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A Letter to Mr. Truman, 1950.

House of Representatives

MONDAY, FEBRUARY 5, 1951

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast blessed our beloved country so abundantly, we thank Thee for our Christian democracy which we have received and are enjoying as a priceless heritage.

We pray that the voice of America may bear clear and convincing testimony to men and nations everywhere that our democracy is not a self-centered, provincial, and political ideal but a dynamic spiritual principle and a way of life, bringing the richest blessings of freedom and opportunity to all mankind.

Grant that as fellow citizens we may feel that America's great hour has come when we must revive and strengthen the moral and spiritual foundation and qualities of our Republic if we are to survive and be an effective force in building a nobler civilization.

May all who hold positions of leadership and responsibility in church and state, during these days of world crisis, daily have the guidance of Thy spirit in their deliberations and decisions as they seek to do the will of God.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, February 2, 1951, was read and approved.

UNITED STATES TERRITORIAL EXPANSION MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Resolution 32, Seventy-third Congress, the Chair appoints the gentleman from Missouri (Mr. KASTEN) as a member of the United States Territorial Expansion Memorial Commission to fill an existing vacancy thereon.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a proclamation by the President of the United States.

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

There was no objection.

BOY SCOUT WEEK

Mr. JOHNSON. Mr. Speaker, I wish to call to the attention of the House the fact that the coming week is Boy Scout Week. We have many Members in this House who were Scouts themselves and many more who have been engaged in Scout work for many years. I hope the membership will find time to read the remarks which I will place in the Record, and especially the proclamation of the President regarding this important week.

From Maine to California, the Great Lakes to the Gulf, in every city, town, village, and crossroads, the forty-first anniversary of the Boy Scouts of America is being observed. To the Boy Scout units, not only in the United States, but in Alaska, Hawaii, the Canal Zone, Guam, and other American territory, President Truman sent the following message:

To the Boy Scouts of America:

In sending you warm greetings and hearty congratulations on the occasion of Boy Scout Week, February 6 to 12—your forty-first anniversary—I speak for all patriotic citizens who believe Scouting is a bulwark against the evils of our time.

Scouting's determination to give to every boy the chance to absorb the benefits of the movement's program for physical, mental, moral, and spiritual development promises well for our Nation. In the days ahead we will need, as never before, men of high character, resolute purpose, and unflinching courage to meet successfully the problems of a challenging future.

Your enrollment of 17,500,000 members since 1910 and your present active membership of 2,750,000 as disclosed in official records is a great achievement. It speaks eloquently for our democratic way of helping boys through devoted volunteer leadership.

Your determination to continue with your campaign to strengthen the arm of liberty is most reassuring and merits sustained public approval. One and all, you have earned the confidence of our people and I salute you for your patriotic and selfless service.

HARRY S. TRUMAN.

The President has written eloquently of this great movement and all of us, I am sure, heartily concur with his timely and inspiring birthday greetings.

Yes, the Boy Scouts of America has earned the confidence of our people and has in these 41 years become deeply rooted in our national life as a great patriotic movement. Scouting is for all boys everywhere regardless of race, color, or religious belief. To the boys Scouting is fun, outdoor adventure, and fellowship. Boys become Scouts because they like to hike, to camp, to play, to learn how to do things. They like to belong to a gang, which in scouting is the patrol. They like scouting, too, because it is a man's life cut down to boy size, because they themselves are men in the making and are anxious to grow up.

Scouting gives a boy healthful outdoor adventure through its program of camping and hiking. A boy develops the ability to find his way in open country, to set up a shelter, build a campfire, and do many other things that develop self-reliance. Scouting also trains a boy to help other people in emergencies.

Over and above this program of skills is the Scout oath or promise by which a boy affirms his duty to God, his country, his fellow men, and himself.

Scout units are sponsored by the Nation's churches, schools, service clubs,

veterans' posts, and other community institutions. Religious bodies of all major faiths, Catholics, Protestant, Jewish, and Mormon, sponsor Scouting on neighborhood basis; in fact more than half of the 78,716 Boy Scout units are sponsored by churches or synagogues. Scouts are trained to respect the convictions of others in matters of custom and religion.

