that is concerned, if you say you did not claim any credit for it, that is all right. I know you are not claiming credit for it now.

Mr. ABERNETHY. That is right.

Mr. BELCHER. What you did in the past, I do not know.

Mr. ABERNETHY. Certainly not now, with the experience we have had.

Mr. BELCHER. I want to give my chairman this little bit of advice, because I so seldom get to say anything before the commitee that I have to take the floor of the House to get to say anything. By the time you get down by the second member of the majority side of our committee, the rest of us are as silent as a thief in the night.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I will yield.

Mr. COOLEY. I want to make it perfectly clear I am not trying to kill the soil conservation reserve program. What I said to begin with, I want to go into it with an open mind, but I do not want to go into it with $500 million already obligated. I want to hear the Secretary thoroughly and fully, and I am not saying now that I am not opposed to its continuation.

Mr. BELCHER. Let me ask the gentleman one question. How long has it been since he knew there was an appropriation bill coming to this floor appropriating money for this program?

Mr. COOLEY. The gentleman from Virginia [Mr. HARRISON] has had a bill before our committee for some time, but we have had no hearings.

Mr. BELCHER. You knew since the 1st of January that this House would be called upon to appropriate funds for this program.

Mr. COOLEY. That is right.

Mr. BELCHER. And you have not done anything to investigate or kill the soil bank.

Mr. COOLEY. This is the first opportunity we had to bring the matter up.

Mr. BELCHER. Look at the time we spent on the corn bill and a few other bills we have had here since the 1st of January.

Mr. COOLEY. I will try to recognize the gentleman tomorrow before the committee, since he has been so kind to me this evening.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. HALLECK. Mr. Chairman, would the gentleman yield?

Mr. VURSELL. I would be glad to yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, a little while ago the gentleman from North Carolina [Mr. COOLEY] characterized this proposed action as a temporary injunction and subsequently sought, after I raised some question about it, to explain again that it was a temporary injunction. If I understand the gentleman from Virginia [Mr. HARRISON] correctly, the author of the amendment, it is no temporary injunction with him; it is the death blow to this program. He is against it all. He wants it destroyed; is not that correct?

Mr. HARRISON of Virginia. Yes, sir; I want a chance to prove my charges against it. But if you put this money in, we will get no chance to prove those charges.

Mr. HALLECK. And now we understand what the situation is. The gentleman from Virginia [Mr. HARRISON] is forthright. He wants to kill the program. He has had a bill to kill the program before the Committee on Agriculture and, as was so ably pointed out by our colleague the gentleman from Oklahoma [Mr. BELCHER], the chairman of the committee has done nothing to approach this matter in the place where it should be approached. But the chairman of the committee now comes in, apparently through the side door and under the guise of a temporary injunction and joins up with the gentleman from Virginia to kill the program.

We have now got it fairly clear that there is something here that seems, may I say as I said a moment ago, just a little weird.

I want to say this about the soil-bank program. It has been said before, and we might as well understand it. Criticism was leveled against it principally because the program was put into operation so late last year that it has not yet had a chance to establish how good it is. And so I say that it comes with poor grace, most of that delay having been occasioned by the people on the other side of the aisle, to come in here now, before the program has had a chance to prove itself, and undertake to chop it off, not by a presentation before the Committee on Agriculture where it should be had, but by summary, arbitrary action, which would lead only to confusion in the country; because the farmers would not know where they stood. They come in here now with an amendment to strike out the money. I want to say to my friends on the Democratic side of the aisle that they may think they are confusing a great many farmers, but believe me, the farmers are not quite that dumb. You cannot play fast and loose with them all the time and get by with it. I will say to you on the Democratic side that you had better be for something and stick with it until it has a chance to prove itself.

Mr. VURSELL. Mr. Chairman, the gentleman from Indiana [Mr. HALLECK] might have gone further and said that Mr. COOLEY's assistant chairman, the gentleman from Texas [Mr. POAGE], came on the floor today, has just said he wants to knock out the $500 million and kill the soil-bank bill. I am just wondering, after they delayed this bill so that we could not have it become effective in 1956, and then after we finally drove them into a corner where they thought it was popular enough, and they supported it and finally took credit for it and now when they come back and try to kill it and having killed the corn bill this year—I wonder just how much they think the farmers of this country will appreciate what they are doing and how they will actually feel about it. It would seem they have done enough in the past against the interest of the farmers.

It would seem to me that when they have stymied the soil bank bill, when they have proven themselves selfish to the core in fighting it from the very beginning, they might ask themselves how much damage they want to do agriculture nationwide in this session of the Congress, by the selfish manner in which they have approached this bill.

The great Farm Bureau Federation of 1,600,000 members is for this bill. They are for the soil-bank bill. They are against destroying it and taking the $500 million out of this appropriation bill. The Illinois Agriculture Association takes the same position. Nearly all of the Members who really understand the agricultural situation, except the gentlemen who are trying to pervert the purposes of agriculture and who are in leadership on the Democratic side, know that the soil bank has not had an opportunity to prove itself. They know that if this amendment is successful it will confuse and discourage the farmers; it will drive farm prices down immediately and strike a blow to the agriculture of this Nation that we have been trying for a year and a half to recuperate to the point where we are now.

Mr. Chairman, this amendment must be defeated in the interest of agriculture, and the farmers of America.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall be very brief because I think the issue is very easily understood by all of you here. I do want to remind you, though, that about a year ago the surplus commodities in the stocks of the Commodity Credit Corporation almost reached $9 billion and the storage costs ran higher than a million a day. Whether we are for or against the existing farm legislation, we have nothing on our books, no programs for us on this subcommittee to work with, that would make some headway in reducing that tremendous amount of surplus commodities in the Commodity Credit Corporation's stocks.

Then last year the House and the other body passed and the President signed the soil bank bill. It is the only thing we have in our present program that might make some headway against the creation of surpluses. That is all we have before our committee. In the name of the farmers' welfare, I think it is decidedly unfair to attempt at this time to knock out even the amount that our subcommittee allowed in this bill. I hope this amendment is rejected.

Mr. JONES of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, may I say at the outset that while I generally do not approve of this way of legislating, at the same time we must admit that it is possibly the most effective way of bringing about some economy, that we feel we need, especially in view of the fact that not only has the Secretary admitted that the soil bank program, particularly the acreage reserve program, has not been working, but we know that it has not reduced production, we know that it has not done the thing we had hoped it would do.

The main thing to which I should like to call your attention is this—and I address particularly those who are for the general agricultural economy: I think we who are friends of the farmer know that we are in the position of being criticized on the ground that the farmer of America has received such a large sum in appropriations. Here we have an opportunity to save a half billion dollars, to reduce the amount that is being proposed to be appropriated for agriculture, which will not accomplish the purpose for which it is being appropriated. On the other hand, after we have heard the Secretary and after we have had some assurance that we are accomplishing something, then we still can appropriate money for it. But I hate to see money appropriated and charged to agriculture which is not contributing to the welfare of the farmer. Many other programs are also being charged to agriculture from which the farmer does not get any value at all. He gets no benefit from them. The contribution is made for other purposes. I would say that even the school-lunch program, the foreign-aid program, the surplus-disposal program, a lot of those programs, are going for the benefit of other people, yet they are charged to agriculture, and people are saying, "Well, we are giving the farmer all of this money." Here is a chance, I think, to save a half billion dollars and to take it off the agricultural bill, because we who live in areas where the program has been operating know that in the main it has not gone for the purpose of reducing production. Yet that was the only reason that we could have for wanting to start the program. Since it has not worked, this is an opportunity to really save some money and to take it away from the agricultural program.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. WINSTEAD. I notice there has been quite a bit of discussion as to who took the credit for this bill last year. I thought it was pretty well agreed that Mr. Henry Wallace was the first man who ever proposed this type of plan, and that after President Eisenhower vetoed the agricultural bill which the Congress passed last year in the closing days of the session, in view of the plight in which we found the farmers, we almost had to take or leave this program, and we took this soil-bank program as a last resort last year.

Mr. JONES of Missouri. I think that is true. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, if you want to kill the soil bank plan, then vote for this amendment. I think you should know something about the origin of this bill; how it was drafted; how it was enacted into law. I sat on the conference committee with the gentleman from North Carolina, the gentleman from Texas and one of his colleagues. They had a majority of the conferees. They not only wrote the soil bank bill according to their own pattern into H. R. 12, which was eventually vetoed by the President, but they also wrote it according to their own pattern into the bill which was passed and which eventually became law. So that they had the majority on the conference committee and they dictated the provisions of the soil bank bill, which was enacted into law. Now before the law has had a fair chance to operate, they want to destroy it. They refer to the fact that the soil bank has not been a success. Well, it did not go into operation until last June in 1956, after all the crops were planted in this country. Undoubtedly, some mistakes were made in the administration of the law. But who made the mistakes? The mistakes, if there were any, were made by the county committees. Most of the mistakes furthermore were made in the southern part of the country where they had the drought situation and where a good many farmers through the Southern States received payments in the drought area which probably the county committees passed on, and which they should not have otherwise received.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. H. CARL ANDERSEN. The gentleman spoke about these payments. It is my recollection last summer, and I want to be fair with Secretary Benson because I have been critical of him, last summer Secretary Benson had so much pressure put upon him by gentlemen, mainly from the other side of the aisle, to make this particular program largely a drought relief measure that it comes with poor grace, in my opinion, for them now to criticise that very same defect which they helped to bring about.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. H. CARL ANDERSEN. And that was against Mr. Benson's opposition.

Mr. AUGUST H. ANDRESEN. I thank the gentleman. I am not here to criticize Secretary Benson. I do not always agree with him, but certainly I want to stand on principle and issues rather than to attack an individual.

I think it comes with poor grace for the chairman of my committee and the vice chairman of the committee to attack this bill. I am not certain that the soil bank plan is ever going to work out. The acreage reserve program is only adopted for 3 years and then it terminates, but I want it at least to have one full year's trial for a full crop year that is, which we are going to have this year, to see whether or not it does work. The theory of it was that it would take tillable land out of cultivation and reduce our surplus. We will not know until the 1957 crop is harvested and then we will find out whether or not it is a success.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HORAN. The gentleman feels that it should be given an honest and fair chance?

Mr. AUGUST H. ANDRESEN. I certainly do. Yet, I am skeptical about the success of it. But certainly as long as we have the law on the statute books, and since your committee has made adequate appropriations to carry it on in 1958, I want to see it have a full and fair trial. It may succeed. If it does, then the country will be the winner with a program which for the first time will give new life to agriculture and will help to solve the agricultural surplus problem.

Let me urge you here and now to vote down this amendment; give this soil bank a fair trial so that we can see whether or not it will work. I hope it will work. I want to see it succeed. While it does not help my district a great deal, the indirect benefits may be helpful in reducing the surpluses of basic commodities in this country which the soil bank deals with.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. SMITH of Virginia. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not an expert on farm legislation. I do not criticize the Secretary of Agriculture, I do not criticize the members of the committee about what they have been doing, I am not criticizing anybody when I get up here in behalf of a subject that is foremost in the minds of the American people, as we all know, the subject of economy. We all know that if we are going to get around to the point where we can reduce expenditures, where we can reduce our taxes correspondingly, we must stop some of these programs, and particularly the new ones. The report of this

committee was that with the brief experimental experience they have had this program has been bad. Money has been wasted. The purpose of this amendment is to stop that waste. It will give this program, under this amendment, a full year of operation. Then you can see whether you think it is wise or whether it is unwise.

I have been surprised to see some Members, who have talked so strongly for reducing expenditures, get up here and defend this program. I know they are actuated largely by what they consider the desires of their constituents. I am not sure they are right about it. But it does remind me of an incident that occurred 2 or 3 nights ago when I was visiting down home in my district and went to a little social function. Everybody there was asking me about how much you are going to reduce this budget. "Are you not going to cut this budget?" One gentleman who was very vociferous about it said to me, "You must cut this budget, but," he said, "there is one good thing in that budget and that is that soil bank." He said, "You know I had a little patch located that I could put wheat in and I put it in the soil bank and the Government paid me more money for it than if I had planted the wheat and done the work and sold the wheat."

Is that not about what is the matter with the folks who feel that their own constituents are going to have their ox gored some by this little piece of economy?

This Congress has stood up pretty well on the matter of cutting the budget. Let us not get away from the primary thing that this Congress must do in this session, and that is to reduce expenditures and get the fiscal affairs of this Nation back on a sound basis.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, if I may proceed for half a minute, let me state that if this amendment is agreed to I shall most certainly demand a roll call when we get back into the House, for this is an action which if sustained would take out of the pockets of the farmers of the Nation $500 million. That money goes directly to the farmers of the Nation. If the Members want to take this $500 million out of the depressed agriculture today by voting for this amendment I say that is their privilege, but I am going to insist on a rollcall when the measure comes back to the House for final decision.

Mr. MARSHALL. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, when we held hearings on the appropriation bill this year I had some reservations in my own mind concerning this item in the bill. We had investigators who made inquiries into this program and we found some rather surprising and amazing things. To my knowledge no person has appeared before our committee or spoken on the floor of the House and has said that the program was well administered last year. But forgetting about last year's administration, let us think about this year. I regret to say that if there is any effective administration in the program as of this year I have not observed it.

I spent some time back with my farmers in my district; I have heard from some of my farmers about this particular matter. Do you know that in the corn area farmers operate two different tracts of land? They put one in and stay within the agricultural allotment, then they put the second in with all the corn they can possibly plant. And then you talk about this thing being a control of production.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. Not until I have completed my statement.

In my book there is only one reason for the agricultural reserve fund, the soil bank, and that is for the purpose of controlling production. That is something that we definitely are not doing. The committee has not touched this year's contracts. These contracts on acreage reserve are on a year-to-year basis. The Department has not made any commitments for 1958. The 3 years that some Members have talked about relate to the date of expiration of the law.

When we considered this bill and when we marked it up we had some hesitancy as to whether we as members of the Appropriations Committee ought to get into the legislative angle of this particular piece of legislation; and certainly the discussion on the floor of the House has indicated to me that the legislative Committee on Agriculture are very much torn apart and very much in doubt about this piece of legislation. You heard the Secretary of Agriculture's letter read yesterday by my very good friend the gentleman from Colorado. You will find it at pages 6887–6888 of yesterday's RECORD. I want to read a portion of it to you:

> It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such controls and the Congress will not enact them.
>
> Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Mr. Chairman, here is the man who will administer this program, this program that is going to cost the taxpayers of this country $500 million, and this man who is going to administer the program said in his message to the House read by my good friend yesterday that this program will not work. Do you say that we as Members of the House ought to appropriate money on such a basis as that? If you want that kind of loose administration of a man who has said this acreage reserve will not work, then, of course, you should not support the pending amendment. If you want to spend the taxpayers' money in that lax manner for a program that is discredited by the farmers in my area, go ahead and vote against the amendment offered by the gentleman from Virginia [Mr. HARRISON].

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Illinois.

Mr. ARENDS. My friend from Minnesota always tries to be fair, but I think in the condemnation of the administration and this program for last year, he is just bordering on being fair. In other words, this legislation was passed by the Congress late in the last year and I do not think he, I, or any other human being could have effectively administered the program in the short space of time we had to do it, with the farmers with most of their crops already in the ground. The action of the Congress was late and that made it almost humanly impossible to do as good an administrative job as we all might have liked.

Mr. MARSHALL. I am glad the gentleman makes that statement. Who vetoed the legislation last year? This bill passed last year. Admittedly it passed late. The Department, however, did not put it into operation until August. I am not condemning all of the things last year but what I am condemning is this: From what we have found and from what my knowledge is, those things that were wrong last year have not been corrected to the extent they could work this year. The statement of the Secretary of Agriculture which he sent up yesterday admits it and says it to the Members of the House of Representatives. The amendment ought to be adopted.

Mr. LONG. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, it has been said here today that somebody has confused somebody else. I do not know. I think a Republican said that the Democrats had confused them before and they were trying to confuse the Democrats now. That is what it looks like.

Mr. Chairman, I want to confine myself to a few brief remarks about some practical facts that you can take home and think about as we vote on this measure.

In my State this is a windfall for the drugstore farmers and the bankers, the big people. I have heard it said here today that this is a program for the little man. If that is the truth, then we do not have any little men in my State—they are all big-business farmers.

Now, let me tell you what they do. They put the land in the soil bank, they draw money, they go out and plant it in pine trees. They borrow the money from the bank to buy the land, the soil bank pays for it, and they get the land and the trees all for nothing. That is the way the program is working and there is no use kidding yourselves.

They say this is a fair program. How fair is it? Let me tell you how we got the program. The President vetoed a program last year that would have worked but we came back in here confused and voted for this program—a program that will not work. If it does work it will not work fairly and squarely for the people.

Let me refer to the State of my good friend from Kansas. The State of Kansas gets as much money out of this program as 25 other States. They say the money is distributed so that we can have a prosperous economy and all

of those things. But what I have said is the truth. If I read the RECORD right, and I have it here in my hand—if I am not right you can correct me—the State of Kansas gets an average of $750 a farm while the State of Louisiana, the Eighth District of which I have the pleasure of representing, gets $100 per farm. How is that for a fair program?

Let us not be confused about this soil-bank program. It is a misnomer. It never will help the little farmer and I do not think that those who have advocated this very strongly think so themselves. So, let us not be concerned about this thing. We are talking about economy, but we come right in here where we have a chance to practice just a little economy, and not hurt anybody at all, and yet we back up on it. It comes to where the men on this side, or any of us who are supporting this amendment are immediately branded as monstrosities. We have turned out to be bad men, and you can hardly afford to sit as close to us as you are. Do not let us be foolish about this soil-bank program. It does not help anybody. It does not help the farmer. It is going to take money out of the taxpayer's pocket and help to pay for some land for some pseudo farmer. That is all there is to it, and that is as simple as I can make it.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Might I ask the gentleman from Mississippi if we could not agree to limit debate by unanimous consent?

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes, the last 5 minutes to be reserved to the committee.

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

There was no objection.

Mr. TABER. Mr. Chairman, there were two parts to the so-called soil-bank proposition, one of which was what they call the acreage reserve in the soil bank, and that item is covered and included in the $535 million in a previous paragraph in the bill. That was the type of soil bank that was proposed by the original authors of the bill. That will still be in effect in 1958 if this amendment is adopted.

The other item, authorizing the soil bank, as I understand, was introduced into the bill by the majority of the Committee on Agriculture.

Now, what does this proposition do? In 1956 they had 547,000 agreements covering 12 million acres and costing $260 million, or $20 an acre.

In 1957 there were 16,496 contracts 1,441,622 acres, signed providing for payment of $13.2 million, or about $9 an acre.

As of March 29, 1957, for the 1957 acreage reserve program, there were 917,171 agreements covering 21,316,000 plus acres at $30 an acre. The price is going up. It would seem to me that when we get a program that has such an enormous amount of money per acre involved in the gratuity that is paid to the farmer, we ought to get down to earth a little bit in our approach to it. Frankly, from my own standpoint, I shall feel obliged to support the amendment, because I believe it is the only way by which we can eliminate the enormous waste in connection with this.

We have this situation. If this item should be left out of the bill, if the amendment is carried, and there is any reason why it should be continued, if it can justify itself or be justified, we would have plenty of time to pass other legislation. For my own part I do not believe that that can be done, but I believe that I shall be obliged—I cannot do it any other way and meet my own conscientious desire to do a decent job—to vote for the amendment.

I do not say this in criticism of the Secretary of Agriculture because I believe he has done as good a job as anybody possibly could do with such an involved and complex program and one which is so open to misconstruction.

With that statement, I am going to close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I am amazed at the lack of understanding of some Members of this House of the operation of the soil-bank program. You would get the inference here this afternoon that the Secretary of Agriculture drives clear around the United States and evaluates every single acre of ground that is placed into the conservation reserve.

The gentleman from Virginia awhile ago gave an illustration of a friend who put a few acres into the soil bank in 1 year and got more than the land was worth, or if he had farmed it, more than the total amount he would have got from farming it. The gentleman from Louisiana [Mr. LONG] made a similar remark. Mr. Chairman, let me say this. The administration of the soil-bank program is on the local level. The township committee is elected by the farmers in that township. The chairmen of the township committees elect the county committees. They work through their State ASC committees. If there has been a misappropriation of funds, if it has been badly administered on the local level, then you have an indictment against your own local committees, not against the Department of Agriculture.

There were a few general provisions in the soil bank bill when it was passed. The Secretary, in turn, as he was directed, wrote further implementing provisions. From there it goes down to your own State and local levels. So if it has not been administered the way you think it should, go back and tell your own township and county committees that they have been derelict in their duty. Do not come up here and try to place the blame on the Department of Agriculture.

There was some inference made as to the amount of money that has gone to Kansas. Had it not been for that I do not think I would have taken the floor; but I am very glad that that inference was made because I have a little story that I have been waiting for an excuse to tell. That is how the Southern States—and Louisiana is one of the greatest offenders—have been stealing wheat-allotted acres from Kansas.

As you know, the Agricultural Act as amended in 1949 provided that any State raising less than 25,000 acres of wheat would be a noncommercial wheat State. That would mean that they would have no acreage allotment and there would be no marketing penalty for any wheat that they raised. So what has happened? They have had to take their land out of cotton and out of tobacco and they have put it into wheat without limitation. They have sold it on the open market at nearly the support price, or just a few cents under. Then when they get up to the 25,000-acre limit they have established a history that must be taken away from the wheat States and given to that State.

Louisiana had only 2,000 acres in wheat in 1952 and in 1956 it had 60,000 acres in wheat. Alabama is the worst offender. It had only 15,000 acres of wheat in 1952 and had 100,000 acres of wheat in 1956. They will be commercial wheat States. They will have market penalties, they will have acreage allotments, but those allotments will have to be subtracted from the 55 million acres of the national allotment and a substantial portion of that will come from Kansas. So let us not keep bringing Kansas up here as a preferred customer in the soil-bank program. We have operated under the provisions of the law and to my knowledge the value of the production on the acres we have placed into the soil bank has been honestly appraised by our local committees. From things that have been said here this afternoon, apparently that has not been the case in a good many other States.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Chairman, I am for this amendment to limit the soil-bank program because it has turned out be a hoax and fraud as far as helping the family-sized farmer is concerned. Under the soil bank as presently administered the drugstore farmers and city speculators are buying up farmland, setting out pine trees on it and will pay for this land in a few years with the soil-bank money from the taxpayers. When the pine trees grow a few years and the Government completely pays for the land, then this land will be worth two or three times more than it is worth today. This is not helping the little farmer as he can't borrow the money to buy this land. I know of cases where big manufacturing corporations who happen to have farmland on the side are putting land in the soil bank and getting the biggest cut out of the pie. This is not alleviating the distressed small farmer with no other source of income. I thought the purpose of the soil bank was to bolster the depression income of the average farmer, help him remain on the land and enable him to earn for his family a decent living. Only bona fide farmers should

benefit from this program—not the city slickers and Wall Street money-changers.

In one South Carolina county 58 percent of the cotton acreage was this year placed in the soil bank. This can wreck much of the economy of that area. What is going to happen to the cotton ginner who has invested thousands of dollars in machinery? What is going to happen to the country and small-town retail stores? What will happen to the little fertilizer, insecticide, and farm-implement dealers? What will happen to the local bankers and small business? What will happen to the rural churches, post offices, and crossroad schools? This kind of program will help turn farming over to the vast corporate farming interest similar to the Russian collective farm with people only peasants and pawns to be controlled and dominated by the unseen hand of a distant financial empire. This soil bank is helping us to lose what few foreign markets we have left for our farm products. By growing less, other nations will grow more and more. We cannot save the farmer by paying him a cheap price to stay out of the business. Our little family-sized farmer doing his own work needs more acres, not less. He needs more foreign markets, not Government-encouraged foreign competition. As a farmer I can tell you, Mr. Chairman, that this soil bank will not save the family-sized farmer—a great and indispensable American institution. We need a realistic farm program based on saving the family-sized American farmer. I hope this Congress will investigate the entire farm program and advance constructive, long-range farm legislation.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, had I been a Member of this body when the soil-bank bill was enacted, I would have voted against it.

As I view this measure, it was conceived as an appeasement to the beneficiaries of the price-support program that favored the commercial producers of basic farm crops.

The farmers of my State have been entirely eliminated from receiving farm support, since areas of farmland were too small to interest them in acreage allotments.

Under provisions of the soil-bank legislation, they are automatically disqualified for acreage soil-bank benefits. They are, however, privileged to participate in the conservation reserve provisions of the bill, and you may believe me when I say they have an abundance of qualifying acreage.

Since the passage of this act was too late to permit its operation on a full-scale basis, I am inclined to favor the proposed $500-million appropriation in the hope that it will succeed in reducing farm surpluses and, incidentally, give my State's farmers this one belated opportunity to share in a small way in a war-born high-price-support program our people have been forced to contribute to without any chance to benefit therefrom.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I was a member of the first conference that wrote the bill H. R. 12 and put it on the President's desk. We worked for many days on this soil-bank-acreage reserve and also the conservation reserve.

Just a few days ago I introduced a bill to repeal the acreage-reserve provision of the soil bank. I did that because I was of the opinion that the effect of the soil bank had been to liquidate our farmers. They are moving away from the farm in great droves. There is a reason for that. This acreage-reserve program works this way. It works only on the basic crops, which are corn, wheat, rice, cotton, tobacco, and peanuts. You go into the bank by taking out of production a part of your acreage allotment. You are paid about 50 percent of the support price based on your average yield over a period of time on that particular land. As a matter of fact, you are reducing the income of the farmer on the acreage that does go into the bank by at least 50 percent.

What effect would that have on the community? Let us look at that community just for a moment. Every store on Main Street feels the effect of that 50-percent decline in income that is suffered by those farmers whose acreage has been reduced. The purpose of the act is to cut down on production, but it has not done that.

I commend the gentleman from Mississippi and his committee on going into this matter fully and completely and bringing in the report they have. It took considerable time and effort to obtain the information that went into that report with respect to the way this soil-bank program is working, the acreage reserve particularly.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. It is a pleasure to yield.

Mr. RIVERS. That is the experience I have had in my part of the world. It tends to liquidate the farming communities and every business in that farming community is going out of business or drying up.

Mr. GATHINGS. It is drying up these communities throughout the agricultural region. I agree with the gentleman from South Carolina.

Mr. RIVERS. I congratulate the gentleman on the research that he has done. That has been the experience that I have found in my country.

Mr. GATHINGS. I want to say also that America was not built on any such basis as sitting down on the porch and waiting for your check to come and be handed to you. America was built on w-o-r-k which spells "success."

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Louisiana.

Mr. LONG. I just want to make a short statement with reference to the statement that my friend, the gentleman from Kansas, said about Louisiana stealing the program and stealing the Kansas money. At least that is the effect of the statement, as I understood it. I do not want Louisianians taking Kansas money. I might say to the gentleman from Kansas that while Kansas got $86 million from this program, Louisiana only got $11 million and may I repeat that Kansas got as much out of this program as 25 other States. I might go on with this kind of a statement but suffice it to say that this program has not worked nor, in my humble opinion, will not work. Let's make a saving of one-half billion dollars by passing this amendment.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield gladly to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to concur in what my friend, the gentleman from Arkansas, is saying. I congratulate him on the bill he has introduced. Here are some figures that came to me today concerning one county in my district. This county has placed 58 percent of its 7,950 acres of cotton allotment into the soil bank, leaving only 3,206 acres. What is that doing to the fertilizer people and the ginners and the local bankers and the retail merchants? What do you make of that?

Mr. GATHINGS. Every business in that community is suffering. I thank the gentleman from South Carolina for presenting those enlightening facts—I hope that the amendment will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, as most of you know, I am a pretty partisan sort of fellow. I am a Democrat. As you know, I am a southern Democrat. I usually vote with the Democratic Party. As a matter of fact, General Lee is my favorite rather than General Eisenhower of Gettysburg fame. You know what I mean, I am sure, about that. But frankly, I agree with the gentleman from North Dakota [Mr. BURDICK] who, on yesterday, said we ought to forget party in this matter, we ought to forget whether we are Republicans or Democrats and we ought to think about the farmer and his welfare. I agree with him. I want to tell you that the farmers in my district are in favor of this program. It is having some of the effect which the gentleman from Arkansas [Mr. GATHINGS] has spoken about, and that is that the fertilizer dealers and the ginners, because our crop is largely cotton with some wheat, are feeling the effects and it may not be that in the long run we ought to continue this soil-bank program. I think it has been badly administered. I do not know whether it could have been better administered or not by another man than the present Secretary of Agriculture. I do think he has favored certain sections at the expense of others, and has used it for partisan political purposes. But criticism of Mr. Benson is not the problem before us today. I think the question is—what is best for the farmers? Until we can decide upon some program that will work I think the acreage reserve program should be continued. The farmers are at the crossroads and the

small farmer is on the way out in America, if we do not find some better program than either the Democrats or the Republicans in the past have sponsored. Everyone admits that most of them have failed. The farmers' income has steadily declined while his costs have just as steadily increased. If we are to save the farmers, the members of our great Committee on Agriculture must quit squabbling among themselves and get back together and bring in a program that will do something to increase the farmers' net income. Personally I believe that the domestic allotment or two-price system may be the answer. At least some new approach must be made to the problem.

Moreover, I do not think this soil bank should be repealed in this way. I think, if it is to be repealed, careful consideration should be given to it by the legislative Committee on Agriculture, and we ought not to undertake in an appropriation bill to repeal it. Of course, we do not repeal it, but we strangle it to death or we smother it to death, and I do not think that is a sound way to legislate.

As I have said, the soil bank is effective certainly in my district, if we entered into it with the idea of controlling production. As you know, we have many postal employees in the city today. One of the rural carriers told me this morning that they had just about quit farming in our district. He said, "I do not believe I have seen three farmers plowing this spring." So it has been effective in taking acreage out of production, but as the gentleman from Arkansas [Mr. GATHINGS] has stated, it is dangerous to our economy. If the Committee on Agriculture brings in a bill to repeal it, coupled with some other bill that will give relief to the farmer and protect him from the squeeze between rising production costs and declining prices, I will then vote to repeal it. But I do not think we ought to try to repeal it in this manner. Let us bring in a bill that will really help the farmer. But until that time comes, let us not deprive him of this little bit of help.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANHAM] has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I find myself in perhaps the most peculiar situation of all my experience in the House. May I say further that I do not believe I have ever taken the well of the House but what, when I got through, you might disagree with me, but you would never ask "Which side are you on?" I am afraid when I make this talk you may be within your rights if you ask that question.

The acreage reserve program was first recommended to the Congress last year. I was one of the few who took the floor and said it would never work; that to pay the farmer not to farm would ruin his standing with other Americans; that it might put a little money in his pocket and he might use it and grow more on the remaining acres, and that in my judgment it solved nothing. I did not quit there. I went to the Subcommittee on Appropriations and went before the full committee, and there requested and we appropriated money under the existing soil conservation laws which would have benefited this country and brought about some soil conservation in a cooperative venture with American farmers. The whole committee backed our subcommittee in that effort 36 to 11. That bill then went to the Rules Committee but was not brought out by that committee; then later the soil bank was passed.

As you can see in the committee report, after we came back in January, as chairman of this subcommittee I requested an investigation of the soil bank and the acreage reserve provisions. Let me say again, here is what is involved: This is a payment to farmers to leave land out of cultivation. Just a few moments ago you saw this House write a limitation of $2,500, which is the limit on how much the Government will provide toward the cause of conservation, but in this bill there is no limit on the payment not to farm. For instance, our investigation shows that in the State of Connecticut one farmer received $40,000 not to farm his land; another $29,000; another $11,000, and another $10,000. The same situation exists in other States

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I prefer to finish my statement, if you please.

Mr. MARTIN. I would like to correct the gentleman on a previous statement.

Mr. WHITTEN. Let me finish my remarks and I am sure the gentleman could correct me, and if I had time I might straighten him out in a few places, but we would be friends in the end.

There is nothing to keep this money received by the farmer from being used to increase production on the remaining acres. The chief tragedy of this approach is that the farmer loses his production on his acres; but to the public it looks like he is getting something for nothing. If this program is continued, the farmer will lose much more in public good will which will be reflected in votes of Members of Congress against sound farm legislation. After all 87 percent of the population are nonfarmers and even in Congress we must have their support.

Let me read to you a statement from a paper not published in my district, the Houston Times, which says this:

> As long as the Government is paying farmers for the acres they do not plant it should also pay newspapers for the ads they do not run.

And the Jackson Daily News says:

> Now it would be nice to pay our railroads, airlines, and buslines for passengers they do not carry. Let us go ahead and pay everybody for doing nothing but do it graciously. It should be done in an honest and impartial way.

You can read my views in the report. I wrote this report and my committee subscribed to it presumably. Presumably we did not at that time speak for the program simply because we felt on our subcommittee—and let me say that I am not changing horses—but we felt that to change this basic law was beyond what we as a subcommittee on appropriations should do, and that is the only reason that I did not recommend to our subcommittee that we do it. That is the only reason, and the report makes it clear.

There is a distinction between the two reserve programs. The conservation reserve is a many-year-contract program. The acreage reserve is an annual program, and there have been no commitments beyond 1957, there have been no contracts signed beyond 1957. It is on a one-year-at-a-time base.

May I say again the report shows the only sound base for an acreage reserve program is to put some money in the hands of the farmer to make up what he has lost in income.

If this acreage reserve program put twice as much money in the hands of the farmer it could not pay for the loss of public and Congressional support of sound legislation to meet his problem.

As to my position, I say that we on the committee felt it was not our place to make this basic change in the law. In order to get agreement to slow it down, we agreed to the committee position to which I am committed. Other than that I have been against this program for the reasons that have been mentioned to your.

The CHAIRMAN. All time on the amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. HARRISON].

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. HARRISON of Virginia and Mr. WHITTEN.

The committee divided, and the tellers reported that there were—ayes 134, noes 120.

So the amendment was agreed to.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. REUSS: On page 21, line 4, change the period to a comma and add the following: "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. REUSS. Mr. Chairman, the amendment I offered would limit to $5,000 the amount that any one farmer can receive in 1958 from the soil bank acreage reserve. In the light of the amendment just passed, my amendment, of course, would be academic unless the House on a rollcall vote should reject the amendment just put into the bill by teller vote. However, it seems to me necessary to perfect and prepare this bill for that eventuality.

The $5,000 limitation seems to me clearly necessary because in practice much of the benefit of the soil bank which is paid for out of taxpayers' dollars is going not to the family-sized farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. The gentleman's amendment, as just reported, affects a section of the bill already stricken by the amendment just agreed to, and furthermore I see no reason for any further discussion upon this particular amendment.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order at the time the amendment was offered.

Mr. H. CARL ANDERSEN. I understand, but on the other hand, in the first place the amendment should not have been offered to start with. I make the point of order against it, Mr. Chairman.

The CHAIRMAN. Upon what grounds does the gentleman make his point of order?

Mr. H. CARL ANDERSEN. That the language to which this amendment applies has already been stricken out and, further, that it is legislation upon an appropriation bill.

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that the amendment offered by the gentleman from Virginia, which was adopted, struck out only a portion of the proviso to this section. But, there is language remaining to which the gentleman has offered an amendment, and stated it would be at the end of that paragraph. It is also a limitation on the use of the appropriation. The point of order made by the gentleman from Minnesota is overruled.

Mr. REUSS. Mr. Chairman, as I was saying, the soil bank, as it has worked out in practice, has meant that a large part of its benefits go not to the family-sized farm but to the large combination or corporation farm. As the figures of the Department of Agriculture show, here are some of the current payments made under the soil bank:

McCarthy & Hildebrand (California)	$29,723.53
J. W. B. Farms, Inc. (Colorado)	45,817.77
Garvey Farms (Colorado and Kansas)	61,354.50
Kupchunoe Bros., Inc. (Connecticut)	29,829.51
J. E. Shepard (Connecticut)	40,162.55
Adams Bros. & Co. (Iowa)	49,248.00
Duward Harper (Texas)	30,737.22
George C. Chance (Texas)	48,093.00
Tom Moore (Texas)	40,793.40

As the report of the Committee on Appropriations at page 26 well states: The principal justification for the acreage-reserve program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

Now, this $5,000 limitation to any one farm producer means that Government help will go where it is needed, not where it is not needed. Aid to the large-scale combination producer simply increases the tendency away from the family-sized farm, a tendency which has already gone much too far. If everyone who believes in economy in Government and wants also to strike a blow for the family-sized farmer will vote for this amendment, I am sure we can produce a much better farm appropriation bill.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

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

There was no objection.

(The Clerk again reported the amendment.)

Mr. WHITTEN. Mr. Chairman, the committee having stricken out or prohibited the use of any money for any 1958 program, now to provide that money shall be limited to $5,000 per participant where no money can be used for the 1958 program is the question. If it is in order, Mr. Chairman, I should like to renew my point of order that to put a limitation on the amount to be given to a participant, when the committee has just adopted an amendment prohibiting the use of any money, strikes me as being surplusage and subject to a point of order.

Mr. REUSS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Wisconsin on the point of order.

Mr. REUSS. Addressing myself to the point raised by the gentleman from Mississippi [Mr. WHITTEN]——

Mr. WHITTEN. Mr. Chairman, would the gentleman from Wisconsin yield to me for the purpose of completing my statement to the Chair?

Mr. REUSS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I should like to address myself to the Chair as to whether this language would not in actuality refer back to the amount of $600 million, the first sum in the bill, where the Department has already entered into its contracts? I mentioned it earlier so that it might have the attention of the speaker as well as the Chair.

Mr. REUSS. Mr. Chairman, the proposed amendment clearly would not refer back to that language, because it is tied exclusively to page 21, line 4.

The reason for my amendment is simply this. It is possible that this House on a rollcall vote will reject the amendment which it has just adopted on a teller vote. Against that eventuality I would like this House to have the opportunity to vote on an amendment which seems to me essential, namely: If we keep the acreage reserve in the Appropriation Act at all, let us at least limit it to those needy family-sized farmers who would get some good out of it and not give the benefit of it to those who do not need it.

The CHAIRMAN. The Chair is ready to rule on the point of order.

First, the Chair wants to call attention to the fact that the amendment offered by the gentleman from Virginia [Mr. HARRISON] did not strike out all of the proviso. It struck out only that portion of the proviso on page 21, line 2, beginning after the word "program" to and including "$500,000,000" in line 3. So that the proviso now reads:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

The amendment offered by the gentleman from Wisconsin [Mr. REUSS] strikes out the period, inserts a comma, and adds the language "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

While it may be because of the amendment offered by the gentleman from Virginia having been adopted that the amendment offered by the gentleman from Wisconsin would be ineffective, still the Chair believes, it being a limitation upon the purpose for which the funds are appropriated, that it is in order and that the point of order should be overruled.

Mr. WHITTEN. Mr. Chairman, do I understand then that it is the judgment of the Chair that it would not apply back to the $600 million?

The CHAIRMAN. The Chair is not going to pass on the construction of the language whether this amendment is adopted or not.

The point of order is overruled.

Mr. ABBITT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT to the amendment offered by Mr. Reuss: Strike out "$5,000" and insert "$2,500."

Mr. ABBITT. Mr. Chairman, this amendment is very simple. The amendment before the committee limits the contribution or payment to any one participant to $5,000. My amendment simply reduces that to $2,500.

You have heard a lot over here about family-sized farms, that the payment from the soil-bank program is intended to aid and assist the family-sized farmers. It is hard for me to believe that a man who could put as much in the acreage reserve program as to get back payments of more than $2,500 would be a family-sized farmer. The whole idea behind this amendment to the amendment is simply to prohibit large operators from seeking and securing enormous Government subsidies. It is intended to limit payments so that the only ones who will participate are the family-sized farmers.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the gentleman's amendment correctly, all it does is put the soil-bank limitations as to what one individual may received on a par with the limitation just recently put on by the House of $2,500 under soil conservation.

Mr. ABBITT. That is exactly what it does.

Mr. SMITH of Virginia. It reconciles this program to that program.

Mr. ABBITT. It makes this program in line exactly to the dollar with the soil-conservation program we adopted about an hour ago.

I will not detain the committee because it is very simple. The question is whether or not we want to limit the programs to farmers, whether we want to reserve it for the family-sized farmers whom we profess so much that we want

to help. I hope my amendment limiting the amount of payments to $2,500 for 1958 crops will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT] to the amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. REUSS], as amended.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. FOUNTAIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. FOUNTAIN. Mr. Chairman, the soil-bank program passed by the 84th Congress as a temporary stopgap measure has turned out to be one of the most controversial matters the Congress has enacted into law since I came here in 1953. Even farmers who are taking advantage of it in a substantial way are raising serious questions about it. They say the program is moving in the wrong direction and that it will not reduce production materially, despite the expenditure of hundreds of millions of dollars. That was certainly true in 1956 when despite the signup of some 12 million acres at an estimated cost of $260 million under the 1956 acreage-reserve program, production for most crops was higher than in prior years.

The soil-bank program has been severely criticized in many other quarters. Much of this criticism, in my humble opinion, has been justified. The administration of the program has been uncertain and indefinite. Confusion and indecision have frequently prevailed in the minds of those administering the program from top to bottom. It is possible that the program has not yet had a fair test. The distinguished gentleman from Mississippi [Mr. WHITTEN] however has raised some very serious questions about the program and the actual results. I am not sure the taxpayers can afford a complete test in view of the facts revealed by the full field investigation made by the Whitten subcommittee, and in view of good plain common horsesense.

I do feel sincerely that the Secretary of Agriculture has not helped in the cause of giving it a fair test. Last fall he appears to have shown more concern for the welfare of his political party than he did for the success of the soil-bank program and the welfare of farmers of America. Such concern, in action which I am about to describe, will make it very difficult for the soil-bank program to get a fair and honest test or trial experience before it is repealed.

The acreage reserve portion of the soil-bank program was designed, I thought and I certainly hope, to reduce production of surplus commodities by compensating producers for cutting down their planted acreage, thus restoring some of the income they have lost through reduced prices and acreage. Of course, the idea has never made sense to the 87 or 88 percent of nonfarmer taxpayers who feel that it gives the farmers something for nothing. The law would seem to provide adequate safeguards if it were properly administered, for it provides that in order to be eligible for compensation a producer must, first, reduce acreage of the designated commodity below his farm acreage allotment or base acreage; second, specifically designate the acreage so withdrawn from production; and third, not harvest any crop from or graze such acreage unless given permission to do so because of a drought emergency. The act also provided that acreage already planted to a crop could be placed in the acreage reserve in 1956 if the crop were plowed under or cut by a date fixed by the Secretary of Agriculture. Under the law, a producer who knowingly and wilfully grazes or harvests a crop from any acreage in violation of an acreage reserve contract is subject to a penalty equal to 50 percent of the compensation which would have been payable for compliance with the contract. The purpose of the penalty provision, of course, was to insure that the soil-bank program would be used to reduce production, rather than as a form of free crop insurance.

As I have already pointed out, the Department of Agriculture paid out approximately $260 million under the 1956 acreage reserve program. Get this—nearly $180 million was paid to corn producers; of this amount, $110 million went to three States—Iowa, Nebraska, and Illinois. Despite the amounts paid to corn producers, corn production in 1956 increased instead of decreasing. In view of the mishandling of the soil-bank program by the Department, this increase is hardly surprising.

The deadline for plowing under or cutting crops growing on land which had been designated as a part of the Acreage Reserve was originally announced as June 30. On June 29 the deadline was extended until July 15. An additional extension was then made until August 3. On August 22 the Agriculture Department announced that a determination had been made that "a relatively small number of farmers did not understand the civil penalty provisions of the Acreage Reserve program." The Department stated that State ASC committees had been instructed to allow the relatively small number of farmers who did not understand the penalty provisions until August 31 to comply with their agreements by plowing under or cutting growing crops. The instructions to State committees specifically warned of the 50 percent penalty for harvesting of crops and stated flatly that producers will not be allowed to terminate their agreements.

According to press reports, large numbers of midwestern corn producers signed up to plow under growing crops at a time when weather conditions indicated the probability of poor yields. When crop conditions improved, many farmers apparently decided to harvest their corn rather than comply with their agreements. Secretary Benson thus faced the prospect of having to collect penalties from large numbers of farmers just prior to the 1956 election.

Political expediency quickly won out over consistency. Disregarding the August 22 announcement, Secretary Benson abruptly reversed his field. On September 6 he alleged in a letter to the Controller General that there had been a general misunderstanding of the penalty provisions. On September 21 the Department changed its previous position and announced that producers would be allowed to revise and terminate their agreements without penalty. According to a September 24 story in the Wall Street Journal, several officials of the Department questioned the legality of cancelling the contracts. An unnamed official is quoted as saying:

> Several of us thought that a contract was a contract. Quite a few of us took a dim view of the proposal, and didn't see how it could be done.

Mr. Chairman, the decision of the Secretary of Agriculture to cancel the soil bank contracts cost the taxpayers thousands—perhaps millions—of dollars. When his Department was asked to furnish the evidence on which this questionable decision was based, it was unable to produce a single scrap of paper. On the contrary, the Department admitted that "such decisions were based upon oral information and reports obtained in the course of field trips by officials of the Department and upon telephone conversations and oral reports by field personnel, and not upon written reports, memorandums, or correspondence."

Mr. Chairman, the farm families of this country, through no fault of their own, are confronted with difficult and trying circumstances. In my section of the country there is a depression among small farmers—that is, those who are left on the farms. The others are looking for jobs elsewhere. I am concerned, as I know each one of you is concerned, with their plight. Coming from an agricultural section composed of some of the better farms and farmers in America, and I might add, many of the finest people of America, I, for one, will continue to support measures honestly and sincerely designed to assist them, regardless of who proposes them. However, the Secretary of Agriculture's reckless political manipulation, which I have just described, of the soil bank program serves only to favor those who failed to comply at the expense of those who did comply with the soil bank provisions. It was bad administration. It was not good government. It was a serious violation of a public trust. I might add—I have sufficient confidence in the intelligence and fairness of the American farmer to predict also that it was not good politics.

The soil-bank program may or may not be the answer or even a partial answer to the farm problem. I am very much afraid we are headed in the wrong direction. We have had too many patched up, and I am afraid quickly hatched up, laws. Except for price-support levels, much of our trouble, as the gentleman from Mississippi [Mr. WHITTEN] pointed out, comes from 1933 laws

which largely control our present farm programs.

Conditions on the average American farm are far from good. I am convinced that reduced acreage, reduced prices, and rising costs both to the farmer and consumer, will ultimately bring disaster to agriculture. The last 4 years—under such administration as I have just described in connection with cancellation of soil-bank contracts—based upon the Agriculture Department's own records, show conclusively that we cannot reduce acreage by reducing prices.

I sincerely feel that it is time for the Congress to pass some constructive legislation truly helpful to the farmer. We have a tendency, I fear, to wait too much and too long for the President or his Secretary of Agriculture to make suggestions and submit proposals.

I believe an entirely new legislative approach must be made and developed if the American farm and farmer as we have so long known them, are to survive in our highly competitive economy. If the farmer, especially the small farmer—the family-size farmer is to share in the general prosperity of the rest of the Nation, something must be done and it must be done quickly. I am satisfied now that the answer will not be found by continually taking away his means of livelihood. For the American farmer, my friends, it is much, much later than we think.

Let us put our shoulders to the wheel, face up to the task before us and write a legislative program that will not be called a handout program—a program that will do justice to the American farmer, the American consumer, and the American taxpayer. I for one am a little tired of waiting for the other fellow to do it. I for one am ready to join hands under the agricultural leadership of this House and perform such task or tasks as may be assigned to me as my part in the gigantic job that must be done to save the American small farmer from extinction.

Mr. VORYS. Mr. Chairman, in this legislation we are wrestling with the problem created by agricultural surpluses, much of which must be exported.

I want to point out that our country, from the earliest days has had agricultural surpluses to export and has been largely developed through selling agricultural surpluses abroad. When John Smith's colony raised more tobacco than they needed, and therefore exported tobacco for profit, Virginia was in business. The story has been the same for 300 years. Our railroads were paid for by exporting agricultural surpluses to pay off foreign loans. American agriculture has been, is now, and will long continue to be on an export basis, about 1 acre in 10 devoted solely to export.

Our problem now is that we cannot carry on that export through private channels at world prices at a profit. We must solve that problem.

Meanwhile, our agricultural exports have helped mightily to finance so-called foreign aid. About 30 percent of our mutual security, ECA, and other such programs have been in the form of agricultural exports.

In the hearings on this bill—volume 6, page 247—there is a breakdown of agricultural exports during the past 11 years. Here are the totals:

	Billion
Total agricultural exports	$36.644
Private nongovernmental programs	20.640
Governmental programs (of which $11.862 billion was in grants)	16.004

Thus, foreign aid has been the biggest agricultural support program. It is ominous that we must use Government programs to move 40 percent of our farm produce abroad. We must find a better way to do it. Meanwhile, these exports continue to contribute to our security, to the development and maintenance of military, economic, and political strength and stability in the free world in the cold war with communism.

Mr. McINTOSH. Mr. Chairman, in the Department of Agriculture budget recommendations to the Congress, there was included an item of $52,000 for dried bean utilization research. It is a disappointment to note that the Appropriations Committee, in reporting the Agriculture appropriation bill to the House, has reduced this item.

The special Commission established by the Congress on Increased Industrial Use of Agricultural Products, in its recent interim report, urges strongly that utilization research is the only real solution to the farm-surplus problem. Surpluses, the Commission states, will continue to mount, despite increased exports and population growth.

Price supports on dried beans have been costly to the producers, processors, the Government, and the taxpayers. It is believed that real savings to all concerned will be achieved through a sound program of utilization research. The dried-bean industry has raised $130,000 in funds for this purpose, but additional Government help is urgently needed.

On the other hand, production research continues to improve the efficiency of farm production. To illustrate, the Department of Agriculture recently announced two new dried bean varieties, one adaptable in my State of Michigan, and the other in the Western States. Both varieties will materially increase yields of these types of dried beans. These varieties will be completely in use in 1959. Utilization research is urgently needed to catch up with the developments in production research.

It is encouraging to note that the Appropriations Committee, even though denying additional funds for dried bean research, recognized the need for utilization research and directed the Secretary of the Department to make every effort to undertake such work within the funds provided.

In view of the concurrence of all concerned, the Department of Agriculture, the Congress, and the dried bean industry, as to the need for a sound utilization research program, and the initiative shown by the industry, it is my hope that the Government will continue the fullest possible coooperation.

FIFTIETH ANNIVERSARY OF 4-H CLUBS

Mr. SMITH of Mississippi. Mr. Chairman, while we are considering the appropriations for the Department of Agriculture, which include funds for Federal contribution to 4-H Club work within the Extension Service, it is appropriate to call attention to the 50th anniversary of the 4-H program.

We in Mississippi are especially proud of the outstanding work being done by the 4-H Clubs of this country, for it was here in Mississippi that the Federal Government first took a hand in sponsoring and directing club work 50 years ago.

It was the work of the Boys' Corn Club in Holmes County, directed by William Hall Smith, that gained the attention of an assistant to the United States Secretary of Agriculture, and through his aid that it became the first 4-H Club in the United States.

William Hall Smith, then superintendent of schools in Holmes County, called a meeting of volunteer corn growers and their teachers in the county seat of Lexington in February of 1907. It was due to his desire to see a more effective and prosperous school program in a poor section of the country that made him determined to tie schoolwork in with farmwork.

To accomplish this he proposed to hold corn contests among the boys and needlework, breadmaking, and cakebaking contests for the girls. This system, he felt, would not lose its hold on the boy when he reached the age of 14.