The leadership of these units is in the hands of volunteer cubmasters, scoutmasters, and explorer advisers, and thousands of women are giving effective service as den mothers of Cub packs, for the younger boys.

The American people have come to recognize Scouting as a distinct asset to the community and their support of the movement has strengthened it in every part of the Nation. Scouting works closely with the home, the church, the school, and other basic institutions of our American life. The Boy Scouts of America is a ready and eager partner in every community effort to build boys into men of character and train them to be participating citizens. It is a program which develops physical fitness, courage, and high ideals of service to God and country.

As the President has stated in his Boy Scout Week message:

In the days ahead we will need, as never before, men of high character, resolute purpose, and unflinching courage to meet successfully the problems of a challenging future.

Believe me, gentlemen, the Boy Scouts of America is doing an outstanding job in producing men of character trained for citizenship in our world of today. On the occasion of this forty-first anniversary we, too, salute the great patriotic service being given by the thousands upon thousands of volunteer leaders who are making this program so effective in the lives of American boys.

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin asked and was given permission to address the House on Wednesday next for 15 minutes, following the legislative program and any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

BRITISH ADVICE TO GENERAL EISENHOWER

Mr. SMITH of Wisconsin. Mr. Speaker, in London they are worrying about American visitors who are coming there.

From the Financial Post, of Toronto, Ontario, Canada, comes an interesting article bearing a London date line:

LONDON CALLING—How Will British Industry Get Along With United States Arms Production Expenses?

(By Adelphi)

(While Adelphi is on holiday this column is being written by another distinguished British commentator.)

LONDON.—We will be glad to welcome Mr. William Rogers Herod from the United States next month for we are always glad to welcome any distinguished American, and Mr. Herod is an old friend who spent 3 years here in the thirties.

Nevertheless, there is just a little uneasiness about his visit. He comes here with an official title, long and cumbersome, and sinister. It is "Coordinator and Expediter of the North Atlantic Defense Production Board."

Well, now, that's quite a mouthful. But what is he going to do? The worry is that he is going to tell us what we are to do.

We are only too pleased to have anyone give us good advice on running our industries, but we are an obstinate people. We may listen politely and even nod agreement, yet we are still inclined to think we know best.

WHERE WILL EISENHOWER FIND HIS TROOPS?

We are, of course, getting used to American visitors. We have General Eisenhower who has been spinning round Europe like a tee-to-tum.

A few hours in every capital city of Western Europe and a hasty visit to Iceland and—hey presto—the thing is done. That was General Eisenhower reviewing his troops. The reason he gets through it all so quickly is that the troops are not so numerous as to engage a lot of his time. Having had a look around Europe no wonder he is going peering into the igloos of Iceland to see if he can find some chaps there.

I imagine the General will return to the United States a somewhat worried man. For in present circumstances it is not easy to raise a European army comparable to the 60 or 70 divisions which the Russians have on our western front.

Meanwhile the dispute goes on as to whether to mobilize the Germans or not. This is likely to be an exhausting discussion when it is realized that the Government here has not yet made up its mind about mobilizing our own manpower.

The men released from the services at the end of the last war remain on a reserve. There is talk of recalling some of them for a refresher course. But the people here have a marked reluctance to wearing uniform in peacetime; the Germans love it. So it may be that they will get the first army after all.

DEFENSE BILL HAS CHANCELOER WORRIED

No less important than men is money. How are we going to pay for all these defense preparations? This is what is worrying young Hugh Gaitskell, the new 44-year-old Chancellor of the Exchequer.

It is worrying a lot of other people too. Yet there is a cheerful resignation about it all, for the tax-ridden public metaphorically shrugs its shoulders and says: "Well, they can't get any more out of me; they are taking the maximum already."

A year or so ago when Mr. Gaitskell was Minister of Fuel he burst into tears at a miners' meeting. He was crying at the failure of his beloved nationalization to produce coal. A very natural reaction for anyone who had grown up with the kind of adolescent hang-over which led him to suppose it would.