The county was in the grip of the initiative-destroying one-crop system of farming that prevailed throughout the South. Cotton being the only crop a farmer could get credit on, it seemed useless to farmers in debt to try to raise anything else. Their family food, which they could have raised in the garden, and the feed for their mules, which could have been raised on the good corn land, were all bought from the store on credit. The farmer was left with very little after he had settled up in the fall. He would go back to raising cotton in order to assure himself more food and feed for the next year.

It was the belief of William Hall Smith that this evil chain could be broken by encouraging higher corn yields through better farming methods. An abundance of corn would make possible the raising of pigs and chickens, and perhaps enable some families to keep a cow.

Smith was to receive the aid of Mississippi State College and the demonstration agents of the Government. Professor Perkins, of Mississippi State College, gave the corn club boys some seed of a tested variety for about half an acre of corn. As the season progressed, the members of the corn club received bulletins from the college and the Department of Agriculture. On land where the farmers had been averaging less than 20 bushels of corn per acre, the members were reported by Smith to have reached as high as 120 bushels per acre.

Dr. Seaman A. Knapp, an assistant to the Secretary of Agriculture and the founder of the Extension Division, became so interested in the accounts of the Boys' Corn Club sent in by County Agent W. B. Lundy, that he made a trip to Lexington and visited the fair where the exhibits were shown. He was so

impressed with the exhibits of corn, needlework, and baking shown there in October 1907, that he decided to sponsor it as a permanent part of the extension program.

Dr. Knapp appointed Mr. Smith as an agent for the United States Department of Agriculture at the salary of one dollar per year. The appointment carried with it the franking privilege, which permitted Smith to mail out circulars and instructions postage-free. Thus, Smith became the first man to be named by the Federal Government to do club work with rural boys and girls. Mr. Smith soon became known throughout the State as "Corn Club" Smith.

Dr. Knapp offered to pay out of his own pocket the expenses of the boy who made the best corn production for the year 1909. This trip was won by D. C. Lundy, one of the best known farmers and cattlemen in that area of the State.

A meeting in January 1908, was held in Durant, Holmes County, to lay plans for spreading the clubs to other counties and a circular called Mississippi School Boys' Experiment Club—Suggestions and Plans for Organization and Work.

The people of Mississippi, fully realizing the importance and accomplishments of William Hall Smith, have dedicated a historical marker on United States Highway 51, near Pickens, commemorating his founding of the 4-H Clubs. The dedication and unveiling of the marker was attended by many State and local officials, together with former members of the original Boys' Corn Club of 1907.

The purposes of the club program are, in essence, the same today as expressed by William Hall Smith in the organization of the clubs in 1907 and 1908.

To aid, through practical demonstration work, the State Agricultural College and the Extension Department at Washington in reaching the masses of people with their extension work.

To make farm life more attractive and farming more profitable.

To make the study of agriculture in the public schools more practical and interesting.

To make the rural environment of the child minister to its education.

To enable the people, by making them more prosperous, to take better advantage of the public schools.

To encourage soil study, soil improvement, better cultivation, food selection, etc.

To enforce the idea that farmers need as thorough mental training as professional men.

Mr. SISK. Mr. Chairman, I am voting against an appropriation for operation of the soil bank next year because I am convinced we must come up with a better program for the American farmer and the American people. I feel that a denial of funds for the acreage-reserve program next year will make imperative a searching inquiry into our agricultural mess and will give powerful stimulus to practical legislation and a better program. I pledge myself to the strongest support of legislation to this end and I believe the Members here must recognize and accept that the votes of a great many of us are intended to open the door to the earliest consideration of legislation which will permit farmers to share fully in the national income.

The soil bank is a demonstrated failure. I voted for it originally with the gravest misgivings and the utmost reluctance, only because there appeared no other prospect of relieving the immediate emergency confronting us. I felt it would not materially help growers, would not substantially reduce surplus production and that it would be harmful to our general economy. Events since last summer have established the truth of my fears.

In my home county of Fresno, Calif., the Fresno County and City Chamber of Commerce within the last month has compiled figures showing that it costs $107.38 for the farmer to produce a bale of cotton for which he receives an average of $190.24. It costs an additional $28.40 to process this bale of cotton. If the farmer puts land into the soil-bank acreage reserve, he receives about $68 for each bale of cotton he does not raise. This is $14 less than the profit he would realize if he grew it.

Our entire agricultural economy is geared to exist, not on the farmer's profit, but on his costs of production. Labor, small-business men, banks, utilities, industries of all kinds, share in the money the farmer pays out to grow crops. When he does not grow them, all these related businesses suffer.

Under the soil-bank plan, we are offering a false profit to the farmer and striking a death blow to all the segments of our economy which participate in farm production. In Fresno County, Calif., the soil bank takes $135.78 out of the channels of trade for every bale of cotton not produced. This is ample, if continued for another year, to throw thousands of small-business men into bankruptcy and hundreds of thousands of workers into unemployment. I do not think we can justify a program which does not help the farmer and hurts everybody else with whom he deals directly or indirectly.

The soil bank ignores all except basic crops and provides an artificial and uneconomic stimulus for conversion of lands into nonbasic crops which are themselves in surplus and without support payments or governmental help. In my district, this is adding more surplus production of grapes, tree fruits, and other specialty crops and adds new peril and hardship to the predicament of the farmers long established in these lines. This is accomplished under regulations of the Secretary of Agriculture which allow soil-bank payments for land withdrawn from production of cotton but which is also planted to nonbearing vines and trees. These regulations also permit payments on land converted to other crops in the fall of the year, so that during 1958 a great deal of land withdrawn in 1957 from basic crop production will be adding new surplus of other foods and fiber. Thus, while we hand out a meager soil-bank payment to one farmer, we stab another in the back.

What we must have is a program which permits all farmers to take their rightful place in the economy of America—to share fully in the large national income—to have the power to bargain in the market place and demand a proper return for their hard labor. I am convinced we can help bring this about and I think the road to it lies through extension of the marketing-agreement system, probably a voluntary, widespread domestic production quota system, and a vigorous and sincere expansion of our foreign markets. In the very near future we will be confronted by food shortages, not surpluses. We cannot meet this problem by handouts to discourage production and slipshod programs which lower our national income.

Mr. MARSHALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, 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. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, and directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. H. CARL ANDERSEN. Mr. Speaker, I demand a separate vote on the so-called Harrison amendment.

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

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 21, strike out all following the word "program" in line 2, and strike all of line 3.

The SPEAKER. The question is on the amendment.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 192, nays 187, not voting 54, as follows:

[Roll No. 74]

YEAS—192

Abbitt	Bonner	Cooley
Abernethy	Bosch	Corbett
Addonizio	Boyle	Coudert
Alexander	Brooks, La.	Cretella
Alger	Brooks, Tex.	Curtis, Mo.
Andrews	Brown, Ga.	Davis, Ga.
Anfuso	Brown, Mo.	Delaney
Ashmore	Brownson	Derounian
Ayres	Broyhill	Dies
Bailey	Budge	Diggs
Becker	Burleson	Dingell
Backworth	Byrne, Pa.	Dollinger
Bennett, Fla.	Cannon	Donohue
Bennett, Mich.	Celler	Dorn, S. C.
Blitch	Chelf	Dowdy
Boland	Chudoff	Doyle
Bolling	Clark	Durham

Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Friedel
Fulton
Garmatz
Gary
Gathings
Gordon
Granahan
Green, Pa.
Griffiths
Haley
Hardy
Harrison, Va.
Healey
Hemphill
Herlong
Hess
Hiestand
Holifield
Holland
Huddleston
Hull
Ikard
Jackson
Jennings
Jonas
Jones, Mo.
Karsten
Keating
Kee
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knutson
Landrum
Lane
Lankford
Latham
Lesinski
Lipscomb
Long
Loser
McCarthy
McFall
McMillan
Macdonald
Machrowicz
Mack, Wash.
Madden
Mahon
Marshall
Matthews
Metcalf
Miller, Calif.
Minshall
Morano
Moss
Moulder
Multer
Mumma
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Pelly
Pfost
Philbin
Pilcher
Pillion
Poage
Poff
Porter
Powell
Preston
Rabaut
Radwan
Riley
Rivers
Robeson, Va.
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Santangelo
Saund
Schenck
Scott, N. C.
Shelley
Sheppard
Shuford
Sieminski
Sisk
Smith, Calif.
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Staggers
Sullivan
Taber
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Tuck
Udall
Utt
Vanik
Vinson
Walter
Watts
Wharton
Whitener
Wier
Williams, Miss.
Willis
Winstead
Wright
Yates
Young

NAYS—187

Albert
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Aspinall
Auchincloss
Avery
Baker
Baldwin
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Belcher
Bentley
Berry
Betts
Bow
Bray
Breeding
Broomfield
Brown, Ohio
Burdick
Bush
Byrne, Ill.
Byrnes, Wis.
Canfield
Carnahan
Carrigg
Cederberg
Chamberlain
Chenoweth
Chiperfield
Christopher
Church
Clevenger
Coad
Coffin
Collier
Cooper
Cramer
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Curtis, Mass.
Dague
Davis, Tenn.
Dawson, Utah
Delay
Dempsey
Dennison
Denton
Devereux
Dixon
Dooley
Dorn, N. Y.
Dwyer
Edmondson
Elliott
Evins
Fenton
Ford
Frelinghuysen
Gavin
George
Grant
Gray
Gregory
Gubser
Hagen
Hale
Halleck
Harden
Harris
Harrison, Nebr.
Harvey
Haskell
Hays, Ark.
Heselton
Hill
Hillings
Hoffman
Holmes
Horan
Hosmer
Hyde
Jarman
Jenkins
Jensen
Johansen
Johnson
Jones, Ala.
Judd
Kean
Kearns
Keeney
Kilburn
Knox
Krueger
Laird
Lanham
LeCompte
Lennon
McConnell
McCulloch
McDonough
McGovern
McGregor
McIntire
McIntosh
McVey
Mack, Ill.
Mailliard
Martin
Mason
May
Meader
Michel
Miller, Md.
Miller, Nebr.
Mills
Montoya
Morgan
Morris
Natcher
Neal
Nicholson
Nimtz
Norblad
Norrell
O'Hara, Minn.
Osmers
Ostertag
Patterson
Perkins
Polk
Price
Prouty
Rains
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Roberts
Robsion, Ky.
Rogers, Mass.
Sadlak
St. George
Saylor
Schwengel
Scott, Pa.
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Wis.
Springer
Steed
Talle
Tewes
Thomson, Wyo.
Tollefson
Trimble
Van Pelt
Van Zandt
Vorys
Vursell
Wainwright
Weaver
Westland
Whitten
Widnall
Wigglesworth
Williams, N. Y.
Wilson, Ind.
Withrow
Younger
Zablocki

NOT VOTING—54

Adair
Allen, Calif.
Anderson, Mont.
Ashley
Barden
Baring
Barrett
Beamer
Blatnik
Boggs
Bolton
Bowler
Boykin
Buckley
Byrd
Cole
Colmer
Dawson, Ill.
Eberharter
Engle
Fallon
Fogarty
Green, Oreg.
Griffin
Gross
Gwinn
Hays, Ohio
Hébert
Henderson
Hoeven
Holt
Holtzman
James
Kearney
Kelley, Pa.
Kelly, N. Y.
Keogh
McCormack
Magnuson
Merrow
Miller, N. Y.
Moore
Morrison
Murray
Rodino
Scherer
Sikes
Stauffer
Taylor
Teller
Ullman
Wilson, Calif.
Wolverton
Zelenko

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Gwinn against.
Mr. Keogh for, with Mr. Beamer against.
Mr. Colmer for, with Mr. James against.
Mr. Fogarty for, with Mr. Wolverton against.
Mr. Rodino for, with Mr. Cole against.
Mr. Buckley for, with Mr. Henderson against.
Mr. Kelley of Pennsylvania for, with Mr. Boykin against.
Mrs. Kelly of New York for, with Mr. Holt against.
Mr. McCormack for, with Mr. Wilson of California against.
Mr. Holtzman for, with Mr. Stauffer against.
Mr. Barrett for, with Mr. Kearney against.
Mr. Barden for, with Mr. Hoeven against.
Mr. Bowles for, with Mr. Moore against.
Mr. Blatnik for, with Mr. Griffin against.

Until further notice:

Mr. Hays of Ohio with Mr. Adair.
Mr. Blatnik with Mr. Allen of California.
Mr. Boggs with Mr. Berry.
Mr. Byrd with Mr. Merrow.
Mr. Fallon with Mrs. Bolton.
Mr. Morrison with Mr. Miller of New York.
Mr. Teller with Mr. Scherer.
Mr. Zelenko with Mr. Gross.

Messers. JENKINS, JOHANSEN, GAVIN, SCHWENGEL, HOFFMAN, and NICHOLSON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask for a recapitulation of the vote.

The SPEAKER. I do not think any chairman has ever held that a recapitulation is in order when there are as many as 5 votes difference.

Mr. H. CARL ANDERSEN. I bow to the Speaker's decision.

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their own remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SCHOOL BIAS ENDS IN A BORDER CITY

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article from the New York Times.

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, under the caption "School Bias Ends in a Border City," the New York Times has published a front-page story in its edition of May 15, 1957, which I would most respectively but urgently request every Member of Congress to read. It tells a story which is so human as well as fair that it cannot help but impress its truth upon all who have the least bit of objectivity.

I would point out particularly and ask that you read with great detail the points which are made concerning, first, integration was made to succeed without violence; second, economies running in excess of 20 percent of school budgets results; third, educational standards have not been lowered because of proper preparation; and fourth, discrimination does not exist in the minds of children and can be eliminated in the minds of adults who have the courage to face realities.

SCHOOL BIAS ENDS IN A BORDER CITY—CHARLESTON, W. VA., ADJUSTING WELL, ALTHOUGH PREJUDICE REMAINS IN HOMES

(By Benjamin Fine)

CHARLESTON, W. VA., May 9.—The mother of a fourth-grade pupil at Mercer elementary school stormed into the principal's office on the opening day of school last fall.

"What is this I hear about a Negro going to teach my boy?" she demanded.

Mrs. Bessie H. Stewart, the principal, explained that by order of the board of education, integration was now the school policy.

"I can't take it," the woman shouted. "I'm from Mississippi. My husband was born in Tennessee. If my child has a Negro teacher I'll take him out and send him to a private school."

"Please," the principal asked, "try the new teacher. Give her a chance."

A week later, the Mississippi-born woman came to Mrs. Stewart and said, quietly:

"Mrs. Stewart, I was wrong. Jimmie loves his teacher. I guess I'll let him remain at Mercer for the rest of the year."

INTEGRATION IN EFFECT

When integration was put into effect in Kanawha County last fall, the school officials and community leaders had their fingers crossed. In the fall of 1955, mixed classes were ordered for the first, second and seventh grades. Last September, the entire school system from kindergarten through high school became integrated.

At first there were grumblings, such as that expressed by the mother from Missis-

sippi. The superintendent, Dr. L. K. Lovenstein, had several anonymous telephone calls, threatening violence. The police were alerted but they were not needed.

Charleston, the State capital, is part of Kanawha County, in the heart of the West Virginia mountains. About 57,000 pupils, 3,000 of them Negroes, are enrolled. Only 129 of the 1,961 teachers are Negro.

Charleston and the entire county had always had a segregated system of education. When the decision to integrate was taken, Dr. Lovenstein and the board members called upon the parent-teachers associations, the citizen groups, and the press to help smooth the way.

"We couldn't have received better cooperation," said Herbert M. Beddow, president of the board of education. "Everyone agreed that integration must be made to succeed without violence."

It has Negro and white children are found in every part of the county. Negro teachers have been assigned to all-white schools, even to communities where Negroes are not permitted to live. Eighteen all-Negro schools been abandoned. Three were merged with white ones. The district lines of eight schools were changed to permit Negroes to attend.

SYSTEM SAVES $250,000

School officials estimate that the immediate saving this year will be $250,000 out of a budget of $11 million. The economies will become even greater in the years ahead, they predict.

There is no indication that the educational standards have been lowered. Dr. Lovenstein points to the high standards of Negro instruction—the small pupil-teacher ratio and the corps of adequately trained Negro teachers—as reasons why the Negro children kept pace with the academic achievements of their white classmates while they were in a segregated system.

To some parents, acceptance of Negro teachers in mixed classes came hard. While visiting a friend, Mr. Beddow was taken to task for assigning a Negro teacher to the fourth grade. The father spoke harshly against Negro teachers in general and this one in particular.

His 10-year-old daughter, overhearing the conversation, broke into the room.

"You're talking about my teacher," she said to her father indignantly. "She's the best teacher I've ever had."

"The father hushed up fast," Mr. Beddows said. "He's for integration now."

OPERATING SMOOTHLY

As the first full year of an integrated program draws to a close, the pupils and teachers agree that the program has operated smoothly.

"I'd like to have my teacher again next year," Billy, 9, said of his Negro instructor.

"I like being here with my white friends," Tom, 10, who was in an all-Negro class a year ago, added happily. "My teacher is real nice."

He doesn't even refer to the fact that she is white—the first white teacher he has ever had.

On the elementary level, almost without exception, Negro children and white ones play and study together. As was found in Wilmington, Del., the youngsters here are colorblind. They make no distinction between races in the classroom or on the play yards.

A fourth-grade teacher, Mrs. Maude Bennett, has 18 white and 10 Negro pupils in her class. She has been a teacher for 32 years, and this is the first time she has taught an integrated class.

"I can't see any difference at all," Mrs. Bennett said. "The colored and white children do just about the same work. In the spelling bees, sometimes a white child will come out ahead, sometimes a Negro."

The class officers were called to order by Mrs. Bennett. They gathered around her desk to decide how best to keep the room clean.

The president, James Randall, who wants to be a pilot, is a Negro, as is the assistant secretary, Jane Clayton, a future teacher. The vice president, Linda Stillwell, and the secretary of the class, Margaret Moses, are white.

CHOSEN FOR ABILITY

This situation is common throughout the school system. Negroes are elected to student offices, they are on the athletic teams, they work for the student newspapers and join the dramatic clubs. But, the students are quick to say, the Negro pupils are chosen on the basis of ability, not color.

"We love Jimmy Randall," his classmates said. "He's a good president."

The townspeople have come to accept this school integration. Recently about 100 elementary children marched through the streets to attend a concert in the center of the city. Quite by accident, the informal procession was led by a third grade Negro boy and a third grade white girl. Hand-in-hand they marched down the street at the head of the procession.

"I wondered what the people were staring at," a school official said. "Then suddenly I realized. We are so used to seeing Negro and white children playing together in schools that we just don't notice it anymore. For the citizens, however, it must have been a novelty."

MOST TEACHERS WHITE

Because the great majority of teachers and pupils are white, most of the youngsters are taught by white teachers. For the first time, these teachers find Negro children in their classrooms.

Jean Ferguson, a third grade teacher with 35 years' experience, is typical of many. Until this year she had taught all-white classes. Now she has a class of 13 Negroes and 13 whites.

"It was difficult to get used to it at first," she said. "It's made my work more difficult and more challenging.

"But I haven't found any real difference in intelligence between the two races. There are slow and fast readers among both the Negroes and the white children."

The Negro parents come to the P. T. A. meetings, Miss Ferguson said, in the same proportion as the white parents. They cooperate with her whenever special problems arise, she said.

"I don't mind teaching a mixed class now," she added. "I'll probably get another one next fall. I certainly won't ask for an all-white class."

TRANSFERS POSSIBLE

Parents who do not want their children to attend mixed classes or who object to Negro teachers may ask for a transfer. However, if the class to which they wish their child transferred has more than 30 pupils, the child will not be admitted. Also, they have to pay transportation costs of $4 a month on the elementary level, $12 on the high school.

"We have had mighty few requests for transfers," Dr. Lovenstein said. "Our parents seem to accept things as they are."

NEGRO TEACHER ASSIGNED

Sometimes a Negro teacher is placed in an all-white school, Mrs. Stella Meiner at the Chandler School is an example. She has 41 fourth-grade pupils, and they are "crazy" about her, in their own words. "She's a good teacher," the children said.

"My mother says," a long-haired girl of 9 remarked, "that Mrs. Meiner is the nicest teacher she ever met."

Mrs. Meiner always had taught Negro children. Now she teaches only white children. The educational standards are similar, however, she said.

"I don't find any differences at all," she said. "They are all such lovely children."

Dr. Lovenstein explained her appointment:

"There was a vacancy at the school and Mrs. Meiner had the necessary qualifications, so we gave her the job."

ANOTHER IS APPOINTED

A similar situation exists at the Clendenin Junior High School, 20 miles from Charleston. No Negro had ever taught in this school of 864 children and 27 teachers. Moreover no Negro had ever lived in Clendenin, a mining and farming community.

A Negro teacher, Arned Brown, was brought in last September to teach art and history. He is accepted by the community, students, and teachers. For the first time in Clendenin, seven students have won art prizes in national competitions.

The students sing the praises of Mr. Brown.

"He is the best teacher I've ever had," is the typical comment of the 254 students whom he teaches.

"We have forgotten that he's colored," Debbie Karr, the senior class president, said. "When he first came here, I was prejudiced. I didn't like Negroes. Well, I've certainly changed my mind now. I think they're as good as we are."

BIAS BEGINS OUTSIDE

However, integration stops in the classroom or on the athletic field; it is not carried over into the home. When a colored student at the Thomas Jefferson High School came to a party given by one of his classmates, he was asked to leave.

"Please don't take this as a personal affront," the mother of the boy giving the party said. "We just aren't used to having Negroes at our parties. Maybe when integration is further along we'll be able to invite you."

"I got a phone call from a boy in my class," said Mary Bowditch, 14, a high-school freshman. "Mother didn't like it when she learned he was colored. When he called again she wouldn't let me talk to him. But really he only wanted to carry on a pleasant conversation."

At the school dances the Negro and white pupils are not allowed to exchange dances.

"The community is not ready to go that far," said the dean of girls at the Stonewall Jackson High School.

"We'll have to take integration step by step," said Mrs. John C. Norman, a Negro teacher active in community affairs. "You can't hold the dawn back indefinitely."

DEFENSE APPROPRIATION BILL

Mr. MAHON. 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 Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I have requested the privilege of extending my remarks at this point in the RECORD for the purpose of making an announcement. The hearings on the big defense-appropriations bill are now available. Some of them have been available since the first of this month.

It is anticipated that the Defense appropriations bill will be reported out of the Committee on Appropriations on May 21. The House leadership has not fixed a definite date for House consideration of the measure, but the indications are that consideration of the bill will be

completed on or before Wednesday, May 29. It may be that the general debate on the bill will begin on Friday, May 24.

HOUSE MEMBERS' NEED FOR ADMINISTRATIVE ASSISTANTS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I am inserting herewith an editorial from the May 10, 1957, issue of the Texarkana Gazette, Texarkana, Ark.-Tex., supporting my proposal that each Member of the House be allowed an administrative assistant well versed in taxes, appropriations, and monetary matters. These subjects required technical training for intelligent handling, and I believe all of us would greatly benefit if we could have such a technician on our staff.

The editorial is as follows:

NOT A BAD IDEA

In a recent speech on interest rates and the tight money policy, Congressman WRIGHT PATMAN made the observation that Members of Congress are not equipped to deal intelligently with three subjects—taxes, appropriations, and monetary matters. We agree with Mr. PATMAN that these are subjects calling for the utmost in study, research, and technical understanding. From what we have been able to observe of Congress, its Members do not have the time it takes for a proper understanding of these subjects.

Congressman PATMAN suggests that the greatest benefit that the people could possibly get from any expenditure of public funds would be to insist that every member of Congress have an administrative assistant for these three subjects of taxes, appropriations, and monetary matters.

He said this would be of much greater benefit to the constituents than the enlargement of the staffs of the various committees.

A Member needs somebody close to him who is responsible only to him and who will keep the Member advised and who will carry out the will and the wishes of the Member, prepare information, etc.," Mr. PATMAN said.

We are in agreement with Mr. PATMAN that the Members of Congress are prepared to take care of clerical matters and office correspondence because they have adequate help provided for that purpose although some congressional districts are so large it is almost impossible for the members of these districts to keep up with their office work, but they certainly are not equipped to deal intelligently with taxes, appropriations, and monetary matters—three of the most important issues that come before Congress.

FRIENDSHIP AIRPORT

Mr. FRIEDEL. 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 Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, for many years the people of Baltimore have wondered why Friendship Airport, certainly one of the finest and most modern facilities of its type in the world, has not been more generally used by our principal air carriers. While the Washington National Airport continues to be dangerously overcrowded, Friendship offers to the traveling public of the greater Washington-Baltimore area accommodations unmatched on the eastern seaboard.

The two busiest airports among the Eastern States are New York's La Guardia and Miami's International. Neither can compare with Friendship in the matter of overall efficiency and attractiveness.

That is why, Mr. Speaker, the people of Baltimore are delighted over the prospect of soon being on important international airline operations provided the Civil Aeronautics Board accepts the strong and forthright recommendations recently made by one of its examiners regarding nonstop service to Mexico City.

You will recall, Mr. Speaker, that Pan American World Airways has recently sought several new routes with the provision that Friendship Airport be used as a joint terminal for Baltimore and Washington. One case in particular comes readily to mind because Pan American's proposal to operate a new service between Baltimore and Miami was rejected in favor of certification of a carrier which, at the time of its certification, had no four-engine equipment and no intention to serve Friendship. We are well aware, Mr. Speaker, of the skullduggery which occurred at the time the decision against Pan American was being made and a special Senate subcommittee is concerning itself with all aspects of that case at this time.