Now at the time of the last budget the conservative opposition warned the then

Chancellor Sir Stafford Cripps and Mr. Gaitskell (who had become his right-hand man) that they were using up all the national resources on their socialism and that in an emergency there would be no slack to take up.

Did Cripps and Gaitskell listen? No. They knew better, just as Gaitskell did about coal nationalization.

It would be all right if it ended there. Unhappily it does not. I could leave Mr. Gaitskell sobbing quietly in a corner by the hour. But he has got to make up his mind whether he is going to raise this money out of taxation or by a new defense loan.

Obviously a loan is the answer but he knows as well as the next man that the cheap-money days are over. He could not get a loan now at less than 4 percent. And then what would happen? He would have his old enemy, Dr. Dalton, the apostle of the cheap-money policy, booming at him. And that is enough to make anyone cry.

Indeed, if the doctor starts having a finger in our financial pie then we shall all have good reason to cry.

NOW SOCIALISTS SWEEP EXPERT ADVICE ASIDE

It was Oliver Lyttleton, member of Parliament and a wartime Minister, who led the shouts of warning to the Treasury of the dangers ahead.

But the planners took no heed of him. He was just a financier and a leading industrialist and a great figure in the city of London. He had been in trade, industry, commerce, and the money market all his life. Worse still, he had made a success of it. So what could he possibly know about? They swept him aside.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

PERSONAL TAX EXEMPTIONS

Mr. CURTIS of Nebraska. Mr. Speaker, in the drive to increase taxes there should be no attempt to lower the personal exemption from \$600 to \$500 or any figure below \$600. To do so would put an unjust burden on millions of fine self-supporting Americans who have always had to work hard and manage well to make ends meet. I am opposed to lowering the personal exemption. It was raised to its present level by the Republican Eightieth Congress.

A lowering of the personal exemption from \$600 to \$500 would increase the direct taxes about \$10 per month for the individual who has a family of three or four children. This should not be done.

We are told that we are in an emergency and that sacrifice is necessary. In that case let those connected with the Government set the example. In times of high taxes we should make every attempt to be fair. Politicians should certainly not have an advantage. I favor the repeal of the tax-exemption status for part of the income paid to the President and Members of Congress. Let the rules for determining Business deductions be applied to these officials in the same manner that it is applied

to taxpayers back home. They should have the same treatment but no more.

Mr. Speaker, there are countless people in every community who because of their strong character have always been self-sustaining in spite of great odds. They have never been relieved by the Government or anyone else. With the high cost of living brought about largely by Government spending policies and by high taxes, both direct and indirect, these people are finding it most difficult to get along. Unless balance and sanity are brought into our spending and tax programs, great numbers of these splendid citizens will be removed from the role of self-sustaining individuals. Recently I received a letter from a working girl in one of the towns in my district. I want to quote portions of that letter, as follows:

DEAR Mr. CURTIS: It appears that it is going to be necessary to raise more taxes this year, and the solution most commonly advanced is to lower the income tax exemption. I thought perhaps you would be interested in seeing how one typical Nebraska stenographer's pay is spent, and perhaps you will agree that while the income tax laws do need a revision, it is not in the manner suggested.

I earn \$25 a week which is a very ordinary and usual wage for stenographers and salesgirls in Nebraska. My weekly deductions are as follows:

Income tax.....	\$2.30
Social security.....	.38
Health insurance.....	.75
Life insurance.....	1.20
Contribution to support of dependent brother.....	3.50
Board and room (2 meals a day).....	12.00
Lunch at noon (sandwich and coffee on weekdays and 60 cents on Sundays).....	2.10
Balance left for clothing, dental bills, entertainment, Christmas gifts, personal tax and all other incidentals.....	2.77
Total.....	\$25.00

And there you have it. I wonder how many Congressmen would enjoy such a prospect, multiplied by 52 weeks. You will note that I contribute \$3.50 per week to a dependent brother. This represents my proportionate share toward his support, taking into consideration my income and other expenses. The amount I contribute represents 14 percent of my gross income, but I am allowed no income-tax exemption for this expenditure because it does not represent "chief support." While it is true that this amount does not represent his chief support, it is equally true that a deduction of \$3.50 makes a very big hole in \$25. * * *