However, that case is history and once again we are confronted with a situation wherein Pan American proposes to put Baltimore on the world's trade routes. A Civil Aeronautics Board examiner has recommended most emphatically and without qualification that Pan American be authorized to operate between New York and Baltimore and Mexico City. Ordinarily, Mr. Speaker, the examiner's recommendations would have a powerful effect on the ultimate decision of the Civil Aeronautics Board and we in Baltimore hope that this case will be no exception. But I am aware of many strong political considerations which could conceivably upset the recommendations of the examiner and give such certification to another airline which does not propose to utilize Friendship Airport on this route. The Civil Aeronautics Board will hear oral argument on this case on May 29 after which there will be a period of deliberation by the Board. The Board will then make a recommendation to the White House inasmuch as an international route is involved and, under our present laws, the final decision of international air routes rests with the President.

Mr. Speaker, there is more involved in this case than the simple matter of an air route between the Eastern United States and Mexico City. Pan American has the equipment and existing routes which can put Baltimore in a desirable position internationally. Pan American flies beyond Mexico City to all of South America. Likewise, Pan American flies from New York to points all over the universe.

At this time, only one air carrier provides nonstop service to Mexico City. Strangely enough this carrier is Air France which advertises itself as the world's largest airline. Air France now has a monopoly on international operations between Europe and Mexico. I should like, at this time, to quote from the Civil Aeronautics Board examiner on this subject:

The record leaves no doubt that the public convenience and necessity require authorization of nonstop air service between New York or Washington, and Mexico City. The authorization is not only needed to permit improvement in the existing American-flag service made possible by the longer range aircraft in use in recent years; it is imperative that such service be authorized for an American-flag carrier to meet the competition of Air France between New York and Mexico City. Consideration of necessary improvements in American-flag carrier services between New York and Mexico City has been too long delayed. That delay has resulted in the incredible situation where a European carrier has in the past year won a preferential position in a market pioneered by our own industry and in a stream of traffic in which a United States-flag carrier should be second to none.

Mr. Speaker, Pan American at the outset of this projected service will provide 2 flights per day through Friendship Airport—1 headed toward Mexico City and 1 returning from Mexico City. These flights would connect with other Pan American operations heading toward Central and South America on one hand and Europe, the Middle East and the rest of the world on the other. Certainly, as traffic warrants it, Pan American would step up its frequency in and out of Friendship. This service would not be a stub-end operation but would actually put Baltimore on the world's trade routes.

I quote once again from the report of the examiner:

Pan American is the only applicant which can effectively participate in the Europe-Mexico City market, and its selection as the carrier needed for the proposed nonstop service is necessary to strengthen United States-flag aviation over the North Atlantic. The selection of Pan American will contribute to a considerable reduction of mail pay subsidy. This carrier alone has experience as an overseas competitor with the foreign-flag operator now entrenched in the New York-Mexico City market. Pan American can also effectively serve the Mexico traffic that does not proceed east of New York because it is in a position to provide high-quality service for the local New York-Mexico City travelers; it has the capacity for promoting large-scale tourist travel to Mexico; and it can provide one-carrier service to points beyond Mexico City, thus integrating tourism in the general Latin American area with its service to Mexico City. Of the two applicants, Pan American is in the far better position eventually to exploit and promote the potentially large vacation and tourist market of Mexico City, because, in addition to the local New York-Mexico City vacation market, it will be able to exploit the Europe-Mexico tourist trade. Other countries regard a proper participation by their flag carriers in the movement of traffic between third countries as an important and legitimate goal of national policy. It is no less so for the United States.

In sum, the congressional policy as expressed in section 2 of the act as applied to the facts of record in this case requires the nonstop authorizations for Pan American.

This carrier, as the only applicant able to provide all the types of public service required by the route and afford one-carrier services beyond each end of the route, can provide the most effective United States-flag competition in an area of travel now dominated by a foreign-flag operator. Pan American's certification will save the Government money in mail pay costs and insure the proper development of a potentially strong foreign market. These vital considerations of our national interest outweigh any preference for Eastern's proposal stemming from greater optimism, initial plans for all-coach flights, route integration with domestic service, probable diversion of Eastern's revenues, and any color of right Eastern may have on the ground that its 1946 award for Mexican service failed of implementation. In other words, if the needs of the traveling public are best to be promoted and served, if full American-flag participation in the two large markets herein involved is to be recaptured and held, if we are to take advantage of integrating and solidifying our own flag services between Europe and Latin America, if a rare opportunity for reducing air carrier subsidy is to be taken—in short, if the public interest in an economically sound, financially strong and subsidy-free air transport is paramount—the choice of carrier in this proceeding is crystal clear. The choice is Pan American.

Pan American is a long-established carrier holding certificates of public convenience and necessity and air operating certificates. Pan American's history of successful operations and its showing on this record, leave no doubt that it is fit, willing, and able to perform the services herein found required by the public convenience and necessity.

Mr. Speaker, the examiner in this case has not equivocated. He has shown no indecision. We in Baltimore do not carry a banner for any particular airline. We recognize that Eastern Air Lines has been a most vital factor in the development of a sound air transportation system which has contributed so much to the economic progress of the United States. But I suggest, Mr. Speaker, that we consider most carefully the concluding recommendation of the examiner:

In view of the foregoing and all facts and contentions of record, it is concluded that the public convenience and necessity require a nonstop authorization for Pan American between New York/Washington and Mexico City and that the public convenience and necessity require denial of the proposal of Eastern for nonstop operations on that route.

We in Baltimore sincerely hope that the Civil Aeronautics Board and the White House consider carefully the recommendations of the examiner and that Pan American Airways be given the opportunity to do for Baltimore what no other carrier has proposed.

EGYPTIAN PERSECUTION OF THE JEWS

Mr. ADDONIZIO. 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 New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, after the Suez crisis last November, when the American public was distracted by events in Hungary and the problem of Hungarian refugees, serious and tragic events were taking place in Egypt. I refer to Nasser's expulsion of Egyptian Jews from their homes, the confiscation of Jewish businesses and properties in Egypt, and the deliberate creation of a refugee problem by the Egyptian dictator.

The shocking details of Egyptian persecution of the Jews by Nasser are not as well known in the United States as they should be. After the fighting in Suez and Sinai stopped, Nasser moved against the Jews. During November, the Egyptian secret police—borrowing Nazi and Soviet techniques—entered the houses of loyal, non-Zionist Egyptian Jews in Cairo and Alexandria in the small hours of the morning to tell the astonished Jews that they had to leave Egypt immediately. After looting these Jewish homes, the secret police herded the unfortunate victims to hastily improvised concentration camps where the Jews were kept in close confinement under filthy conditions for a long period until they could be driven like cattle into ships leaving Egypt.

In addition to brutal mass arrests and reckless expulsions, more serious charges can be leveled at Egypt. The Egyptian secret police employed force, beatings, and a favorite Egyptian punishment, the bastinado—a heritage from Mamluke and Ottoman rule in Egypt—in which the victim's feet are lashed to a pole and the public executioner whips the soles until they bleed. Victims of such tortures often cannot walk for weeks. All of these methods were used on Jews to force them to sign statements that they were leaving Egypt of their own free will, and to make them disclose the extent of their wealth. It was a common Egyptian practice to detain hostages from the immediate families of expellees to prevent those who had already gone abroad from telling the true state of affairs in Egypt to the world at large.

Egyptian Jews were not the only sufferers. Since the war, many stateless Jews had settled in Egypt. Some of them married Egyptians and many had founded businesses. Even so, the Egyptian Government made no attempt to differentiate between Egyptians and stateless Jews, nor did it make any distinction between Zionists and non-Zionists. It is well known that a great majority of Egyptian Jews had no Zionist sympathies; Zionist sympathies were imputed to them by Nasser and his friends.

Between mid-November 1956 and the end of January 1957 more than 8,000 Jews were expelled from Egypt. The new exodus represented approximately one-fifth of the Egyptian Jewish community. The destruction and despoliation of Egyptian Jewry is clear violation of the U. N. Universal Declaration on Human Rights, adopted by the General Assembly in December 1948, and to which Egypt subscribed. Indeed, the Egyptian delegate to the U. N., Mahmud Azmy, played a large part in the adoption of the declaration by the Assembly.

Article 5 of this declaration declares that no one shall be subjected to torture or cruel punishment, while article 9 bans arbitrary arrest, detention, or exile, and articles 12, 13, 15, and 17 provide for safeguards against arbitrary interference, the right to leave and return to one's own country, the right to a nationality, and prevention of arbitrary sequestration or deprivation of property. It is quite clear that Nasser's expulsion of the Egyptian Jews represents violations of at least six definite human rights listed in this United Nations declaration ratified by Egypt in 1948.

The position of the United States Government in the matter of the Jewish refugees has been ambiguous. After a minor diplomatic protest delivered by our Ambassador in Egypt to Colonel Nasser at the beginning of this year, the administration has done very little to help the cause of Egyptian Jews. This is in great contrast to the administration's rightful championing of the cause of the Hungarian refugees. All Americans were proud and happy to do what they could for these unfortunate victims of Soviet brutality. At the time of the Soviet attack on Hungary, the United States admitted several thousand refugees to this country as parolees. In all justice, the administration should do the same for the Jews expelled from Egypt. To grant hospitality to one group of immigrants and to refuse it to another is not in keeping with our American traditions of hospitality, nor our repeated intervention during the course of our history on behalf of oppressed minorities in foreign lands.

Mr. Speaker, I urge that prompt action be taken on the refugee question which challenges the conscience of the American people, and I recommend that such legislation recognize the imminent problems of escapees from dictatorship of any kind.

POST OFFICE MAINTENANCE

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

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

There was no objection.

Mr. McCARTHY. Mr. Speaker, I yesterday introduced H. R. 7539, a bill to transfer to the Postmaster General the duties and functions of caring, operating, maintaining and keeping up those buildings occupied in whole or in part by the Post Office Department. At present, these duties are performed by the Administrator of General Services.

I believe that the Post Office Department again will be able to maintain their buildings in the manner in which they were once maintained. The General Services Administration has, I think, proved itself unable to manage these Government owned or leased buildings. The Federal buildings in the Fourth District of Minnesota are excellent examples of poor management and maintenance. Other Members of Congress have cited similar situations in their own districts. Other Members are undoubtedly concerned with this problem.

In the main St. Paul Post Office and Customhouse the Public Health Service recently was requested to inspect the unsanitary conditions in which the postal operations of Minnesota's capital are performed. The Public Health inspectors were called in by the Post Office Department, and these inspectors discovered disgraceful conditions in this post office.

These are excerpts from the report of inspection of the post office and customhouse building, St. Paul, Minn.:

INSPECTION OF POST OFFICE AND CUSTOMHOUSE BUILDING, ST. PAUL, MINN.

(By Leonard H. Male, assistant regional engineer, Public Health Service, Kansas City, Mo., March 6–7, 1957)

At the request of Dr. Lewis H. Hoyle, regional medical director, Public Health Service, region VI, an inspection was made of several floors in the Post Office and Customhouse Building, 180 East Kellogg Boulevard, St. Paul, Minn., on March 6 and 7, 1957. This inspection was made following the receipt of a letter from Mr. Elmer J. Bornhoeft, acting regional director, Post Office Department, Minneapolis regional office, requesting this office to make a survey and forward the report to him of our findings with recommendations. Accompanied by Mr. G. A. Raschka, chief of the section of industrial health, Minnesota Department of Health, I met with Mr. M. E. Nelson, acting regional director; Mr. J. M. Galvin, acting assistant regional director; and Mr. F. T. Thwing, regional personnel director, of the Post Office Department regional office, Minneapolis, for further information regarding the complaint on the sanitary conditions existing at the St. Paul Post Office which had been reported to the Postmaster General by the St. Paul, Minn., branch of the National Postal Transport Association.

Acting Regional Director Nelson, in the absence of Mr. Bornhoeft, requested that we make an inspection of the parcel post and circular section of the post office where most of the employees worked who had complained of unsatisfactory working conditions. Mr. J. M. Galvin, acting assistant regional director, accompanied us on the inspection of the fourth and fifth floors. Following the inspection of these floors, we met with Mr. S. A. Bertelson, postmaster, and Mr. Walter Noreen, president of the NFPC, who had been invited by the postmaster to meet with us. Mr. Bertelson accompanied us to the basement and loading docks for an inspection of these premises and showed us several pictures which had been taken of conditions found in the building including areas where plaster had fallen off, broken areas where tile had been removed, and dirt and debris under post-office equipment.

FOURTH FLOOR

This floor is devoted to the handling of circular mail which passes through the post office in transit to other States and cities. The floor space consists of 23,000 square feet with a 16-foot ceiling. Ventilation at the time of the inspection seemed to be adequate although there was evidence of a small amount of dust and lint in the atmosphere. The floor is constructed of 9-inch oak parquet blocks, and a large circular area near the center of the floor is constructed of a bituminous compound. It is said that the latter material is easy on employees who must stand on their feet a great part of the day and is readily cleaned and maintained.

It was noted that the varnish finish had worn off of many of the parquet blocks, and the seams between the blocks had widened, allowing dirt to accumulate. The floor, constructed of both materials, gave the appearance of being dirty and poorly maintained. Much dirt and lint from tying twine had collected along the walls, under the circular cases, and on top of the incoming mail belt hood. Many strip labels containing dates in January and February were found on the floor and under the pipe mail racks. The dirt and dust on the floor in many places had a settled appearance of having been there for some time. Especially was this true of the dirt found on top of and under lockers in the locker room.

One hundred and sixty to two hundred men work in this section, and there was not too much evidence of dust in the air at 2 p. m. on Wednesday, March 6. One of the workmen was wearing a homemade mask. When questioned regarding the nasal mask, he said he was bothered with asthma and a bronchial condition and that he had had considerable distress until he had begun wearing his homemade mask.

The morale among employees appeared to be satisfactory, and no one was overly anxious to condemn the conditions under which they worked. Several employees complained of the hot sun from the west windows during the summer months. It was noted that only a few shades covered the full length windows on this side and there were none on the windows on other walls of the room.

SWING ROOM

This room consists of 1,500 square feet of floor space and is used by employees during lunch periods and a. m. and p. m. breaks. It is connected to the circular paper section by a door which was open when we were there. The floor was not clean, and dirt had collected under the radiators, in the corners, and along walls of the room. There was evidence of tobacco waste on the wall and floor in the vicinity of the radiators. The floor near the soft-drink dispensary was dirty and spilled wastes from drinks were noticeable.

Toilet facilities on the fourth floor consisted of 6 stools, 3 urinals, 12 lavatories, and 2 showers. The floor and fixtures were in need of cleaning.

An average of 150 men work on this floor during a part of each day.

LOCKER ROOM

The locker room contains 1,783 square feet of floor space. The floor was very dirty, and considerable accumulation of settled dust was found on top of the lockers, at the rear of the coat rack, and on the floor under the lockers. The legs on the many lockers prevented to some degree proper cleaning of the floor.

FIFTH FLOOR

This floor is used for the sorting of parcel post packages and consists of 25,000 square feet of floor space with a 16-foot ceiling. The floor was not clean and gave one the impression of not having been thoroughly cleaned for some time. Trash and dust had collected under the table belts and under the incoming belt system. Apparently these areas were frequently overlooked when the room was cleaned.

The mail hampers and pouches in the pipe racks contained a considerable amount of dirt, lint, and small scraps of paper. If this equipment for handling mail were properly cleaned regularly, the cleaning job on these floors might be materially reduced.

The toilet facilities were in much the same condition as found on the fourth floor.

Sixty to eighty men are employed on this floor part of the day, and this force is doubled during the Christmas holiday season.

It was reported that no cleaning is done on week ends and very little at night when a small mail crew is on duty. These periods would seem to be the most logical time to clean floors thoroughly, particularly on the 4th, 5th, and basement floors. At this time there are few employees and there would be less interference when cleaning under and around hampers, pipe racks, and other handling facilities.

Following the inspection of these two floors, we met with Mr. S. A. Bertelson, postmaster, and inspected the basement floor, loading docks, and the toilet facilities used by the employees. The postmaster stated that complaints had come to him concerning the odors emanating from the urinals, etc. Conditions in this area were much the same as found on the other floors. Urinals and other toilet facilities and the floor were not being cleaned properly and kept in a satisfactory sanitary condition. The toilet facilities consisted of one urinal, two stools, and two lavatories. Here again there was evidence of a lack of sufficient and competent custodial service employees to do a satisfactory job of cleaning.

Approximately 75 men are employed in this area.

In brief, some of the management deficiencies were that there was an inadequate custodial staff to effectively clean the post office, that this custodial staff lacked the equipment and materials necessary to clean the building, that toilet rooms, locker rooms and other sanitary facilities were filthy and only periodically cleaned, that windows were unwashed and unshaded from the sun from the west, and that piles of dirt lay undisturbed under the machines used in handling the mails.

The General Services Administration in response to the adverse report and the recommendations made by the Public Health Service admitted the criticisms made of their maintenance and repairs. The reply of the Commissioner of the Public Buildings Service stated that the "principal deterrents to our giving satisfactory service have been our inability to recruit replacements for cleaning force personnel, and the tenant's inability to specify any regular time for us to clean the area." They hope now to improve their service.

Supposedly, the General Services Administration has been cleaning and maintaining the St. Paul Post Office for 6 or 7 years. Yet, in 1956, the excuse for shoddy work is that they have been unable to work out a work schedule that does not interfere with the handling of the mails. Surely, some work schedule could have been evolved in 6 or 7 years. The post offices of the country used to be cleaned and maintained, and the mails were handled as well.

It would appear that the General Services Administration becomes concerned about the maintenance of the buildings in their charge only after agencies such as the Public Health Service and Members of Congress become concerned.

The Public Health Service has not yet been called into the Federal Courts Building in St. Paul, the other major Federal building in that city. But certainly the building is, like the post office, a disgrace to the Federal Government. This building houses the United States districts courts, the circuit courts of appeals, a large postal station, the United States attorney and marshal, other agencies of the Federal Government, as well as a Member of the Senate and a Member of the House of Representatives.

The interior walls of this building are crumbling, fallen plaster is not being replaced, paint has not been applied for years, perhaps decades, and a heavy layer of dirt and soot covers all surfaces.

The broken and ill-fitting windows fail to keep out the rain, sleet, and snow. And in Minnesota winters tight windows are generally considered mandatory by all except the General Service Administration.

In my own offices in this building, ice and snow accumulates on the inside of the windows and on the sills. Heavy cold drafts swirl through the offices.

Both the St. Paul Post Office and the Federal Courts Building are staffed by inadequate maintenance personnel. Both of the buildings are filthy. Yet at one time both of these buildings were satisfactorily maintained by the Post Office Department. They were clean and in good repair.

The General Services Administration cites as its objectives or its watchwords "economy, efficiency, and service." I fail to see that it is economy to allow the Federal buildings around this country to so deteriorate that they will require enormous appropriations someday to restore them, while General Services now economizes on services. I fail to see that this policy is efficient when inadequate maintenance personnel, using inadequate materials and equipment, attempt to perform a job that is far beyond them. I fail to see that, by any stretch of the imagination, this type of maintenance and management is service.

It is time, I believe, that these Federal buildings used by the postal service be returned to the management of the Post Office Department.

GOVERNMENT SPENDING

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. COLLIER] is recognized for 15 minutes.

Mr. COLLIER. Mr. Speaker, last night President Eisenhower presented a report to the Nation on Government costs. Whether we agree or disagree with the President in his appraisal of the situation does not detract from the fact that his address was earnest, sincere, and forthright in every detail. I certainly do not propose to speak on the specifics of the Federal budget. But at the same time, it behooves us to take inventory of the direction in which we are traveling. In this regard, I consider the crux of the problem summed up in this statement from the President's address and I quote, "No great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs or unless all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country."

Most of the Members of Congress will agree that the first two reservations are clearly and concisely placed in the lap of this body. As for the willingness to gamble the safety of our country, not one of us has the remotest thought of doing that. There are probably as many ideas on what constitutes the gamble in this regard as there are Members in the House.

The concern of the public over this budget is both significant and healthy. And it should certainly lead to a conscientious reappraisal of our whole national program of legislation. As one who is new as a Member of this great legislative body, I naturally feel a sense of humility in speaking on the very complex subject. However, this does not deter my deep convictions on the Federal spending and the expansion of centralized government.

Incidentally, I cannot help but observe that the public clamor for curtailing Federal spending has drawn a variation of opinions and, I might add, even a change of heart in the attitude of many of the esteemed leaders of both political parties. One of the Members of this body recently said that the blizzard of some 800 tax-reduction bills introduced since January 3 indicates a strong feeling among Members of Congress to giving the American public relief from the present heavy burden of taxation. I would like to believe that this observation is entirely correct, but I submit that I prodigiously reviewed a summary of bills offered during the same period; and those calling for the expenditure of additional Federal funds outnumber the duplicatory tax-relief bills by a tremendously vast ratio, perhaps as much as 5 to 1. Before the current session of Congress adjourns, the number of legislative proposals providing for increased Federal spending is likely to reach the 5,000 mark. With the 2d session of Congress being election year, new spending bills for pet Federal projects, following the usual pattern, will exceed even this number.

It is interesting, too, to observe that the authors of many of the tax-reduction bills are likewise the authors of many of the new spending bills. Further analysis of the tax cutting and Federal spending indicates that the authors of many of these same tax-relief bills have not only voted against the majority of the proposed budget cuts, but have embraced by their public announcement of support an expansion of Federal-aid programs of every nature and description. I respectfully point to the CONGRESSIONAL RECORD, page 1198, under date of Wednesday, January 30, as specific evidence.

And so, as a Member of the Congress who has voted rigid economy and who favors a curtailment of Federal aid in many areas, I find an inconsistency of political philosophy quite beyond comprehension. As I have frequently advised many of my constituents urging my support of new and expanded Federal-aid programs on one day and a tax cut the next, that I know of no way to "get 3 pounds of rice from a 2-pound bag." Apparently there are political magicians who do, and I solicit their advice and counsel on how it can be done.

A sprawling bureaucracy and expansion of Federal Government into new areas of our national life, both social and economic, imposes more than the immediate burden of taxation upon the American people. For should it continue to grow at the pace it has during the past two decades, we may well destroy the individual initiative, ingenuity and ambition that cultivated the wealth of human and natural resources of this Nation.

Certainly there can be no doubt that the unshackled initiative and ambition has been the force which permeated the growth of this country from a small colony of pioneers to the greatest nation on earth within a span of 150 years. This spirit of enterprise, free of excessive government control, interference and subsidation, allowed the United States to develop far beyond other nations of the world with centuries of history behind them.

No individual who shares in the opportunities of this great and free Nation and who knows the history of its origin and development can deny that its rise to the leading place in the free world was built upon individual and collective independence. These ideals must never be taken for granted if we are to preserve the greatness of this country for the next generation.

The enviable place which the United States has maintained in the world was achieved without the bold and direct financing from the till of the Federal Treasury. Nor did this growth depend upon the subsidation of the many phases of human and natural resources by the Federal Government. On the contrary, it stemmed from the collective efforts and ambitions of individuals with the guaranty of the rights and liberties provided by the Constitution.

The complexity of world problems today are so vast in their scope that almost any legislative attempt to solve them is a calculated risk. I do not say that such risk must never be taken, but I question, and I certainly am not alone in this philosophy, whether we can afford to take the abundance of these risks which we have and which we continue to take, if we are to preserve self-survival that depends upon economic stability. If we fail to do this, we can no longer expect to remain the greatest force for the democracy of a free world.

I do not believe that the vast majority of the American people, by and large, have sought the Federal legislation which Congress has enacted over these two decades designed to solve the domestic and foreign problems we have faced.

On the contrary, I believe that most of the legislation which has created the vast network of Federal-aid programs and Federal-aid spendings was not conceived of the demand of the majority of the people of this country but was born in the minds of the legislative and executive branches of the Federal Government over the years.

At any rate, I believe that we have reached the place where we can only resolve the problem of Government spending to a basic philosophy. Those who subscribe to the philosophy that the Federal Government must continue to spend and spend—take on new and varied Federal-aid programs in new areas of our national life, and accept as our responsibility the multiple and tremendously complex social and economic problems of scores of nations with entirely different cultures and ideologies, might just as well admit that this Government must continue to grow bigger and bigger, more costly. This will lead us farther and farther from the original concepts of government which has been

symbolic of the American way of life for more than a century.

So in conclusion may I say that it is my sincere desire that the concern of the American people over this and future Federal budgets be constant and persistent. For in public corncern lies the only hope for curtailing and perhaps even eliminating those Federal programs which are not the fundamental responsibility of the Federal Government. There will remain marked differences of opinion on this subject, just as there are such vast differences in political philosophies. But because time is frequently the best judge of all things—we must not forget that the history of nations wherein government became the dominating force and effect in the national and economic life of their people are those which faltered and eventually decayed as world powers. That, gentlemen, is history—not opinion.

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

Mr. COLLIER. I yield.

Mr. SHEEHAN. I want to compliment the gentleman from Illinois on the clarity and the forthrightness of his views. I am sure his constituents will long appreciate his able representation as their Congressman.

Mr. COLLIER. I thank the gentleman.

AMERICAN DAIRY INDUSTRY AND THE JAMESTOWN CELEBRATION

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 10 minutes.

Mr. LAIRD. Mr. Speaker, at the site of Jamestown, Va., on June 4, 1957, the American dairy industry will pay tribute to the people who 350 years ago founded this Nation's first permanent English settlement and also introduced dairying to America.

The American dairy industry began 350 years ago as an import business, the first ships carrying butter and cheese to the new settlement. Then, in 1611, the first dairy cows were imported into this country to become a permanent part of American agriculture.

The growth of American agriculture since 1607 has been greater than that experienced in any other part of our world.

The winter of 1609–10 was known as America's "starving time," because the first settlers were not well provisioned. They were not the farmers who were to come in great numbers in later years, and the Jamestown settlement was operated under a communistic system which proved to be a terrible failure.

Today we may thank God that our food problems are those of great abundance rather than scarcity such as our first settlers experienced and such as many hundreds of millions of people throughout the world still must face every day in this year 1957.

The dairy industry has grown steadily along with the rest of America since 1607. While our dairy industry in that year consisted of the importation of a few pounds of butter and cheese, in this year each American, on the average, will consume about 700 pounds of milk—as milk, butter, cheese, ice cream, evaporated milk or dry milk.

To produce this tremendous amount of food requires the labor of more than one million people on the nation's dairy farms, plus many hundreds of thousands more who daily truck the milk from farms to factories, who process the milk for our use, who then distribute the milk and milk products from factories to homes and stores and restaurants and the many other places where food is sold or served.

The dairy foods family has assumed tremendous importance in the diets of the American people through the years. Today about 30 percent of all of our food nutrients come from milk and milk products—at a tremendous bargain to homemakers since dairy foods claim less than 20 cents out of each food dollar.

In 1611, Lord Delaware, the first governor of the Virginia colony, wrote these words:

> The countrey (meaning Virginia) is wonderfull fertile and very rich and makes good whatsoever heretofore hath been reported of it, the cattell already there, are much encreased, and thrive exceedingly with the pasture of that countrey: the kine all this last winter, though the ground was covered most with snow, and the season sharpe, lived without other feeding than the grass they found, with which they prospered well, and many of them readie to fall with calve; milke being a great nourishment and refreshing to our people, serving also (in occasion) as well for medicine as for food, so that it is no way to be doubted, but when it shall please God that Sir Thomas Dale and Sir Thomas Gates, shall arrive in Virginia with their extraordinary supply of one hundred kine.

There was little or no knowledge about the science of nutrition in the days of Lord Delaware, and it is significant that he recognized the importance of dairying and milk to the health and welfare of the people under his command. What we have learned through the sciences since that day fully confirms the faith which Lord Delaware expressed in milk.

It is significant, too, that as the settlers began moving westward from the eastern seacoast, they took their milk cows with them. The pace of the wagon trains was determined by the cows tied behind each wagon—these cows which meant life or death to the settlers on the trail and in their early settlements. For the cow was a food factory on the hoof, requiring only a patch of grass and some water to keep on manufacturing the nourishing milk. The cow not only provided milk but also meat, leather and other by-products. Her horns kept the pioneers' powder dry.

Today cows are milked in each of the 48 States, contributing not only to the good health and good eating of America's 170 million people but also to the strength of the American economy.

In my Congressional district, which is the Seventh Congressional District of Wisconsin, more milk and cheese are produced than in any other Congressional district in the United States. Wisconsin leads all the other States in the production of milk and cheese.

We join the American dairy industry in paying tribute to the hardy pioneers who brought dairying to America 350 years ago. The early start which they gave to dairying has contributed much to the growth and strength of our Nation.

SPECIAL ORDER TRANSFERRED

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the 5 minutes granted me today may be allowed me tomorrow after other business in the House.

The SPEAKER. Is there objection? There was no objection.

NATURAL GAS LEGISLATION

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, hearings are now being held before the Interstate and Foreign Commerce Committee of this House on H. R. 6790 and H. R. 6791, together with other related bills to amend the Natural Gas Act. It is the purpose of most of these bills to free from effective Federal regulation the price charge by producers of natural gas who are the Nation's great oil companies.

The Natural Gas Act of 1938 was enacted to protect the ultimate consumer from exploitation at the hands of the sellers of natural gas. Under that act, the Federal Power Commission was charged with the responsibility of carrying out that purpose. Last Thursday the Chairman of the Federal Power Commission testified on H. R. 6790, and H. R. 6791, referred to as the Harris-O'Hara bills. In the course of able questioning by members of the committee, Chairman Kuykendall disclosed certain facts which should be of interest to every Member of this House.

Now, gentlemen, this legislation has been widely advertised as a compromise bill. This would lead one to believe that it represents a compromise between the interest of the producers who are the subject of regulation on the one hand, and the interest of the consumers who are its beneficiaries on the other. The testimony elicited from Chairman Kuykendall of the Federal Power Commission, however, makes it shockingly clear that this is not the case and further that it is not the case largely because of the activities of the Chairman of the Commission.

You will recall just 2 years ago the heated debate on the Harris bill of that year which was designed to exempt producers of natural gas from Federal regulation. You will recall that the bill narrowly passed this House and subsequently passed the Senate but was vetoed by the President. In his veto message the President stated that any new bill to secure his approval should include specific protection for consumers in their right to fair prices.

The Chairman of the Federal Power Commission testified last Thursday that following the veto, he was requested by

the White House to prepare a draft of a bill which would fulfill the requirements that the President had set forth in his veto message. One would assume that pursuant to this request from the White House, the Chairman would consult with consumer representatives and with representatives of the various State public utility commissions, whose duty it is to see that the rates charged the ultimate consumer for natural gas are just and reasonable. One might also assume that the Chairman would consult with members of his staff who are also charged with the duty of protecting the ultimate consumer.

But here is what actually happened, according to Mr. Kuykendall's own testimony. He called in lawyers representing the gas industry and requested that they prepare a bill that they would like. The Chairman admonished those individuals that there should be absolute secrecy with reference to their work, and indeed there was. In the meantime, a second "task force" was assembled, also representing the gas industry, and this second group came to the Chairman and requested that he hold up on the lawyers' group he had formed while this second force completed its work, and the Chairman agreed to this. These two groups advised him in secrecy, from time to time, as to their progress. Finally, the industry presented the Chairman with a statement of principles to be embodied in the new bill.

During all of this time the Chairman of the Commission, who had initially been requested to take the lead in drawing the new bill, turned the matter over to the very industry which was the subject of regulation. At no time did the Chairman call in any consumer representatives. The Chairman conceded that his primary duty under the act was to protect the ultimate consumers, and sought to justify his failure to call in any consumer group on two grounds: First, that he knew of no consumer groups to go to; and second, that he assumed that if the gas industry itself could agree on a bill, the consumer interest would be adequately represented.

As to the first claim that he did not know of any consumer groups, we need only look at the long list of opponents to the Harris bill of 2 years ago and to the present bill. Communications in opposition have been received from governors of various States. Appearing in opposition to those bills at committee hearings were numerous State attorneys general, members of the State public service commissions, mayors of our larger cities, and city attorneys. All these State officials are charged by law with protecting the interest of consumers in their respective States—yet, they were not consulted.

As to the Chairman's second reason for not consulting consumer representatives in the drafting of this legislation, or even advising them that such legislation was being drafted, he stated that he assumed that if the gas industry could agree upon a bill, the consumer interest would be adequately represented. This is close in philosophy to the famous statement of another public servant—that "what is good for General Motors is good for the country."

It becomes perfectly apparent, therefore, that the widely touted compromise is a compromise which has excluded the consumer. It is no compromise between the interest of the producer on the one hand and the consumer on the other, but rather is a compromise by the gas industry against the consumer.

As originally introduced, the bill was so unpalatable and so obviously unprotective of the ultimate consumer that the administration, at whose initial instigation the bill was drafted, proposed certain changes in order to make it at least look like the consumer would receive the protection which the President, in his veto message, said he must have. The bill as originally drafted would prohibit the Federal Power Commission from giving any consideration whatever to the cost of producing gas in reviewing field prices. The administration would remove this prohibition but would not require the Commission to use cost. If all factors that the Commission might consider were left to the Commission's discretion, then the failure to make consideration of cost mandatory might be appropriate. But the bill, even with the administration's amendments which do not make cost finding mandatory, does refer to other completely illusory standards.

Why do I consider it so important to bring these matters before you? Simply because the bill is very carefully drawn to conceal its true purpose. It is a long bill, a complicated bill, and from the form of the language used, one would believe that the draftsmen were interested in providing a careful regulatory mechanism by means of which producer prices would be reviewed. Indeed, during the hearings before the Committee on Interstate and Foreign Commerce, one of my colleagues from a producer State asked whether the bill could not be considered as providing for Federal regulation, to which he received an affirmative response. And so it does, my colleagues, but for a completely meaningless Federal regulation, because the yardstick used in this bill—reasonable market price—is a rubber yardstick, entirely devoid of any real protection for the millions of consumers of natural gas. In essence, the Commission's regulatory power over producers under this bill would give it the power to record the prices that are arrived at in the bidding for gas supplies by the pipelines, and then graciously allow the pipelines to pay these bargained-for prices to the producers.

No regulation worthy of the name forbids a regulatory agency from examining the cost of finding and producing natural gas, yet that is precisely what the gas industry did in drafting this bill. Even the administration's suggested amendment, which would remove this prohibition, still would not have the word "cost" mentioned in the legislation, let alone make it mandatory for the Commission to consider this essential element.

The importance of cost cannot easily be underestimated, nor can the effect on the ultimate consumer, should this bill pass. The costs now being found by the Federal Power Commission are a full 10 cents per thousand cubic feet below the deals now being made for new gas supplies. It is 10 cents a thousand cubic feet on this Nation's gas bill, over half a billion dollars a year, which is riding on this little word "cost" and on whether the Commission must continue to use it as a starting point in determining whether prices are fair.

Gentlemen, beware of this "compromise" bill if it comes before the House. Let us hope that that committee in its good judgment will see that it moves no further.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOEVEN (at the request of Mr. MARTIN), for 2 weeks on account of minor eye surgery.

To Mr. ALLEN of California, for 15 days beginning today, on account of death in the family.

ADJOURNMENT OF THE HOUSE FROM TOMORROW UNTIL MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

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

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, on today.

Mr. LAIRD, for 15 minutes, on Wednesday of next week.

Mr. EDMONDSON (at the request of Mr. ALBERT), for 45 minutes on Monday, May 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MULTER (at the request of Mr. ADDONIZIO) and to include extraneous matter.

Mr. HOLLAND.

Mr. CELLER.

Mr. DORN of New York and to include extraneous matter.

Mr. SCOTT of Pennsylvania and to include extraneous matter.

Mr. FULTON in two instances and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. O'HARA of Illinois) in two instances and to include extraneous matter.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.), the House adjourned until tomorrow, Thursday, May 16, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

852. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1957, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

853. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Yuchi (Euchee) Tribe of Indians, Claimants,* v. *The United States of America, Defendant* (docket No. 172), pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70t); to the Committee on Interior and Insular Affairs.

854. A letter from the Clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered on May 8, 1957, relating to the case of *Cooper Tire and Rubber Company* v. *The United States* (Congressional No. 10-52), pursuant to sections 1492 and 2509 of title 28, United States Code, and House Resolution 699, 82d Congress; to the Committee on the Judiciary.

855. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the Fifth Semiannual Report of the Foreign Claims Settlement Commission of the United States as of December 31, 1956, pursuant to section 9 of the War Claims Act of 1948 (62 Stat. 1240; 50 U. S. C. App. 2001-2016), as amended, and of section 3 (c) of the International Claims Settlement Act of 1949 (64 Stat. 12; U. S. C. App 1621-1627), as amended; to the Committee on Foreign Affairs.

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. HOLIFIELD: Committee on Government operations. 5th report pertaining to a review of the budget formulation and presentation practices of the International Cooperation Administration; without amendment (Rept. No. 449). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. H. R. 5110. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; without amendment (Rept. 450). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3836. A bill to repeal section 1157 of title 18 of the United States Code, as amended; without amendment (Rept. No. 452). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3837. A bill to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs; with amendment (Rept. No. 453). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6692. A bill to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes; with amendment (Rept. No. 454). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government Operations. H. R. 4945. A bill to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District; with amendment (Rept. No. 451). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 7559. A bill to provide pension for certain physically handicapped veterans of World War I, World War II, or the Korean conflict; to the Committee on Veterans' Affairs.

H. R. 7560. A bill to provide for the payment of pensions to veterans of World War I and their widows and children at the same rates as apply in the case of veterans of the Spanish-American War, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 7561. A bill to authorize the partition or sale of inherited interests in allotted lands in the Pine Ridge, Rosebud, Lower Brule, Cheyenne River, or Standing Rock Sioux Indian Reservations in South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7562. A bill to authorize the consolidation of Rosebud Indian tribal trust funds, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Missouri:

H. R. 7563. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BURNS of Hawaii:

H.R. 7564. A bill to provide that the Legislature of the Territory of Hawaii shall meet annually, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COLLIER:

H. R. 7565. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

H. R. 7566. A bill to allow a deduction for income-tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

By Mr. COUDERT:

H. R. 7567. A bill to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 7568. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953 to provide that service in the grade of inspector and the grade of private in the Fire Department of the District of Columbia shall be deemed to be service in the same grade for the purpose of longevity increases; to the Committee on the District of Columbia.

By Mr. HASKELL:

H. R. 7569. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers", approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. KEAN:

H. R. 7570. A bill to amend section 403 of the Social Security Amendments of 1954 to provide social security coverage for certain employees of tax-exempt organizations which erroneously but in good faith failed to file the required waiver certificate in time to provide such coverage; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 7571. A bill to amend title II of the Social Security Act to include Maryland among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. R. 7572. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H. R. 7573. A bill to amend the Veterans Regulations to provide that meningitis developing a 10 percent or more degree of disability within 1 year after separation from active service shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. VAN ZANDT:

H. R. 7574. A bill to change the method of computing basic pay for members of the uniformed services, to provide term-retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. WATTS:

H. R. 7575. A bill to amend title VI of the Public Health Service Act so as to give project applicants for Federal assistance for the construction of hospitals and other medical facilities the option to obtain loans in lieu of grants; to the Committee on Interstate and Foreign Commerce.

By Mr. DURHAM:

H. R. 7576. A bill to further amend the Federal Civil Defense Act of 1950, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. GARMATZ:

H. R. 7577. A bill to amend title 9, United States Code, entitled "Arbitration," so as to provide for correction of defects and omissions in the present law regulating arbitra-

tion, for judicial review of questions of law arising in arbitration proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRIS:

H. R. 7578. A bill to continue the authority of the United States to make payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; to the Committee on Interstate and Foreign Commerce.

By Mr. MONTOYA:

H. R. 7579. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $800; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 7580. A bill to amend the Watershed Protection and Flood Prevention Act to provide that its loan provisions shall be applicable to certain other projects; to the Committee on Agriculture.

By Mr. O'HARA of Illinois:

H. R. 7581. A bill to provide health insurance for Government employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Florida:

H. Con. Res. 175. Concurrent resolution proposing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. McMILLAN:

H. Res. 251. Resolution to authorize the Committee on the District of Columbia to conduct an investigation and study of the operation, administration, and enforcement of the District of Columbia Public Works Act of 1954, the District of Columbia Revenue Act of 1956, and the organization, management, operation, and administration of the District of Columbia Department of Public Health; to the Committee on Rules.

By Mr. CRAMER:

H. Res. 252. Resolution authorizing a preliminary examination and survey of streams at and in the vicinity of Bayport, Fla., for present and prospective commerce, and for other purposes; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H. R. 7582. A bill for the relief of Josef Butkovic, Manda Butkovic, Anka Butkovic, Maria Butkovic, Marko Butkovic, Reza Butkovic, Yadranka Butkovic, Ivica Butkovic, and Dane Bicancic; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7583. A bill for the relief of Mrs. Erna Scharnagl Baker; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7584. A bill for the relief of James Strivelli; to the Committee on the Judiciary.

H. R. 7585. A bill for the relief of Wang Chang Hwa; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 7586. A bill for the relief of Joaquin Revuelta-Sahagun; to the Committee on the Judiciary.

H. R. 7587. A bill for the relief of Eustolia Cantu Holguin; to the Committee on the Judiciary.

By Mr. HOLLAND:

H. R. 7588. A bill for the relief of Vincenzo Guliotta Salpietro; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7589. A bill for the relief of Frank Novacek; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7590. A bill for the relief of Leon Oswald Dickey; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7591. A bill for the relief of Anton N. Nyerges; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 7592. A bill for the relief of Gerosimos Fourniotis; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7593. A bill for the relief of Guiseppe Coponegro; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 7594. A bill for the relief of Mrs. Catherine Gandy Starnone; to the Committee on the Judiciary.

By Mrs. SHELLEY:

H. R. 7595. A bill for the relief of Mrs. Grace Pisciotta Barbera; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7596. A bill for the relief of Giuseppe Chiana; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H. R. 7597. A bill for the relief of certain alien children; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 7598. A bill for the relief of Burton B. Eaton; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Hon. John O. Pastore, of Rhode Island, at Brotherhood Banquet of the National Conference of Christians and Jews

EXTENSION OF REMARKS

OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by my distinguished colleague, the junior Senator from Rhode Island [Mr. PASTORE], at the annual brotherhood banquet of the Rhode Island Council of the National Conference of Christians and Jews, held in Providence, R. I., on May 13, 1957. This excellent address will, I know, be of interest to the Members of the Senate.

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

ADDRESS BY UNITED STATES SENATOR JOHN O. PASTORE AT THE ANNUAL BROTHERHOOD BANQUET OF THE RHODE ISLAND COUNCIL OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS, AT THE SHERATON-BILTMORE HOTEL, PROVIDENCE, R. I., MONDAY, MAY 13, 1957

I deeply appreciate the honor of the invitation to share in this occasion. "Occasion" seems too casual a word to define the drama that lies behind this happy gathering of men and women—friends, neighbors, and Americans. For here is something of the unfolding of the story that is America. Here is something of the greatness of the America that we possess—the America that possesses us. Here is something of the promise of the glory of America that is yet to be—in a world that is hungry for this kind of fellowship—hungry for the brand of brotherhood exemplified tonight.

Take a boy born of English parents in industrial England; take a lad born of Jewish parents in storied Ireland; take a youngster born of Italian parents under the sunny skies of that romantic land.

Where but in a land like ours could the 3 come together in this 1 golden hour to testify to the opportunities of our precious freedoms. It is a partnership in our common patriotism. Where else would gather so many races and so many religions as we represent to record our appreciation of individual, human, and humble men—not for their material successes—but for those qualities of mind and heart which make life an experience of justice, equality, happiness. Where but here could we demonstrate a fellowship that is more than tolerance.

I say this is the story of America though it reaches even beyond those English craftsmen who brought their plans for spinning wheels to dot the rivers of our valleys with industrial wealth.

It reaches beyond the Jews who 300 years ago founded their first synagogue in America, at Newport, to which they brought their ancient culture and their historic loyalties.

It reaches even beyond the dreams of the boy of Genoa—the daring Columbus who gave this New World to the Old World—and a new horizon to mankind for all time.

It reaches back as long as man has existed—since first man perceived he had a dignity beyond all other living creatures—and recognized the Creator who had made him so.

Through many ages and many lands man's culture multiplied—and thousands of years ago it flowered in the Judaeo-Christian precepts we respect tonight—personal freedom and moral responsibility—the sacredness of human life and the sanctity of the home.

These were the concepts of our Founding Fathers as they ordained this to be a government with the promise of life, liberty, and opportunity for all. These are the concepts that have molded the cultures of the many peoples who have poured their gifts into the common treasury of our America—building it to be the hope and inspiration of the world.

If this sounds like majestic language, we see it expressed in the simplicity of the lives of these three men we honor tonight. We understand it through their characters and their acceptance of responsibility which have made our lives a little better because they have passed this way.

If we have the right understanding, the significance of this night will not be lost upon us. This is a time of responsibility for us, too. If our America has received the gifts of the peoples of the world, we must realize that the world of freemen looks to America for leadership today.

This is an age that leads to destiny or disaster. Men's minds have wrested the secrets of nature with their promise of limitless good—or infinite evil.

We can lift impoverished peoples to a new happiness or we can blot entire cities and countries from the face of the earth. We have it in our power to annihilate all the cultures that have been centuries in the building. We can destroy all civilization.

I do not believe that the world can continue to live for all time in a state of balance of terror. Nor do I believe that permanent peace will come from massive retaliation. The answer is here—in the lesson of this night—in the spirit of tolerance and truth—of fellowship—of brotherhood—expressed in the dimensions of the destiny of the world.

These are heroic dimensions, if you will, but we have seen that this is a world more hungry for equality even than for food. We have seen men die in their determination to possess human dignity.

If others can die for this dignity—certainly we can live and work for it with all the genius and generosity we possess.

We know that we must live with other peoples in mutual respect—in a common freedom—and in universal peace.

The world looks to us for leadership and we shall rise to our responsibilities in the spirit and example of this night. We shall explore every path that may lead to peace and partnership.

And we shall be ready to share life in the true pattern of brotherhood. In that spirit we can lift the world out of hunger—out of horror—and out of hate.

Statement on Food-Cost Trends

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, the Consumers Study Subcommittee of the House Committee on Agriculture recently started a series of hearings on food-cost trends and the spread of the consumer's food dollar. Thus far in these hearings our subcommittee, of which I have the honor to serve as chairman, has concentrated primarily on the rising cost of food distribution in the United States in recent years, as well as on the role of certain religious and voluntary agencies in the distribution of some of our food surpluses abroad.

In later hearings our subcommittee will study food marketing problems, the cost trends of specific commodities such as milk, vegetables, meats, coffee, and so forth, farm prices and incomes as related to the retail cost of food, also the effect of our food and fiber programs as a deterrent to communism abroad, stockpiling of food surpluses for use in the event of a national emergency, and others.

When our hearings opened on May 7, I made a statement explaining the work of the subcommittee and delineating the current food-cost situation. Since then there have been a number of requests for copies of this statement. I am, therefore, inserting the text of the statement in the RECORD at this time.

The statement follows:

STATEMENT OF HON. VICTOR L. ANFUSO ON FOOD COST TRENDS

This morning the Consumers Study Subcommittee is opening its first hearings. This subcommittee was created on March 14, 1957, to study and investigate, among other things—

1. The cost of living and, with respect to agricultural products the share which the farmer gets of the consumer dollar and how it compares with other costs, that is, wages for labor, profits for middlemen, retailer, etc.

2. The part which our food and fiber programs have played in winning friends for the United States and preventing the spread of communism at home and abroad.

3. The accomplishments or deficiencies of our public, private, and voluntary agencies in this common struggle.

4. The proper stockpiling of surpluses within the limits of the United States as a matter of national and civilian defense.

The hearings today and tomorrow will be devoted to a consideration of the general picture on food cost trends in the United States.

Representatives from the Department of Agriculture, the national farm organizations, organized labor, consumers, and from the food processing and distributing agencies will give us the benefit of their information and views on this subject.

Sometime tomorrow we expect to have a representative from the Department of Agriculture give us a statement of the pros and cons on the rapidly increasing use of trading stamps as they affect food retailing costs. After hearing that statement, the committee will decide on the scope of its investigation into the effect of the use of trading stamps on the cost of food distribution.

Before calling the first witness this morning, I want to make a few observations on the work of this subcommittee as it relates to the general problems encountered by the Committee on Agriculture.

We are concerned with two vital problems, the high cost of living for the consumer and the low returns to the farmer for his abundant production of high quality foods. We believe that these two problems are related in so far as the current high cost of living is affected by increasing retail food costs. That is why the subcommittee was created.

This committee has no intention of engaging in a witch hunt or of attempting to embarrass any segment of the food processing and distribution industry. We are concerned, however, to find that in the past 10 years, although the average urban family has increased its food expenditures by $500, only $45 of this increase goes to farmers while $400 goes to food processors and distributors.

We are also concerned that during this period food supplies have become overabundant. Warehouses have been filled to overflowing with storable farm products. Yet some urban families cannot buy the food they need to raise healthy children.

Urban families of 5 or more members with incomes of less than $4,999 today are spending over half of their income for food.

While available data are not conclusive it appears that the larger urban families, with average or below average incomes, are spending a higher proportion of their income for food now than 10 years ago. They are spending this higher proportion of their income in an attempt to achieve some kind of a minimum diet at a time when United States farmers are in a position to supply them the most ample diet on record and at a much lower cost at the farm than 10 years ago.

Ladies and gentlemen, I think this is a challenge for the attention of this committee and of the entire food industry. If, in examining this problem together, we can find ways of lowering the cost of processing and distributing the staple livestock and other food products, many urban families will purchase more food, they will be better nourished, and current farm surpluses will be reduced.

Although we cannot expect to completely solve the problem by this approach, I want to underline the importance of this line of attack on the farm surpluses problem. On April 19, 1957, the Commission on Increased Industrial Use of Agricultural Products, authorized by the 84th Congress, sent an interim report to Congress. In this report the Commission states that 12 percent of the land in crops and rotated pastures produces fruits, vegetables, and grain cereals consumed directly as food.

About 7 percent of this land produces items for industrial and nonfood purposes, items such as tobacco, cotton fiber, wool, and a part of many crops such as soybeans and corn.

About 10 percent of the land produces products for export.

The remaining 71 percent of the land in crops and rotated pastures goes into feed for livestock and ultimately into the production of livestock food products such as meat, eggs, and milk.

This Commission recommended a threefold increase in research on industrial uses for farm products and listed a large number of useful projects. I agree with their recommendations. I believe there should be increased research on industrial uses for farm products.

But, ladies and gentlemen, if we, through our studies, can find ways to reduce the cost of processing and distributing food by as little as 5 percent, and that reduction in marketing charges is reflected in increased food purchases, it would be the equivalent of a 36-percent increase in industrial uses of farm products.

If we can find ways and means of reducing food-marketing charges by as little as 2 percent and these savings are reflected in increased food purchases by the financially hard-pressed housewife, it would be the equivalent of more than a 15-percent increase in industrial use of farm products.

I make these comparisons, not to belittle the importance of additional research on industrial uses of farm products, but to indicate the great importance of the task of this committee and of the food industry.

Of course all savings in food-marketing costs will not be reflected in increased purchases of foods. But in the lower-income groups, purchases would increase immediately with a drop in retail prices. Surveys in the spring of 1955 show that purchases of meat, poultry, and fish by nonfarm, housekeeping families, increased from 8.9 pounds a week for the families with incomes of less than $1,000 a year to 16.3 pounds a week for the families with incomes of $6,000 to $7,999. And from our knowledge of American family preferences we can guess that most of this increase was in the red meats, beef, and pork rather than in fish and poultry.

These surveys also showed that nonfarm family purchases of milk, cream, ice cream, and cheese increased from the equivalent of 11.2 quarts for families with incomes of under $1,000 to 16.4 quarts for families with incomes of $6,000–$7,999. Fruit and vegetable purchases increase just as spectacularly as family income increases up to the $6,000 or $8,000 level.

These figures are convincing evidence to me that families with less than $6,000 income will buy more livestock products, fruits, and vegetables if either the retail price is lower or their incomes increase.

On a dollar basis urban households of two or more increased their cash expenditures for meat, poultry, and fish and dairy products as their family income increased, as follows:

Income of household	Weekly purchases (meat, poultry, fish)	Weekly purchases (dairy products)
Under $2,000	$5.16	$2.01
$2,000 to $5,999	8.30	3.85
$6,000 and over	10.59	4.52

Although the committee is interested in, and concerned about, the increased charges for food processing and distribution of foods in recent years, it realizes that many of these increased charges are required to cover additional costs of precooking, preparation of ready-to-use mixes and special packaging. It also knows that the modern housewife who can afford it prefers these new ready-to-serve food products.

We have no intention of trying to turn the clock back. We join with the food industry in taking pride in the large variety of high-quality foods available to the American housewife. We know that in no other country in the world does the housewife have such a variety and such an abundance of fine foods available to her.

Yet we cannot be satisfied when we know that half of our urban families would like to buy more food if they could afford it, and that surpluses have accumulated in American storehouses because farmers cannot find a market for all the food they are producing.

We hope that every segment of the food industry as good Americans will join with us in a search for ways and means of reducing the processing and marketing costs, especially of the staple food products purchased by families with average and below average incomes.

Salary Priorities in Bankruptcy, H. R. 7604

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. MULTER. Mr. Speaker, I am introducing a bill, H. R. 7604, to amend the Bankruptcy Act of 1898 to increase the priority claims of salesmen and other workers for moneys due them from bankrupt employers.

The Bankruptcy Act of 1898 provided that workmen, clerks, and servants should have a claim, prior to the dividend claims of creditors and not to exceed $300, to wages earned within 3 months of the commencement of bankruptcy proceedings. This provision was amended in 1906 to include salesmen and again in 1926 to increase the allowable claims from $300 to $600. The only change in this provision since 1926 was contained in the 1938 amendment when the type of salesmen to be included was amplified.

The proposed amendment to section 104, part (2), of the Bankruptcy Act would merely change the amount of the allowable claim from $600 to $1,500. The necessity for this increase is partially explained by the price increases of recent years. The Consumer Price Index has increased 57 percent since the present $600 claim was granted in 1926, and it has increased 115 percent since 1933.

The essential question, however, is whether claims to back earnings of salesmen, workmen, servants, and clerks should be given priority over dividend claims of creditors. Since the original act of 1898, the principle has been to grant the claims of workers priority over the claims of creditors. There has, nevertheless, always been a maximum allowable claim for workers, presumably based on the theory that no wage earner should permit his employer to become too heavily indebted to him.

After salesmen were included in the 1906 amendment, it became evident that the amount of back earnings owed to salesmen was likely to be much greater than the amount owed to other wage earners and was likely to be much greater than the $300 maximum allowed in bankruptcy suits. This situation was partially righted in 1926 when the allowable maximum was raised from $300 to $600.

The changes which have taken place in the nature of selling since 1926 make imperative a further increase in the maximum allowable claim of wage earners. The expansion of credit and modern sales techniques emphasizing installment buying have revolutionized the art of selling. They have also made the modern salesman a substantial creditor to the extent that his sales commissions, in some instances, are not received until the items sold, are paid for. Payments may be spread out over a period of many months.

In the modern age of mass production and mass selling the salesman often stakes his livelihood on a few sizable accounts. The commissions due him from a single purchaser are likely to amount to thousands of dollars. This is the result of good, not poor, salesmanship. Yet the present bankruptcy law permits the salesman to collect only $600 in back commissions before dividends are paid out to creditors.

If the maximum amount of the prior claim is to be an amount above which the wage earner should not permit himself to become a creditor, as I believe it was intended to be, then that amount should be at least $1,500 in the case of salesmen.

By adding to his financial security, this bill will help to preserve the strength and character of the salesman who has always been a leading figure in the development of our free enterprise economy. His essential task has been to find, develop and, wherever possible, to create consumer demand capable of keeping pace with expanding production.

In planning for future economic growth the ability to consume is now considered equally as important as the ability to produce. Only in wartime has consumption been sufficient to utilize our full productive capacity; and when production outstrips demand, as it did in 1929, the necessitated cutbacks can be a prelude to economic disaster.

The salesman is our not-so-secret weapon for combating overproduction with increased consumption. Yet he is "in constant danger of becoming the skeleton at the feast," according to an article appearing in the Saturday Review of January 19, 1957. The paradoxical plight of the salesman in an age of prosperity is described in the article as follows:

The man who sells goes into the coming year as into the jaws of a gigantic press. The lower jaw, squeezing upward, is the rising price level necessary to maintain production in a time of high costs and tight labor. The upper jaw is the intensified, and different, competition for sales he will be facing.

There is an acute need for more and better salesmen in the present era of expanding production and expanding productive capacity. Thus, Nation's Business commented in September 1956 that, "More and more companies report difficulty in attracting and holding sales personnel."

The proposed amendment to the Bankruptcy Act is a necessary first step in rejuvenating the selling profession by making the financial insecurities of its members somewhat less severe.

I must take a moment to give due credit to the National Council of Salesmen's Organizations, Inc. and its energetic president, Louis A. Capaldo, for having called this matter to my attention in the first instance, and for their persistent efforts in trying to remedy this situation. This organization very appropriately calls itself "The National Voice of Salesmen." Mr. Capaldo has been always alert to the needs and desires of salesmen and over the years has done much, through the national council, to advance and protect their interests.

Free World Must Be Alert to Moscow-Cairo Axis

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. CELLER. Mr. Speaker, it can easily be recalled how in 1955, when sweetness and "might," the so-called Geneva spirit, was the topic of the day, the world witnessed but ignored the beginning of Soviet penetration of the Middle East. Today we witness again a dismaying parallel. While the powers are engaged in disarmament negotiations, the Soviet Union has moved decisively to gain control of that same region. There is the display of Soviet naval power in the Eastern Mediterranean, the Suez Canal and the Red Sea. There is the sale of Soviet submarines to Egypt and there is the interference by Egypt, backed by the Soviet Union, in the affairs of anti-Communist Arab countries.

This is, no doubt, the beginning of a new Egyptian attempt to close the Gulf of Aqaba against Israel and thereby provide a rallying point for all the Arab people.

But the target is not Israel alone. The target is the Free World as well. The elements of a tragic explosion are present which could easily erupt into war. The Soviet design is obvious. The desperation of Nasser to regain some of his control over the Arab world plays beautifully

into the Soviet objective. The significance of the latest of the Soviet-Egyptian maneuvers must not be obscured by the seemingly hopeful disarmament negotiations.

One Hundred Million Dollars in Surplus Foods Sent to Needy by United States Religious Faith Groups

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, it is a real pleasure to congratulate for their fine record of human service in their relief programs, the Catholic Relief Services, the National Catholic Welfare Conference, as well as the Church World Service, the National Council of the Churches of Christ in the U. S. A., and also the United Jewish Appeal, and the Synagogue Council of America.

These agencies have achieved the high figure of $100 million in surplus foods sent to needy by United States religious faith groups, and handle 91.3 percent of all commodities distributed to hungry abroad by United States voluntary agencies. All United States voluntary agencies have joined in this magnificent evidence of the religious and humanitarian activities of the good American people and their church and charitable organizations.

American overseas relief agencies of the Roman Catholic, Protestant, and Jewish faiths distributed more than 1,140 million pounds of United States surplus foods free to destitute and hungry people abroad during the 9 months ended March 31, 1957.

These supplies of America's stocks of reserve foods—cheese, powdered milk, beans, corn, rice, wheat, cornmeal and flour—comprised more than 91 percent of all such surplus foods distributed by all American voluntary relief groups during the period.

The overseas shipments by the religious agencies had a total value of $99,895,942.

Other surplus stocks similarly distributed by nonreligious voluntary agencies amounted to 108 million pounds, with a value of $14,184,256.

Of this, the largest amount—nearly 101 million pounds valued at $13,294,899, or 8.09 percent of the total was distributed by CARE—Cooperative for American Remittances to Everywhere, Inc.

In addition, 61 million pounds of dried milk valued at $9,605,040 were distributed through UNICEF—United Nations Children's Fund.

This has been reported by the American Council of Voluntary Agencies for Foreign Service, 20 West 40th Street, New York City, which is composed of 40 agencies registered and recognized by the United States Government. The report is based upon data issued by the United States Department of Agriculture.

In all, the United States Commodity Credit Corporation released 1,310 million pounds of food valued at $123,685,000 for free distribution overseas by voluntary agencies during the 9 months.

During the same period, the CCC released approximately 750 million pounds of surplus commodities for distribution to needy persons in America through various State welfare projects, institutional programs, and so forth.

Operation of the overseas free food distribution by the religious faith groups was carried out in addition to their regular, on-going, worldwide schedules of relief and rehabilitation through which contributed and purchased foods, clothing, bedding, medicines, and self-help supplies are furnished and through which are maintained continuing programs of resettlement, constructive development, and assistance for refugees as well as support for orphanages and hospitals, tuberculosis, and other health projects.

In the assisting of the United States surplus food distribution, the faith groups utilize the networks of their own voluntary relief personnel and that of associated religious agencies.

Because of the highly voluntary nature of their assistance both here and abroad, religious faith leaders report, the faith agencies achieve an extremely high rate of distribution per dollar of cost, with much more than 200 pounds of food—in many cases more than 400 pounds—being given to relieve human misery for each dollar expended in their programs.

Costs of the surplus operations of the religious faiths are defrayed by the voluntary contributions of their members. In Protestant churches the contributions are largely through the one great hour of sharing, united appeal, and the share-our-surplus programs. In the Roman Catholic Church the programs are implemented through the bishop's relief fund. The Jewish faith operates successfully their large programs through the emergency rescue fund of the United Jewish Appeal as well as other Jewish relief programs. These agencies have proven devoted, efficient, and highly effective, and are to be complimented on their heartwarming approach to the problems of relief, refugees, and family aid and rehabilitation.

Surplus commodity shipments by American voluntary agencies during the 9 months—July 1, 1956, to March 31, 1957—were:

	Total pounds	Dollar value
RELIGIOUS AGENCIES		
American Friends Service Committee	6,129,229	$929,641
American Jewish Joint Distribution Committee	8,584,700	559,290
Assemblies of God Foreign Service Committee	973,000	96,274
Catholic relief services, National Catholic Welfare Conference	796,892,300	65,378,021
Church World Service	249,866,366	23,171,056
Hadassah	1,462,765	375,137
Lutheran World Relief	72,997,047	9,063,114
Mennonite Central Committee	2,103,000	185,644
Unitarian Service Committee	377,700	50,255
World Relief Commission	916,555	87,510
Total	1,140,302,653	99,895,942
SECULAR AGENCIES		
American Friends Austrian Children	826,000	$111,040
American mission to Greeks	471,600	65,957
American Korean Foundation	240,000	15,576
CARE	100,985,145	13,294,899
Foster Parents' Plan for War Children	394,110	73,849
International Rescue Committee	720,000	98,360
Iran Foundation	1,992,070	216,658
Rumanian Welfare	1,170,000	151,206
Tolstoy Foundation	90,000	25,200
United Lithuanian Relief Fund of America	947,000	90,091
Volunteer Border Relief	208,000	30,260
Russian Children's Welfare Society	72,000	11,160
Total	108,205,925	14,184,256
Total, religious and secular agencies	1,248,508,578	114,080,198
United Nations Children's Fund	61,968,000	9,605,040
Total	1,310,476,578	123,685,238

Areas receiving United States shipments included Afghanistan, Algeria, Antigua, Austria, Bahama Islands, Belgium, Bolivia, Brazil, British Guiana, British Honduras, British Virgin Islands, Burma, Cambodia, Ceylon, Chile, Colombia, Costa Rica, Dominica, Ecuador, Egypt, England, Ethiopia, Formosa, France, French Guiana, French West Africa, Gambia, Gaza, Germany, Goa, Gold Coast, Greece, Grenada, Guadaloupe, Guatemala, Haiti, Honduras, Hong Kong, India, Indonesia, Iran, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Korea, Laos, Lebanon, Liberia, Libya, Malay States, Malta, Martinique, Mexico, French Morocco, Nigeria, North Borneo, Nyasaland, Okinawa, Pakistan, Panama, Paraguay, Peru, Philippine Islands, Portugal, St. Kitts, St. Helena, St. Vincent, San Salvador, Sarawak, Sierra Leone, Spain, Surinam, Syria, Thailand, Trieste, Trinidad and Tobago, Tunisia, Turkey, Vietnam, Yugoslavia.

Breathing Space—The Plight of the Man in the Middle

EXTENSION OF REMARKS

OF

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. SCOTT of Pennsylvania. Mr. Speaker, the business and professional man in the middle-income brackets is very hard hit today. So is the small-business concern, not protected by accumulated reserves and subjected to multiplying and constantly increasing State and local taxes, in addition to Federal taxes.

In the area of Federal taxation the small-business man needs tax relief badly and would benefit from a real revision of the tax laws to give him the benefit of an increased surtax exemption, more realistic allowances for costs and depreciation and the right to elect

whether to make his returns as a corporation, partnership, or individual.

Likewise, the average middle-income business and professional man, unable to increase his charges adequately to compensate for the increased costs piling up on him from all sides, should be the object of special consideration in any new tax-reduction legislation which may become possible in the event of a surplus of Government receipts over expenditures.

Mr. Speaker, I made some suggestions for tax relief to these hard-pressed groups in a recent speech at Sunbury, Pa., which, under leave granted, I include herewith:

BREATHING SPACE—THE PLIGHT OF THE MAN IN THE MIDDLE

(Speech of Representative HUGH SCOTT, Sixth District, Pennsylvania, before Sunbury Chapter, American Institute of Banking, May 1, 1957)

In recent months, two of the great English-speaking countries took a long look at the hardest-hit area of their body politic—the middle-income group, the great unorganized, the free-enterprising, white-collar people. A Conservative government in Great Britain and a Liberal government in Canada faced up to the fact that the initiative-takers, the business and professional people who provided most of the pot of gold at the end of the government's tax rainbow were getting pretty fed up. They were providing most of the initiative, churning up most of the revenue. At the same time, they were being shaken loose by hungry governments of all too large a share of the fruits of their initiative.

Like the farmer's pigs in France, they were rooting up the truffles only to be rapped on the snout and deprived of the enjoyment of their diggings. They were growing increasingly snoutsore. Result: There was a rising tendency to forgo initiative, to pass up opportunities, through initiative, to increase their earnings.

Great Britain and Canada decided to redress an unfair situation, before the full consequences of their tax policies confronted them, with a law no Parliament could repeal—the law of diminishing returns.

They enacted new revenue laws extending substantial reductions to the middle-income groups. They acted in the sound belief that this increased incentive will, in fact, increase their national revenues. I think they were wise and I think what they did was just.

We in the United States must put our fiscal house in order and prepare to do the same thing. If there is a surplus, then proposals for tax reductions will gain momentum.

How can we manage to assure a surplus?

What should be done with such a surplus?

What tax-cut incentives would supply impetus to the sorely pressed men in the middle?

A surplus exists when we spend less than we take in. We are headed toward our third successive balanced budget. This is as many times as the budget was balanced in the entire preceding 25 years.

We are faced with a $24 billion carryover in spending authorized by the previous 84th Congress. They failed to enact legislation to put the Federal budget on an annual accrued expenditure basis as recommended by the bipartisan Hoover Commission. Because of the default of that Congress, economy can only begin belatedly by cutting in advance the future backlog of carryover authorizations, by returning to the Treasury unexpended funds where possible and by extreme care in commitment to new authorizations.

The House of Representatives has already cut new appropriations by $1.2 billion. Forthcoming action on agriculture, defense and American aid abroad will permit further substantial cuts. The President has already approved a $254 million cut in soil-bank funds and a $500 million reduction in Army appropriations. If the Senate holds the line—and there are now some indications to that effect—the new budget will have lost some water, and gained in economic realism.

The recipe for a surplus, like the recipe for rabbit stew, properly begins with "first catch your rabbit." Receipts have been estimated at about $73 billion. If the economies above suggested can be made to stick and if receipts justify estimates, then we shall be entitled to consider what should be done with the resulting surplus.

Government, in good conscience, should treat a surplus as a trust for two purposes: to reduce its debts and to enable its citizens to retain as much of their earnings as possible.

There are many views as to the priorities, as between public debt reduction and tax relief.

I have introduced a bill, H. R. 7635, which reflects my judgment as to a fair method of dealing with a Federal surplus when it is achieved.

My bill requires that an established surplus be applied one-half to the reduction of the national debt and one-half to the reduction of personal income taxes. This tax reduction formula would extend the same percentage of tax relief as the proportionate reduction of taxes bears to the total income tax receipts of the previous fiscal year. Thus, if the one-half of the surplus so applied equals 7 percent of the total personal income tax receipts, a 7 percent tax reduction would be authorized in the upcoming income tax returns.

Other tax proposals by like-minded members approach the problem of tax relief in varying ways, all of which warrant serious consideration.

These suggestions include relief from double taxation of dividends, increase in exemptions for dependents, lowering capital gains taxes, permitting full deduction of capital losses, relief to corporations.

There is also the problem of greatly needed relief to small business. Here I believe the formula of Andrew Mellon would operate most effectively: a reduction of taxation upon small business should work actually to increase tax revenues and it would certainly reduce the number of small business failures.

My own bill (H. R. 6033) to assist small and independent businesses, is similar to proposals offered by several other Members of Congress.

These proposals include, among others, provision for a normal tax rate of 20 percent with an increase in present surtax exemption, provides certain growth, expansion, and modernization exemptions, and authorizes more rapid amortization of property utilized for the production of profit.

This bill also provides credits for losses incurred through investment or loans to small and independent business enterprises. It also permits the small or independent businessman an election, in filing tax returns, for corporations to file as individuals or partnerships, and vice versa.

The present House Ways and Means Committee has steadfastly refused to consider any relief to small and independent businessmen and unless this attitude alters, needed relief in this important quarter of our economy will continue to be denied.

I submit that if your Congress achieves the much desired surplus over expenditures, the area of incentive tax cuts to encourage renewed initiative can be located at least in part, among the foregoing suggestions.

The constant squeeze upon the man in the middle aggravated by increased, new and multiplying State and municipal taxes, has made him more tax conscious than ever before in his life. And let it not be forgotten that the percentage of increase in taxes on the State and municipal level is far outstripping the Federal tax level. Fortunately, some counties, such as yours, are competently administered and some States have legislatures to put some sort of brake on governors who like to think big and spend bigger.

Returning to the Federal Government, it is unfortunate that two-thirds of our annual fiscal burden bears heavily upon us because of "the bear that walks like a man"—one Khrushchev by name, one huge menace by intent—who does not yet give believable evidence of willingness to cooperate in mutual reduction of armaments.

The nucleus of our dilemma lies in the fantastic cost of our nuclear deterrents.

As the President said in his state of the Union message, we know that "a sound and safeguarded agreement for open skies, unarmed aerial sentinels, and reduced armament would provide a valuable contribution toward a durable peace in the years ahead."

Until the auspicious opportunity for peaceful solutions genuinely presents itself, we must confront armed and godless atheism with the strength of our truth and the truth of our strength.

As Shakespeare says in Measure for Measure: "Heaven grant us its peace, but not the king of Hungary's."

Here within our homeland's bounds your Government owes you a duty to pursue policies supporting a healthy, growing economy capable not only of providing the resources to keep the Government in forward motion, but also to give us ever greater scope to better our own lot.

As free men plan and execute their plans, as they find incentive to take risks and to earn rewards, they create an economy increasingly marked by equality of opportunity for all.

It has been well said, by a percipient observer, that the greatest of our American resources is to be found in the vigorous spirit of self-reliant men and women interested not only in receiving incomes but in earning them.

And on that note, may I leave with you a quotation from Goethe: "That which we have inherited from our forefathers, we must earn again in order to deserve."

The Responsibilities of Citizenship

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered to the Pennsylvania State Chamber of Commerce Tuesday evening, April 30, 1957.

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

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE ANNUAL CONGRESSIONAL DINNER OF THE PENNSYLVANIA STATE CHAMBER OF COMMERCE IN THE WILLARD HOTEL, WASHINGTON, D. C., APRIL 30, 1957

Mr. Chairman and my fellow Americans, one of the most profound truths that have come down to us from the wisdom of Benjamin Franklin was expressed by that great citizen of Pennsylvania in 1787 when the

writing of the Constitution of the United States had been completed.

You will recall that he was asked: "What kind of government have you given us?" and he replied: "A Republic—if you can keep it."

In that simple statement Dr. Franklin asserted his firm belief that a republic recognizing freedom of the individual and deriving its just powers from the consent of the governed, is the most difficult of all types of government to maintain.

It is difficult to maintain because the people are the Government and they have the responsibility for its successful operation. The difficulties are increased when so few people really take a part in their government.

Many of our people seem to feel that they have performed their full duty as citizens when they vote. Some are so indifferent that they even neglect that fundamental obligation of American citizenship.

That tragic situation points out very clearly that to keep our Republic—to perpetuate its strength and power as the bulwark of freedom in the world—we need more militant groups who will take an active, aggressive, and unselfish part in government.

Our country needs more dedicated men and women who will help choose able and courageous public officials to represent us, and then will support those representatives in carrying out the ideals of patriotic Americanism.

As we look back across the record of history we find that great nations have gone down to defeat when the people lost interest in their government. We find that wherever people depended upon government and not upon themselves, their moral fiber was undermined while initiative and self-reliance disappeared. The result has always been excessive government spending, oppressive taxation, and burdensome debt—and let me impress upon you that more great nations have been destroyed by debt and taxes than by invading armies.

Let us look at the situation in our own country as disclosed by some figures. These figures are interesting but to my mind they are most alarming.

In the decade following the expensive Civil War, the cost per capita of Government was $3.82 per person. At the turn of the century the cost was $2.17 per person. Following World War I the cost rose to $3.53 per person. During World War II the cost was $136.46 per person.

The lowest Federal tax take was in 1885, when it was only $1.98 per person, but in 1956 it had increased to the astounding figure of $446.86 per person.

We usually complain that the Federal Government is costing us so much, but the cost of Federal Government is not advancing as rapidly as State and local government.

Twenty-five years ago the overall total of Government debt—State, local and Federal—was $30 billion as against $318 billion now, or an increase of more than 700 percent, while the population has increased only 35 percent.

In 1932 the total cost of all government—local, State, and Federal—was $13½ billion and is now more than $100 billion, or an increase of 700 percent, while the population has increased but 35 percent.

In 1942, State and local taxes were about $9½ billion. In 1956, State and local taxes had increased to more than $26½ billion, or about 3 times.

Too many local governments now feel that if they get help from the State, it does not cost them anything. The States seem to feel that if they get a grant from the Federal Government that does not cost anything. We must never forget, however, that no government has ever created wealth, that all taxes come from the same pocket and are paid for by the consumer of goods produced by labor and industry.

The Federal Government has expanded its grants-in-aid to the extent that it covers practically every function of State and local government. There are now more than 50 activities of this kind. The cost of these grants in the twenties was about $100 million a year. This has increased steadily, year after year, to more than $4 billion at the present time.

In Pennsylvania, not including Federal expenditures for rivers and harbor improvements and flood control, we received $156 million in so-called Federal aid while in the same period we paid $242 million in Federal taxes.

In 1956, we actually spent in the United States $534 million on rivers and harbors and flood control. Of this, Pennsylvania received $7 million at a cost to Pennsylvania taxpayers of $37,293,000 for their share of the total.

These figures are warning signals and it has become imperative in Pennsylvania that we take a hard look at the situation confronting us.

We are not increasing in population as rapidly as our neighboring States, which are heavily industrialized. We have already lost 6 Congressmen since 1930 and because we are falling behind in population increase, we may lose 2 more by the 1960 census.

More alarming is the fact that we are falling behind in industrial progress. In order to retain and increase our population we must have more gainful jobs for our skilled workmen.

I know you have given a great deal of attention to the relationship between taxes and industrial expansion. The figures tell the story. In 1956 direct taxes on business called for 39 percent of the total State tax collections while in our neighboring State of New Jersey it was 19 percent and 18 percent in Ohio.

Let us all take a look at Pennsylvania's budget and also Uncle Sam's budget. Let us keep in mind that there is only one way to keep down taxes and that is to cut expenditures.

If we fail to do so we bring on the destructive force of inflation. Excessive spending by government and big debt are the heaviest inflationary pressures and the most serious threat to our national and economic welfare. Inflation is more deadly than war—more dangerous than any bomb that can be hurled against us.

We are living in a great age. We do not want to turn the clock back. But our ancestors had the virtues of thrift, prudence, and self-reliance. They had pride in local responsibility.

Those are still great virtues. Our local communities and the States should think of this when they go to the Federal Government for help.

Address by Hon. A. Willis Robertson, of Virginia

EXTENSION OF REMARKS

OF

HON. SAM J. ERVIN, JR.

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. ERVIN. Mr. President, on May 10, 1957, my able and distinguished colleague, the junior Senator from Virginia [Mr. ROBERTSON] delivered an excellent and eloquent address before the North Carolina Bankers Association, at Pinehurst, N. C. The able and distinguished junior Senator from Virginia is undoubtedly one of the foremost experts in the field of banking in the United States, by reason of his diligent study of banking problems. I ask unanimous consent that his excellent and eloquent address be printed in the RECORD.

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

ADDRESS BY SENATOR A. WILLIS ROBERTSON AT THE 61ST ANNUAL CONVENTION OF THE NORTH CAROLINA BANKERS ASSOCIATION AT PINEHURST, N. C., MAY 10, 1957

Nothing has contributed more to the pleasure of my service in Washington than the friendships I have enjoyed with the splendid members of the North Carolina congressional delegation.

Some of you may recall that I served for 10 years on the Ways and Means Committee with Robert Lee Doughton—the noblest Roman of them all. I smile when I recall the confidential sessions in his private office when the President was urging more and more taxes to keep pace with more and more spending. Old man Bob used to say: "Unless we can stop that program it is going to wreck the country.' The fact that it has not done so is mute evidence of how rich and strong our country was.

During my 10 years of service on the Ways and Means Committee, I helped to write 12 tax bills, each larger than the preceding one. So, I have a very clear idea of the present burden of taxation and the extent to which the ignoring of economy views of statesmen like Robert Lee Doughton has contributed to that burden.

Ever since I have been in the Senate the North Carolina representation in that body also has been outstanding. Never in recent years has more heartfelt sympathy been expressed on the floor of the Senate than on the occasion of the sudden death of the able and beloved Clyde Hoey. Since I am by profession a lawyer and had taken some interest in the Constitution even before it was amended by Court action in the school cases, I have been able to appreciate the outstanding legal ability of such Senators as Willis Smith and SAM ERVIN. Nothing could have been more pleasing to the farmers of Virginia than when North Carolina sent to the Senate a practical farmer who also was well versed in the science of farming, Senator SCOTT.

While Virginia was more of a battleground of the Confederacy than North Carolina, the flower of North Carolina manhood perished in the unfortunate and unnecessary conflict and no State was left more prostrate in the spring of 1865 than North Carolina. And yet no State of the Confederacy made a more rapid and successful recovery. We boast in Virginia of having at Danville the largest single cotton textile mill in the world, and yet, the total of cotton goods produced in North Carolina far exceeds those produced in Virginia. We boast about having at Suffolk the largest single peanut-processing plant in the world but the production of edible peanuts in North Carolina exceeds that of Virginia. Virginia boasts of its production and processing of tobacco and yet the fact remains that North Carolina raises more Virgina tobacco than Virginia and its tobacco-processing plants turn out more varieties than Heinz does pickles.

This year, we are celebrating the 350th anniversary of a settlement at Jamestown which we claim, of course, as the first permanent English settlement on the North American Continent. But all who know their history must admit that the home of the first English settlement would have been in North Carolina but for some tragedy never yet explained that wiped out Sir Walter Raleigh's settlement at Roanoke Island.

I mention these facts as evidence first, of a friendly rivalry in various endeavors that has marked the history of our two States, and

second, as evidence of the firm ties that have bound us together.

It has been interesting to me to learn that while Virginia has nearly 100 more banks than North Carolina, the assets of the 312 Virginia banks are not very much larger than those of the 214 North Carolina banks. The principal reason, I believe, that there are more individual banks in Virginia than in North Carolina is the North Carolina law which permits statewide branch banking which we do not have in Virginia and I assume that the reason there are nearly four times as many State banks in North Carolina as national banks, as against a nearly even division in Virginia, is the rather liberal State banking law. For instance, a State bank can lend up to 20 percent of the first $250,000 of capital and surplus and 10 percent of the capital and surplus in excess of $250,000 to a single individual or interest, whereas national banks are restricted to 10 percent of capital and surplus.

Since the population of North Carolina is considerably larger than that of Virginia and the total of manufactured goods larger, one reason that the assets of Virginia banks are larger than those of North Carolina may be due to the fact that some of the largest corporations that are doing business in North Carolina carry substantial deposits in other States including Virginia. Of course, North Carolina banks have lost some deposits in the past year under the law that requires the State treasurer to get on State deposits a rate of interest equal to the average of short term United States Treasury bills. When the rate on Treasury bills went beyond the rate the banks were authorized to pay, your State treasurer invested about $93 million of State funds in United States Treasury bills.

It was my lack of knowledge of how the banking business had developed in the South that caused me to insert in the formulation of a tentative bill to codify the banking and credit laws a provision that I later learned was highly objectionable to many southern bankers. As I have indicated, most of the banks in Virginia are either national banks or State member banks and there was only one bank in Virginia that did not clear at par. Consequently, I inserted in my tentative bill a provision to require the Federal Reserve Board and the FDIC to adopt the same definition of what was interest on demand deposits with a view to ultimately wiping out absorption of exchange. I soon found that the Virginia viewpoint on that proposal was not shared by the majority of bankers from North Carolina to Florida. Therefore, when the full Committee was considering a bill to be reported to the Senate, I recommended to the full Committee that the provision in the tentative bill relative to the absorption of exchange be dropped. After that action was taken I received many fine letters from North Carolina bankers endorsing the bill that was reported to the Senate.

Although the bill, as passed by the Senate, contains well over 200 substantive amendments to the law, most of the discussion has been centered on the so-called controversial provisions. The regulation of bank mergers by the banking agencies rather than the Justice Department; the elimination of mandatory cumulative voting in the election of national bank directors; the requirement for disclosure of the actual owners of bank stock; and the restrictions on political contributions by banks—all are examples of important issues raised in the bill.

I assume you all are familiar with the arguments on both sides of these controversial questions. Therefore, I would like to review with you briefly some of the sections of the bill which have been overshadowed by the more publicized amendments. These are what I call bread-and-butter provisions, and they are designed to enable bankers to better meet their present-day problems.

I am sure you will agree that two of your principal problems are attracting capable men to the banking profession and obtaining adequate capital for growing banks. Our proposal to permit national banks to have stock option plans for their employees will place banks in a better competitive position with all industry in attracting and keeping personnel. To assist banks in raising needed capital, we have proposed that national banks be authorized to issue preferred stock. The present law does permit the issuance of preferred stock, but this has been construed as an emergency measure only and has not been used since the days of the RFC. We believe that national banks, with the approval of the Comptroller, should be permitted to strengthen their capital structure in the same manner as other corporations.

Limitations on lending authority of national banks would be liberalized in recognition of modern day business needs. Thus, the bill specifically authorizes loans on the security of dairy cattle, frozen foods, and consumer installment paper. National banks would be permitted to make loans to finance the construction of public buildings in connection with the Government's lease-purchase program. Similarly, 18-month industrial and commercial construction loans are authorized by the bill and the aggregate loan limitation on all construction loans is increased to 100 percent of capital and surplus. The bill also provides that loans for working capital purposes shall be considered ordinary business loans, even though the banker takes a mortgage on the property for additional protection.

During the course of my work on this bill many bankers complained to me about competition from savings and loan associations and charged that the Congress has given savings and loan associations an unfair advantage. Due to the nature and purpose of savings and loan associations, their laws in many respects must differ from the statutes governing banks. However, I do believe that to the greatest extent possible these institutions should operate under the same general ground rules as banks, so that the Congress cannot be unfairly charged with favoring one type of institution over the other. This is the philosophy we followed in drawing up the bill.

For the first time, we have provided for the removal of officers and directors of Federal savings and loan associations on the same grounds that are applicable to officers and directors of national banks and member banks. The present law governing the conduct of officers and directors of member banks in their business operations is also applied to officers and directors of Federal savings and loan associations.

Mergers and holding companies of savings and loan associations are made subject to regulation. The House companion bill, H. R. 7026, by Representative PAUL BROWN, of Georgia, carries a more liberal provision on savings and loan branches than the Senate bill, and the House bill also omitted the restrictions carried in the Senate bill on advertising by uninsured members of the Federal Home Loan Bank system.

Needless to say, witnesses for commercial banks called our attention to the fact that the tax rate for savings and loan associations was more favorable than that for commercial banks. Our advisory committee made a specific recommendation that the permissible bad-debt reserves under the Internal Revenue Code be increased, but the Senate Banking and Currency Committee does not have jurisdiction over the tax laws. The committee voted unanimously, however, to refer this question to the House Ways and Means Committee and the Senate Finance Committee for due consideration.

I have outlined only some of the many provisions which are of immediate importance to every financial institution in our country. All of those provisions are in the House bill by Representative BROWN except the two provisions noted above relating to savings and loan associations. Naturally, therefore, I hope that North Carolina bankers will indicate to their Representatives in the House their interest in the Brown bill.

You will understand, of course, that my bill to codify the banking and credit laws was never intended to take the place of a comprehensive study of general fiscal policies as recommended by many economists, the ABA, and by the President of the United States.

We cannot overlook the fact that, contrary to the experience after every other major war, when prices soon fell from their wartime peaks, prices have continued to rise since the end of World War II, and in March of this year the Consumer Price Index stood at 118.9 percent of the 1947–49 average.

Our gross national product increased 6 percent during the last year and reached the record annual rate of $427 billion in the first quarter of 1957. Personal incomes and consumer spending also reached new highs this year. Although some soft spots have developed in our economy, we cannot yet say that the threat of an inflation that would be damaging to small as well as to large business has passed.

It must be recognized, too, that inflation is inefficient as well as unjust. When people cannot rely on the purchasing power of the dollar, money loses a considerable part of its usefulness. In the scramble to avoid the penalties of inflation, saving is discouraged and investments are planned with a view to dollar profits unrelated to efficient production.

In considering the inflation problem it is obvious that the full burden of price restraint cannot be borne by the Federal Reserve System. Government expenditures and financing must be determined with regard to effects on prices. Labor and business must restrict increases of wages to those consistent with generally increasing productivity. Bankers can be helpful also in creating a climate of opinion which will encourage stability of the general price level.

All of these groups should be interested in the kind of study of fiscal policies to which I have referred, but everyone should frankly recognize the fact that throughout the history of the Nation the control of money has never been separated from politics.

Alexander Hamilton, who did not object to George Washington being made king, wanted the new Nation to have a bank comparable to the Bank of England, owned and controlled by the Government. He partially got his wish in the Bank of the United States. That bank, though privately owned, so dominated credit and placed the control of money so firmly in the hands of a few rich men that the abolishment of the Bank of the United States became a major issue with Andrew Jackson.

Jackson succeeded in abolishing the Bank of the United States and for a while State banks flourished. But State banks issued script that passed for money and had no firm value. In order to get money of firm value with which to finance the War Between the States the Congress passed the National Bank Act of 1863 which placed a tax of 10 percent on the money issued by State banks and that, of course, put most of the State banks out of the note-issuing business. During and immediately after the War Between the States the Government put out paper money legally titled "United States notes" and called greenbacks. We still have some of this outstanding in the form of United States notes, totaling $346 million. A gold reserve of $156 million has for many years been held against these notes. The

United States notes, or greenbacks, depreciated severely (to about 45 cents on the dollar) in relation to gold but returned slowly to par. A Silver Purchase Act in 1890 and issuance of Treasury notes of 1890 based on this silver again caused a depreciation in the quality of our money and had much to do with the 1893 panic and depression. President Grover Cleveland brought about the repeal of this law.

The issue over the retirement from circulation of greenbacks and what would be called today a tight-money policy reached a climax in the campaign of 1896 between William McKinley and William Jennings Bryan, when Bryan in an effort to end a farm depression, advocated the monetization of silver at the ratio of 16 to 1 for gold as a means of producing plenty of cheap money.

The depression of 1907, during which many southern banks had to resort to scrip because of currency shortages, resulted in the appointment of the Aldrich Commission to study the problem of tight money. Republican bankers liked tight money and killed the Federal Reserve bill in the Senate in 1912. The next year the Democrats under Woodrow Wilson passed the bill. In the Senate only 3 Republicans and 1 Progressive joined with the Democrats in the passage of that bill.

The biggest depression in history started another drive in 1934 for easy money. A Democratic Congress abandoned the gold standard and ever since we have had a managed currency. Under that program, the dollar has lost one-half of its purchasing power. A managed currency can be kept sound if new money be issued solely with respect to the money work to be done. But when the Federal Government resorted to deficit financing it hurt the soundness of the managed currency in two ways:

1. By purchasing Government bonds Federal Reserve banks provided the banking system with additional reserves which made it possible for them to increase the money supply without relation to the money work to be done.

2. When the Government sold bonds to commercial banks new deposit money was created for each dollar of bond so bought. And more business is done with bank check money than with currency.

The net result is an alltime high supply of currency, an alltime high of credit (including consumer and mortgage), and an alltime high of prices.

These factors need to be investigated. Edmund Burke said: "Nations do not learn by experience," but if our Nation hasn't learned that the consideration of sound money, so essential to successful banking, must be free from politics we may live to see currency and credit increased to the point of ruinous inflation.

The Military Medical Supply Agency

EXTENSION OF REMARKS

OF

HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. DORN of New York. Mr. Speaker, on the 2d of January it was my privilege to participate in ceremonies marking the activation of an important new defense agency in my hometown of Brooklyn. This activity is the Military Medical Supply Agency which was established by the Navy at the direction of the Secretary of Defense in implementation of the single manager plan for consolidated management in the field of common supplies and services for all the Armed Forces.

On January 31, 1956, the Secretary of Defense designated the Secretary of the Navy as the single manager for medical and dental supplies and equipment and on April 12, 1956, approved the nomination of Rear Adm. W. L. Knickerbocker, Supply Corps, United States Navy, as the Executive Director of the new activity. The Secretary of the Navy in turn assigned management control of the Agency to the Bureau of Supplies and Accounts headed by Rear Adm. R. J. Arnold, Supply Corps, United States Navy and technical control to the Bureau of Medicine and Surgery under Rear Adm. B. W. Hogan, Medical Corps, United States Navy.

To cover briefly the highlights of this plan for supply management—the Military Medical Supply Agency will administer the wholesale inventories of all military medical and dental material within the continental United States, it will compute and procure net requirements, and it will operate a wholesale distribution system serving all 3 military services. This leaves to the individual services the development of total requirements—both peacetime and mobilization, and the management of their retail inventories.

I have closely followed the operation of this unique activity during the 4 short months since its activation and I am most impressed with the progress which has been made to date in setting up its methods and procedures to conform to the new single-manager concept of supply operations.

Rear Admiral Knickerbocker has developed a streamlined depot distribution system utilizing the field facilities of all 3 services which undoubtedly will result in economies in operation with ultimate savings to the taxpayers. This new system is designed to provide effective supply support with 6 less depots engaged in the handling of medical material, thereby releasing space at these facilities for the storage of other military supplies and equipment. The system further provides for the dispersal of depots across the length and breadth of the country yet permits an efficient and economical distribution of material. It eliminates costly cross-hauling and meets the criticisms which have been leveled at the armed services as to unnecessary duplication of assets and facilities.

The Executive Director informs me that he enjoys the finest relationship with the Surgeons General of the Army, Navy, and Air Force who provide him with the professional advice and assistance required in the fulfillment of his assignment and the enthusiastic cooperation received from the field activities of the 3 services has more than met his expectations.

The pattern of utilization of the assets of all services has also been followed within the agency proper. With the exception of the Executive Director's billet all military positions are rotatable among the 3 services and Admiral Knickerbocker reports that the caliber of military officers assigned to his organization has been of the highest order. The military billets are equally divided among the Medical Service Corps of the Army, the Supply Corps and Medical Service Corps of the Navy, and the Medical Service Corps of the Air Force, and the best man is placed in the appropriate job regardless of the color of his necktie.

In assuming the consolidated functions previously performed by four separate service agencies it was possible to effect economies in the number of personnel performing such functions—many of which were duplicating. Although a total of 113 billets were eliminated, the Industrial Relations Department of the Naval Supply Activities, Brooklyn, N. Y., which also performs the industrial relations functions for the new Agency, did an outstanding job in placing the personnel affected. All civilian personnel except two were placed in new jobs either with private industry or with other Government activities which were recruiting personnel with their specific qualifications. The two not placed had elected to retire. In addition, 75 military billets were eliminated during the reorganization. Although some 800 persons were affected by this change in administration, to date only one grievance has been received by the Executive Director and that was denied by the Civil Service Commission. I think that this fact alone attests to the soundness of the Agency's organizational setup and the careful thought and foresight which went into its original planning.

The reaction of the drug, chemical, surgical instrument and allied industries to the changeover to the single-manager concept of procurement and inspection has been most favorable since it has simplified procurement paperwork without loss of proper Government safeguards. The Military Medical Supply Agency expects to procure some $67 million worth of medical and dental items including blood plasma during this forthcoming fiscal year in addition to meeting procurement requirements placed on it by the Federal Civil Defense Administration.

The operation of the Agency to date has been truly a joint effort. All three services have actively participated in the planning from the very outset almost a year ago and the cooperation and coordination at the working level has been exceptional. Even though the responsibility for administering this important medical material commodity has been placed squarely upon the Secretary of the Navy as single manager, the new Agency expects to serve more as a joint organization, jointly staffed by capable and experienced officers of the Army, Navy, and Air Force and ever mindful that its primary mission is to effectively support the overall military effort of our country.

The people of Brooklyn are most appreciative of the opportunity to participate in this dynamic program under the single manager concept of supply management and of the efforts of the Secretary of the Navy in assuring that individuals separated from their jobs are placed in comparable positions elsewhere when possible.

I have taken a personal and continuing interest in the goals it is achieving and consider it most fortunate indeed

that the people of Brooklyn are privileged to take an active part in contributing toward such a worthwhile endeavor.

Unions—Why They Exist and What They Do

EXTENSION OF REMARKS

OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. HOLLAND. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD the following address I made to the pupils of St. Michael's, St. Adelbert, and St. Casimir Parochial Schools, Pittsburgh, Pa., on May 1, 1957:

UNIONS—WHY THEY EXIST AND WHAT THEY DO

There is nothing very lasting in the world. All things change—and sometimes it is hard for boys and girls of high-school age to realize what has brought about the conditions that prevail in the world in which they are growing up.

Everybody in the world—unless born to wealth—must work for a living, and education is the process which prepares us for work—be it an occupation or a profession.

We need hardly tell you because undoubtedly you have heard stories from your parents and have read that the labor struggle in the United States was not an easy one.

We live in western Pennsylvania, and, as you know, a good many years ago western Pennsylvania became the heart of the iron and steel industry in our great country. This happened because of the nearby abundance of soft coal, the excellent river transportation system, its proximity to the Great Lakes over which the ore from the Minnesota range country was easily, swiftly, and inexpensively transported to the Pittsburgh region.

Here the ore, and coal, and limestone were converted into steel and then shipped elsewhere to be fabricated and manufactured into those things which the people of our country were demanding—and the people of other parts of the world were needing.

The steel industry was founded in Pittsburgh by a group of small independent men who built fabulous empires for themselves—but who finally sold their interests to a Scotsman by the name of Andrew Carnegie, who formed the Carnegie Steel Co. Later on, in the year 1901, he sold his great holdings to the Morgan interests.

It was then that the first billion-dollar corporation in the United States was created, and it was known as the United States Steel Corp. At that time, it is interesting to note, labor in the mills was receiving the pay of 15 cents an hour.

In those hard days, the men who controlled the industry also controlled the vast coalfields that spread over western Pennsylvania.

These men were interested in producing steel and making large sums of money for themselves, but they were not too interested in the welfare of the people. In order to get people to man the mills and to dig the coal, agents were sent to Europe and hundreds of thousands of immigrants were brought into the country to sweat and toil and to produce wealth for the owners.

Many of you in this room know that your parents or your grandparents came from parts of Europe and settled here because of the inducements of finding freedom and earning enough money to support their families. And yet—America was not always the great land of promise that it seemed to be to the Europeans looking westward in our direction.

When they came here, although they did find work, they also found miserable towns built in the river valleys and black mills controlling these towns. There was little freedom—rather, there were long hours of work, small wages, and conditions that to us now seem appalling.

Many years ago there had been attempts made to form unions in these giant mills so that the working people would have some say about their own destinies, some control over their own lives, their wages and the working conditions.

You have all read about the historic Homestead steel strike in 1892, when the workers did attempt to organize unions but found that they were beset by the company and the State militia, and they were forced to give up many things they had been fighting for.

At the end of the First World War another attempt was made to organize the steel industry, and, although thousands of persons enrolled in the union, it all came to no avail. Once again the corporations broke the strike.

During the twenties in the United States, there was a period of great wealth, that is, it was for the people on the top.

America found millionaires blossoming by the thousands, but the people who worked in the mills and the shops and the mines were not given a part of the great profits which were being made and, as a result, the machines of industry, although they were pouring out tremendous quantities of goods, found that there were not sufficient buyers in the country with money enough to consume those things which were being produced.

And, finally, the wheels slowed down and a great depression set in.

Shortly before any of you were born, a great social revolution started in this country with the election of Franklin Delano Roosevelt as President of the United States. This was in 1932.

Franklin Roosevelt was a man who saw our country falling apart and who felt that unless ways were found to share this tremendous wealth, which was being produced or could be produced, that we could not survive in the world as a strong free nation.

Franklin Roosevelt did many things to save our country and particularly to save our capitalistic form of economy. He helped business by creating government agencies which poured countless millions of dollars into their treasuries to see that they could survive. He helped the farmers by having all sorts of agricultural laws passed so that they could weather the severe economic storms.

And Franklin Roosevelt also helped the working man by seeing to it that in the law called the "National Recovery Act" there was inserted a clause which gave the workers the right to organize into unions of their own choosing.

Immediately there was a great upsurge of union activity in the United States and shortly thereafter there was founded a Committee for Industrial Organizations which was determined to organize all the workers who toiled in great mass industries such as steel, aluminum, rubber, automobile, textiles, oil, mines, and others.

When the National Recovery Act was declared to be unconstitutional, there was a new Federal bill passed by our Congress known as the "Wagner Act," which was sponsored by Senator Wagner of the State of New York. This Wagner Act came to be known as labor's Magna Carta and it gave to the unions and the working people of the United States the right, under Federal auspices, to organize into unions and to fight for higher wages and better working conditions.

It is hard for us to realize today just how bad things were back in the early thirties. I would like to point out just a few facts for comparison to make it easier for you.

In 1934, the United States Steel Corp. (and their rates, of course, are sometimes even higher than those paid by other companies) was paying a minimum of 47 cents an hour in the North, and about 32 cents an hour in the South. In November of 1936, to forestall the great union surge which was sweeping the steel industry, the company did raise the common labor rate to 52½ cents an hour.

Compare that, if you will, with the rate now being earned by a common laborer in the United States Steel Corp., and also in many of the other steel plants in western Pennsylvania, which is $1.82 an hour. In the aluminum industry, it is now $1.84 an hour. This is a tremendous increase in buying power of the people who have to work in the mills.

Back in 1934 and 1936, vacations were unknown in the steel industry—except for the bosses. Today, everybody who works gets a vacation.

Pensions and insurance provisions were also unknown in the steel industry—although, of course, there were some people at the top who did receive princely pensions. Today, if a man works in the steel industry for the major part of his life, he can look forward to sufficient money upon retirement to take care of himself as long as he lives.

And today—if a worker or his family becomes ill or requires hospitalization, there are funds set aside by the company by the workers to take care of these health needs.

A few of the other things that unions have won over the years have to do with paid holidays—something nobody had 20 years ago; shift differentials, which means that if people work on the late afternoon shift or the night shift, they get a few cents more than the people who work the preferred daylight shift.

But probably the most important event that has happened in the steel industry, and which was brought about by the union, is the development of the individual worker—as a person of some importance and stature in his plant and in his community.

The worker is no longer considered just a number, somebody who can be hired by the boss at will—and fired, indiscriminately, without charges being preferred against him.

Today, a worker, when he goes to work in a plant, immediately begins to accumulate seniority and is protected by a contract which is negotiated between the company and the union. This contract spells out, in great detail, the working conditions, the rights of management, and the rights of the employees.

If there is a fight over some of these issues between the employer and the employees, the worker, today, may take a problem up through the grievance machinery, and, if necessary, even to an impartial arbitrator who—without fear and without pressure—will render a fair and equitable decision either for the worker or for the company in accordance with justice and right.

We know that there are many people in the United States today, and even here in western Pennsylvania, who still fear unions and sometimes even brand unions as being subversive or un-American or antidemocratic.

We know, too, that there are unions that sometimes are a bit undemocratic and arbitrary in the things they do, but, we are old enough to know that almost any institution, which is manmade, can deviate from the course which it should pursue. But, by and large, in spite of the errors that unions have made, unions have become a strong motivating force for freedom and democracy, particularly industrial democracy, in our society.

It is really too bad that more time is not spent in school learning about the contributions that unions have made, because unions are a potent factor and should be given credit for what they do.

Students should be taught about the American heritage in full, part of which is owed to the trade-union movement. Many students in high school, upon graduation, will go to work in shops and factories and mills, and many of those students will eventually become union members.

We think it is only right that in America, where man is free to advance himself and to earn sufficient money to move ahead and live comfortably, that the role of unions and companies should be more closely studied.

Unions in America are not opposed to business as such.

Unions want companies to be strong and to make money, because unions know that in the end, the income of union members is derived from the profits of the company. But unions feel that companies, when they earn large sums of money, have a moral right to see to it that the employees, who, by their sweat and brawn, produce the goods and services, should be rewarded sufficiently so that they in turn, can buy these goods and services; and they feel that an ever-expanding economy means even more productivity upon the part of the employees and the company, and an ever-greater share to which the employees are entitled.

Now, it's often said that there is only so much in the pie—and—if labor takes too much, then management and the stockholder will not have sufficient left. Over the years, labor's share in the pie has not risen appreciably, but what has happened is that labor and management, working together, have been able to bake a bigger pie, so that all segments of our economy receive bigger slices, including the money return to those who work.

In a sense, a union is an economic and social prod to companies and to government. Naturally, unions are formed by people who are generally not satisfied—they want more.

Everybody wants more, and with our tremendous wealth and productive skill any right-thinking person knows that all men can get more, provided they are given the opportunity to produce more.

The big problem in America is how to share the product and how to make distribution of the consumers' goods an easy thing so that we will not have periods of recession and employment decline.

Unions believe in the strength and vitality of America—but, even more important than that, they believe that people are the important element, and that, no matter who a man is, where he originates, or what his personal beliefs are, he should be accorded the full right of every other American citizen to carve out his life the way he wants to.

Policy Toward Satellite Nations

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement:

MINORITY VIEWS OF HON. JAMES G. FULTON, OF PENNSYLVANIA

The report of the majority of the Special Study Mission to Europe on Policy Toward the Satellite Nations lays great stress on the widely voiced criticism of a lack of consistency in United States foreign policy. Yet where is this alleged inconsistency to be found? Certainly it is not in the fundamental principles and objectives of our policy. It is necessary to point out that the implementation of the same United States foreign policy must vary because of local area conditions. The same method of implementation would not have been possible toward both Hungary and the Middle East due to the essentially different circumstances and conditions of power access in the two areas.

In short, our United States capability of exerting influence or bringing power to bear directly is obviously greater in some areas of the world than in others. As applied to the satellite states, our United States policy during the present administration—and during the previous one as well—has been to sustain the hopes of the peoples of Eastern Europe in the eventual achievement of liberty and national independence, to maintain their faith in the value of these goals, and to promote by every means, short of force or the encouragement of force, an evolution toward freedom. There have been many allegations that the VOA and the RFE led the Hungarians to expect more than this. No substantial or affirmative evidence has been presented to our committee or otherwise that would bear out this allegation. There may have been errors through inferences drawn from program statements issued under changing and highly charged emotional conditions. The majority of the study mission is justified in pointing out that the most careful editorial supervision of these media is required.

Course of action of the United States Government taken by the White House, the Department of State, our United States representation at the United Nations, as well as our United States missions abroad, from the very beginning of the Hungarian uprising appears to have developed logically from the basic policy just described. Certain fundamental decisions had to be considered and made and, clearly, were taken promptly upon the outbreak of violence in Hungary. These decisions would appear to be the following:

(a) That the United States Government was not prepared to resort to force or the threat of force in the Hungarian situation;

(b) That the United Nations organization offered the best hope of bringing about a satisfactory solution of that situation;

(c) That the United States should take all possible peaceful means outside the United Nations to assist that organization and to be of aid to the Hungarian people in the light of developing circumstances.

There are some who may question the validity of these decisions, but no evidence has been developed before our European subcommittee to indicate that these important and decisive steps were not taken expeditiously in view of the long unrest in Hungary, and the sudden dramatic culmination in violent and complete revolution. The steps taken by the United States in the Hungarian crisis were clearly in harmony with these decisions. It is a matter of record that our permanent representative in the United Nations took a strong lead in bringing the Hungarian question first before the Security Council and later before the General Assembly. According to a letter which he addressed to the editor of Time, Inc., on March 4, 1957, he was actively working with the members of the Security Council and the General Assembly at the United Nations how best to handle the Hungarian crisis from October 25. There is ample evidence that the United States did exert constant and leading efforts to marshal every possible support for the Hungarian people in the United Nations and have continued to do so up to the present time. The actions as to Hungary in which the United States participated were taken by the overwhelming majority of the United Nations in behalf of the Hungarian people.

The majority view of the subcommittee would on any other proposed course of individual United States action necessarily have the United States Government embark on a solitary and sudden course exactly as Britain and France acted on the Suez crisis which occurred at the same time as the Hungarian revolt. The United States could not insist on joint action against war in the dispute with Britain and France on Suez, and at the same time embark on a solitary policy as to Hungary when the United Nations was considering the question. It should be pointed out that the majority report recommends no specific action or policy that the United States Government should have taken in the Hungarian crisis other than the administration took, but simply complains of the necessary time to implement consultations for joint action in the United Nations agencies. Do we act with our allies and the United Nations in the next satellite crisis or revolution? I strongly recommend we do.

Outside the United Nations both the President (on October 25) and the Secretary of State (on October 27) vigorously condemned Soviet actions in Hungary while at the same time pointing out that the security of the Soviet Union would not be threatened by a free and independent Hungary. The United States Government unilaterally also made significant contributions to the material aid of the Hungarian people, though this too was coordinated through the United Nations.

Much is said in the majority report about the lack of United States action during the "fatal 4 days" between October 23 and October 27. Such criticism, however, neglects to take account of several important factors. While it was known long before October 23 that there was general popular unrest within Hungary and deep factional conflict within the Hungarian Communist Party itself, no one, including the Hungarian people, the Hungarian Communist leaders, or the Soviets, was in a position during the first days of the uprising to forecast the course which events were to take during the ensuing period.

The initiation of any precipitate action (and the majority does not specify just what action it has in mind) before at least the general outline and trend of events as they were developing had become clear would appear, even in hindsight, to be unwise.

Consider, for example, the situation as it existed on October 24. Imre Nagy, who was known to be more nationalistically inclined and more moderate in his political and economic policies than his predecessor, had become Prime Minister. The Stalinist Gero had been forced to resign as party secretary.

In brief, progress had been made at that point not dissimilar to what had just taken place in Poland. Would the United States have been justified in taking some hasty action at that juncture which might have jeopardized Nagy's position as the only leader who at the time appeared even remotely acceptable both to the Soviets and the Hungarian people? Should all possibilities of a compromise solution have been endangered or forfeited at that stage when there was no clear basis for anticipating what the next days would bring?

It would appear from these considerations that our Government took the only steps feasible within the framework of its basic policy decisions: We made known to the Hungarian people that we shared their aspirations for freedom and national independence and stood ready to render economic assistance to a free Hungary. We condemned the Soviet intervention and initiated discussions with friendly governments,

primarily within the framework of the United Nations but also on a direct basis, concerning action which could be undertaken with wide agreement in support of the Hungarian people.

Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. POTTER. Mr. President, our distinguished minority leader has a talent for summing up dramatically what is going on in the Congress. I believe his address at Grand Rapids, Mich., of Monday, May 6, will be of particular interest to all of us. I ask unanimous consent to have it printed in the RECORD.

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

SPEECH OF UNITED STATES SENATOR WILLIAM F. KNOWLAND, GRAND RAPIDS, MICH., MAY 6, 1957

Michigan has made many contributions in peace and war to our Nation and has contributed outstanding leadership over the years to the Republican Party.

Your senior Senator, CHARLIE POTTER, is carrying on in the finest traditions of your State and of our party. With 6 years of experience in the House of Representatives and with his Senate experience dating from 1952, when he succeeded the late Arthur Vandenberg, CHARLIE POTTER has, with ability and integrity, done an outstanding job.

He is a member of two of the most important committees of the Senate, the Committee on Interstate and Foreign Commerce and the Committee on Appropriations. As a member of the latter committee, I can personally testify as to his effectiveness as a valued member of that committee.

It is also pleasant to once again be in the Fifth Congressional District and in the city of Grand Rapids. Your Congressman, GERALD R. FORD, JR., has seen service in the House since his election on November 2, 1948, and serves on the powerful Appropriations Committee of that body.

I know of no Member of the House who commands more respect on both sides of the aisle than does your own Congressman JERRY FORD.

It is good to be here to discuss some problems of concern to us as citizens of the United States.

I bring you personal greeting from President Eisenhower and Vice President NIXON.

DICK NIXON has done an outstanding job as representative of the President on his recent trip to Africa and in the other assignments that have been given him during the past 4 years and 4 months.

Let us never forget that in his 4 years of office the Republican administration of President Eisenhower:

1. Brought the Korean war to an end.
2. Has preserved peace with honor.
3. Presented three consecutive balanced budgets.
4. Taken off wage, price, and commodity controls of our economy.
5. Provided a $7 billion tax reduction.
6. Stabilized the dollar with only a limited devaluation compared with the previous 5-year period.
7. Employment rose to a new level in March to 63,900,000. The Nation now has the highest peacetime employment in our history.
8. The administration has extended social-security to over 10 million additional Americans and increased social-security benefits to 605,000 additional Americans.
9. Our national-defense forces have more striking power than ever before.
10. Under the Republican administration unemployment compensation has been extended to 4 million additional workers bringing the total now covered by unemployment compensation in the country to 41 million.
11. The administration has been free of corruption.

These are but a few of a long list of accomplishments. We have had some liabilities, to be sure. I believe the budget presented this year is too high. It should and will be cut by Congress. But the American people should continue to remember these outstanding accomplishments.

We must as a Nation build on principles rather than personalities. Individuals come and go but fundamental principles endure.

What are some of these basic principles that we should stand for?

1. Constitutional government with the division of power between the legislative, executive, and judicial branches of the Federal Government and the reservation of all power not granted to the Federal Government, under the Constitution, to the States and to the people.

2. Maintenance of our free-enterprise system under which we have grown from a small colony of 3 million people to a great world power of 170 million with the most productive economic system the world has ever known.

3. Protection by the Federal Government and the States of the people from the concentrated and arbitrary use of power by business or labor organizations against individuals and small-business enterprises. The right to earn a living as an employee or as a proprietor of a small business is a "civil right" of the first magnitude.

4. Maintenance of a soundly growing economy based on free enterprise and full employment. No business or labor organization should have the power to strangle the economic life of 170 million Americans and by so doing endanger free men everywhere. With power must also go responsibility.

5. Support of a sound fiscal structure for our Federal, State, and local governments. This requires all of them to live within their means and to stop trespassing on the tax resources of the others.

Without a sound dollar and a solvent Government our whole structure of local, State, and National Governments, of public and private educational facilities, of wage earners, of public social security, and private pensions and retirement systems will be jeopardized.

Without a sound dollar every employee, every housewife, and our people living on retirement income or social-security payments will be penalized. Inflation and debt repudiation is but another form of confiscatory taxation in the Marxist Socialist pattern.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe-deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal and economic freedom.

We must not dilute our constitutional guaranties whereby human freedom would be compromised with totalitarian tyranny in any form of world government.

The incentives furnished under our system have constantly opened new horizons.

In this atmosphere, Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

The economic and fiscal record of our Republican administration has been without parallel in modern times. Total output of goods and services has increased from $345 billion in 1952 to $412 billion in 1956—a gain of more than 15 percent.

Five million dwelling units have been constructed during the 4-year period from 1953 through 1956. This greatly exceeds the number built during any other similar period in the Nation's history. Homeownership is at an alltime high.

Homeownership and construction should be encouraged. It contributes to our durable goods industries and contributes to good citizenship and an expanding standard of living.

Of even greater importance is the improvement in the spiritual base of American society. Participation in and support of religious, cultural, educational and civic activities is more extensive than ever before. Church membership has increased markedly and recent years have witnessed a sharp rise in the construction of churches.

Greatly increased amounts of resources are being devoted to education at all levels. Public and private outlays on construction of educational buildings totaled $3.1 billion in 1956—the fourth year in a row in which a new record has been set.

When the Federal Administration returned to Republican control, expenditures totaled almost $75 billion and the deficit was $10 billion. Taxes were cut by some $7 billion, the largest single tax cut in the Nation's history and by 1956 the budget was back in balance.

Lately, however, Federal expenditures have been increasing once again. There has been

deep and widespread concern about this throughout the country and rightly so.

A tax system under which the Federal Government taxes personal incomes at rates varying from 20 to 91 percent and corporate income at a 52-percent rate is simply too burdensome. It will ultimately destroy our free enterprise system.

For fiscal year 1958 President Eisenhower estimates that the Federal Government will spend almost $72 billion—an increase of more than $5 billion over the 1956 spending rate.

The budget continues in balance only because of a continuous increase in the level of our prosperity which has brought forth a steady rise in tax revenues with no increase in rates.

Few people realize that all we need to do at the present time in order to be able both to reduce our towering national debt and cut taxes is to stop increasing Federal expenditures. Had Federal outlays been held at their 1955 level we would now face the pleasant prospect of a budget surplus of almost $9 billion in the coming fiscal year. This would be sufficient for a sizable reduction both in the national debt and in taxes.

In order to have a budget surplus of almost $5 billion in the forthcoming fiscal year, all we need to do is to keep Federal expenditures from rising above their already high current level. This reduction of $3 billion can and must be achieved as a minimum. I pledge my efforts to this end.

This must not be any single shot effort. In future years we must continue to keep Federal expenditures from increasing and wherever possible, to reduce them. Only this way can our burdensome taxes and national debt be steadily reduced.

There is a prevalent school of thought which maintains that Federal expenditures must keep pace with the growth of our economy. This is a dangerous and unnecessary philosophy. For one thing, it is the economy that maintains the Federal Government and not vice versa. Further, unless we are able to reduce our tax burden, we may end up by destroying or seriously crippling that which is the source of our strength—our free enterprise economy.

We live in a perilous age. Unless, we are able to reduce Federal expenditures and taxes, we will have no margin available for emergencies. Should we be faced with the necessity of fighting another war to preserve our liberties, we may end up having lost them through internal breakdown even though we decisively defeat our foreign foe.

I do not deny that as the country grows, some increase in Government expenditures is necessary and even desirable. However, of one thing I am certain. During a time of peace it is not necessary for Federal expenditures to increase as fast or faster than the increase in the national income or as fast as an overburdened tax system can produce increased revenues.

The founders of this Republic knew well the history of the world up to their time. They knew that where there was a concentration of power in a single agency of National Government that the freedom they sought to guarantee could easily be lost.

Those of us who continue to believe firmly in this wise political philosophy instinctively know that the Federal Government cannot give anything to the States unless it first takes it away from their citizens.

Throughout the major part of the last 30 years, the Federal Government has had to use a constantly increasing portion of the Nation's taxable capacity to meet its expending obligations. Only by calling a halt to this process can the weakened sovereignty of our States be shored up and revitalized. If the Federal system is worth retaining our aim has to be less Federal spending and less taking on of new obligations accompanied by a reduction in Federal taxes and debt. In this way and solely through these means the States and localities will have the wherewithal to undertake the many necessary programs as society grows and becomes more complex.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the Free World contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past several weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: the destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British Red Coats crushed the first American rebellion in a week and captured the leader (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the Free World be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the freedom fighters bazookas, and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

I do not favor taxing the American people to support Communist economic or political systems abroad.

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached.

Why, however, was there a strange silence in the United Nations to bring to a head the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clearcut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in May and June? While the Security Council meets on the Mid-East question this month will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking and enslaved people who want to be free will be waiting for the answers.

It was Lincoln who said: "Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation * * * we, yes even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

America Salutes Israel

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, on Sunday, May 12, some 50,000 people from all walks of life assembled at Ebbets Field in Brooklyn to express their solidarity with Israel on the occasion of the 9th anniversary of its independence. It was truly a magnificent celebration, a heart-warming event, in which the people of the greatest democracy in the world saluted the people of one of the

youngest democracies on their national independence day.

It was a grand feeling on this warm spring afternoon to observe these thousands of people of all faiths as they came to salute Israel. They watched the colorful procession, they listened to the greetings and addresses of the various dignitaries, they enjoyed the sport games, but above all they cheered at the cry that "Israel must live and flourish as a bastion of democracy in the Middle East" and "Israel does not stand alone, strong bonds of kinship exist between Israel and America."

The celebration at Ebbets Field was also a great tribute to a most distinguished jurist and a great humanitarian, Judge Samuel E. Leibowitz, who almost single-handedly inspired these 50,000 people to fill the ball park. Such huge attendance at Ebbets Field is a rarity even for a World Series game. Thousands of people actually paid for standing room.

The procession which led off the Salute to Israel was very interesting. It included representatives of three major faiths in America, the Mayor of New York, the President of the Borough of Brooklyn, Israeli Ambassador Abba Eban, Senators IRVING IVES and JACOB JAVITS of New York and Senator JOHN A. CARROLL of Colorado, as well as Irish-American, Italian-American, Afro-American and Jewish organizations.

After the procession, there were several short addresses and a fine program of entertainment, which featured Cantor David Koussevitzky, Miss Elaine Malbin of the Metropolitan Opera, and Sammy Davis, Jr., one of America's premiere entertainers. Miss Marilyn Monroe, the famous movie star, led the Israeli and American soccer teams onto the field and kicked off the first ball to start the game.

Another feature of the American Salute to Israel was the presentation of plaques to several persons who helped organize this huge festival. Plaques were presented to Congressman VICTOR L. ANFUSO and State Supreme Court Justice Anthony J. Di Giovanna, who led the Italian-American division of the parade; to State Supreme Court Justice John E. Cone, chairman of the Irish-American division; and to Mr. Edward Zeltner, famous columnist of the New York Daily Mirror, who served as chairman of the arrangements committee.

After the parade, the official program began with the singing of the United States and Israeli national anthems, led by the noted singer, Jan Bart. Invocations were given by Rabbi Israel Leventhal and Msgr. Vincent O. Genova. Monsignor Genova's invocation, which was particularly moving and inspiring, was as follows:

Almighty and eternal God, we offer Thee humble worship and beg Thy blessing on this solemn gathering of people of our country, who join in a spirit of fraternal charity in the celebration of the ninth anniversary of the foundation of the State of Israel. Thou, O Lord God, art the Ruler and Master of all men and all nations; Thy divine providence guides their destinies; Thy authority is the source of all legitimate human authority; Thou art the strength of the young and the weak; the hope of the poor and the oppressed among nations.

On this joyful anniversary celebration, we implore Thy gracious blessing on Israel—the oldest of peoples and the youngest of nations. All mankind rejoices that this ancient race—whom divine privilege made the custodian of the spiritual legacy of the human race, and the first recipients of Thy holy law—should now find a haven and a home of their own among the nations of the world. As America has opened its charitable arms to the victims of Communist persecution from many lands, so Israel has opened its arms to her own noble people, burdened by a centuries-old sorrow of dispersion and persecution.

The Free World rejoices at the special role given to Israel by divine providence to be the custodian of those holy places which saw the accomplishment of the redemption of mankind. May this mandate be ever regarded as a serious responsibility, and carried out with the dignity and justice merited by this sacred trust. For the eyes of all the world are on this spot of land which witnesses the union of two civilizations, and joins ancient and modern history.

We beg Thee, O God of might, wisdom and justice, to grant to the rulers and people of the State of Israel the wisdom to follow in the footsteps of their forefathers in the ways of justice and peace. Let Thy Holy Spirit guide its venerable and courageous leader, as Israel walks in the days of its youth as a nation with the phylactery of Thy holy laws before its eyes. Grant to this young nation, we beseech Thee, O Lord, the grace to continue to collaborate with the nations of the world in giving honor and glory to Thee, and in bringing peace among all men of good will. Amen.

Mayor Robert F. Wagner, of New York, the first principal speaker of the afternoon, received a thunderous ovation from the huge gathering when he declared that Israel will live forever and that Israel is the only hope of the civilized world for peace in the Middle East. He was followed by Borough President John Cashmore, of Brooklyn, who saluted Israel and welcomed its soccer team in these words:

Reverend clergy, Mayor Wagner, Ambassador Eban, distinguished guests, Chairman Judge Leibowitz, and ladies and gentlemen, we are gathered here today to witness and applaud the skill and athletic ability of the Israeli championship soccer team, but in a larger sense we have come to salute the people of Israel—the courageous country which they represent.

We in America rally to the support and encouragement of any nation which demonstrates that it is dedicated to furthering the dignity of man and the preservation of his God-given liberties.

No nation in modern times has been more dedicated to democratic ideals than Israel. When one considers the handicaps under which that state was founded, the dangers to which it is still constantly exposed, and the fortitude with which it has withstood every onslaught against it, we cannot but help applaud the bravery and perseverance of this courageous nation.

A nation so conceived and so dedicated as Israel is must endure.

The tidal wave of Soviet propaganda has all but engulfed many surrounding countries, but Israel has chosen to resist all the allurements and false hopes held out by communism. The memory of Israel's strong and firm resistance will always remain a bright chapter in the eternal struggle of man to fulfill his destiny.

As president of the borough of Brooklyn, I welcome the Israeli championship soccer team and salute the great nation which, by its actions and by its conduct, has alined itself with the forces of goodness and honor. May the coming years bring for Israel its deserved share of respect, admiration, and encouragement from all the nations which can profit by its noble example.

The following are some excerpts from the address by Senator IRVING IVES, of New York:

Ideals, principles, and a common faith in the dignity of man bind the United States and Israel together. Mutual interests link them inexorably. * * * Today Israel is the only stable and progressive country in the Middle East. * * * Israel requires our help, and is entitled to it. All freedom-loving peoples everywhere—all believers in humanity's aspirations for a better life—must turn to Israel for an example of a young nation dedicated to freedom's cause.

Israel stands today in a most troubled area of the globe. But she does not stand alone. Let us never forget the strong bonds of kinship—the kinship of blood and the kinship of ideals—which underlie the relationship of the United States and Israel. Let us join in hopes and efforts for Israel's material success, for her well-being; let us also join in prayers for her ever-widening spiritual influence and for a just and lasting peace throughout the Middle East.

The next speaker was Senator JACOB K. JAVITS, of New York. An extract from his remarks follows:

There are two requisites to Israel's being able to continue its role as the free world's principal ally in the explosive Middle East and as a refuge for the oppressed and the wandering—first, the time and the climate of peace in which to grow and develop; second, the continued and unflagging support of Israel's friends to aid Israel in surmounting the obstacles which bar her way—support in resources, in prestige, and in morale.

There can be no doubt that the maintenance of a just peace in the Middle East is essential to United States foreign policy. And a secure and viable Israel is an essential element to a truly secure Middle East. This is my own firm belief and I believe that our Government has learned this, too—may it ever continue to be so.

Senator JOHN A. CARROLL, of Colorado, in his remarks gave recognition to the New York Democratic delegation in Congress for its continued interest on behalf of Israel. He specifically pointed out the efforts toward this cause on the part of Congressman EMANUEL CELLER, dean of the New York delegation, and Congressmen ABRAHAM J. MULTER, JOHN J. ROONEY, EDNA F. KELLY, EUGENE J. KEOGH, and VICTOR L. ANFUSO.

Israel's very able and popular Ambassador, His Excellency Abba Eban, who was the last of the major speakers on the program, told the large gathering:

Israel has opened a new bridge which links the east and the west—and that is the new road which passes through Israel and through the Gulf of Aqaba. The Gulf of Aqaba is open and open it shall remain. * * * Israel is a land which is steeped in the ancient Jewish culture; at the same time, however, Israel's future is deeply rooted in the new era of atomic energy.

Many messages and telegrams were received from leading personalities in this country and in Israel, including former President Harry S. Truman, Israeli President Itzhak Ben-Zvi, Israeli Foreign Minister Golda Meir, and from nearly a hundred Members of both Houses of Congress. The following are a few brief

greetings and remarks by those who participated most actively in organizing this very successful Salute to Israel at Ebbets Field on May 12:

As chairman of Salute to Israel Festival, it is my proud privilege to welcome you to this momentous gathering. Your presence here is as appropriate as it is inspiring. You represent all the racial and religious strains that make up this blessed land of ours. It is your heritage to possess an uncompromising belief in the right of people everywhere to "Life, Liberty and the pursuit of Happiness." In your veins throbs the pulse of fellow-feeling for small nations who seek, like Israel, to determine their national destinies for themselves and to live at peace with all men.

This commemoration of the ninth anniversary of Israel's independence is a rallying cry for all those who, like you, believe in the dignity and security of the small nation. Israel will be grateful for this magnificent expression of your good will. Your encouragement will be a significant part of the spiritual armor which is vital for her survival.

JUDGE SAMUEL S. LEIBOWITZ,
General Chairman.

It is a great pleasure for me to welcome you to this celebration of Israel's ninth year of independence in the name of the arrangements committee.

This gathering is an important demonstration of the friendship and support of the American people for the State of Israel. The American people will never fail to extend a hand of friendship to democratic nations struggling for freedom and self-determination.

EDWARD ZELTNER,
Chairman, Arrangements Committee.

We are indeed happy to have the opportunity of sponsoring this Salute to Israel Festival, marking the ninth anniversary of the State of Israel.

The Farband-Labor Zionist Order salutes the State of Israel. Our membership feels a deep sense of gratification and pride in our participation for over 40 years in the activities for the Jewish national homeland, which ultimately led to the proclamation and establishment of the State of Israel.

This is a grave hour of anxiety for democratic and free nations all over the world and, in particular, for Israel, which is the only democratic stronghold in the Middle East and the only reliable ally of the free world in that part of the world.

Israel has only one desire, and this is to live in peace, strengthen her economy, and help in the ingathering of the exiles—all those Jews who are being persecuted in lands of oppression.

We are very proud to welcome the Hapoel soccer team. We are proud of these young athletes who represent the idealism of the pioneering youth of Israel.

We also take this opportunity to express our thanks and appreciation to all those individuals, groups, and organizations that helped to insure the success of this great festival.

FARBAND-LABOR ZIONIST ORDER,
MEYER L. BROWN, *President.*

I am proud and happy to participate in the activities in behalf of the Salute to Israel Festival on the ninth anniversary of the State of Israel. In the 9 years since the birth of Israel, the Histadrut and the State of Israel have performed miracles.

Hapoel, the soccer team of Israel, represents not only the spirit of the fine young sportsmen of Israel, but especially the spirit of Jewish youth who not only play and build, but also defend this young democratic state.

As a trade unionist, I welcome this occasion not only on my behalf, but on behalf of the American trade unionists who are responsive to the call of Israel in all its needs.

HARRY GREENBERG,
Chairman, Trade Union Committee.

As an American of Irish descent, it is my pleasure to join with all Americans in saluting the State of Israel on the ninth anniversary of its independence. Israel has demonstrated that with idealism and determination, it is possible to make even a barren country blossom with the fruits of economic well-being and democracy.

Judge JOHN E. CONE,
Chairman, Irish-American Committee for the Salute to Israel Festival.

I am proud to join in saluting Israel on its ninth independence day. This new nation is a bastion of democracy in the Middle East and an example for newly liberated nations throughout the world.

Congressman VICTOR L. ANFUSO,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

It is an honor for me to participate in the Salute to Israel Festival. This gathering symbolizes the cooperation of Americans of all national and religious origins in making this country great.

All of us join together in congratulating Israel on the ninth anniversary of its independence.

Judge ANTHONY J. DI GIOVANNA,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

The State of Israel is an encouragement for new nations everywhere to develop their institutions in the traditions of democracy and in the interests of their entire populations. It is an honor, therefore, for me to join in this Salute to Israel Festival on the occasion of the ninth anniversary of Israel's independence.

Judge MILES PAIGE,
Chairman, Afro-American Committee for the Salute to Israel Festival.