I realize I could earn much more money if I changed my position but for personal reasons it is impossible for me to do so. * * * I have studied over my expenditures very carefully and have come to the conclusion that I have a choice between going without any noon lunch and cutting out my life insurance and health insurance. Inasmuch as my health is poor and I have quite an investment in the life insurance policy, I would like very much to keep both my insurance policies, but on the other hand since I am already 25 pounds underweight, I would also like to have a noon lunch. Apparently I cannot have both. My position is no different from many other persons existing (not living) on a small fixed income, and certainly there are many of them. I am not a believer in "taxing the rich," on the contrary, I believe every citizen should pay his fair share toward

maintaining his Government, but I do not think that taxes should be increased on low income groups when its effect will be to deny them the necessities of life, while the only effect of raising taxes on the higher income groups would be to deny them some of the luxuries of life. Surely a noon lunch is more important than a television set, is it not? . . .

I am writing you because I know it has always been your policy to work for fair tax legislation. I can assure you that I and many other persons earning only a small salary will appreciate anything you can do in our behalf. Respectfully yours.

There are those who will say that individuals working for \$25 a week or less should be paid more. The facts are that whether it is desirable or not many, many people must live on a fixed income of wages, or savings, and rents in these small amounts. It is easy to say that an employed person in such circumstances should go elsewhere to work. There may be good and valid reasons for not changing their location and their employment.

As one member of the Committee on Ways and Means whose responsibility it is to recommend taxes to this House, I do not propose to see this great group of splendid citizens destroyed.

PERMISSION TO ADDRESS THE HOUSE

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

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

TRAIN THE BOYS BEFORE SENDING THEM TO COMBAT

Mr. BROWN of Ohio. Mr. Speaker, I have asked for this time to read to the House a small news item from one of the newspapers I publish. It contains a story that I believe is of most vital importance to every Member of this body. I read:

Pvt. Wilbur Sweeney, 22, youngest son of Mr. and Mrs. Howard Sweeney, of Lebanon, Route 2, who had been wounded in action in Korea, died January 16, in a hospital in Japan. Private Sweeney had been in service only 3 months and 3 days, his family reports. He is the third Warren countyman to die in the Korean conflict. He left Lebanon October 13 for induction.

Mr. Speaker, this boy was taken from the Warren County Arm, sent by bus to Cincinnati, where he was inducted into the Armed Forces on October 13, presumably sent to some training camp, shipped across the continent to the west coast, then across the Pacific to Korea, sent into battle where he was wounded, and transferred to the hospital in Japan, where he died on January 16, 3 months and 3 days after his induction.

I am wondering just how much military training this boy had. How well he was prepared to engaged in battle. I am also wondering just how sincere and honest some of our military leaders are when they attempt to tell us here in the Congress they will see to it every boy taken under the draft is given adequate and complete training in preparation for military service before they are sent overseas.

I say to you, sirs, such situations as I have described are an outrage.

PERMISSION TO ADDRESS THE HOUSE

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

The SPEAKER. Is there objection to the request of the gentleman from Illinois? There was no objection.

REDUCE LEAVE OF FEDERAL EMPLOYEES

Mr. VURSELL. Mr. Speaker, if the President and this Congress really want to make savings in the cost of the Government by reducing nonmilitary expenses, I am introducing a bill that will make it possible to save \$200,000,000 to \$250,000,000 in the next fiscal year and every year thereafter during our present emergency.

My bill will cut back the present 26-day annual leave for all Federal civilian employees in the executive department of the Government to 15 days' annual leave with pay, on and after June 30, 1951.

This will affect only about 1,500,000 civilian employees who are now receiving 26 days annual vacation leave with pay. It will not affect the 500,000 postal workers who have never received more than 15 days' annual leave with pay.

Based on the approximate 1,500,000 civilian employees it would make a saving of from \$200,000,000 to \$250,000,000 during the coming year. It would probably reach \$250,000,000 because doubtless 500,000 new additional employees will be added to the payroll between now and the end of fiscal year 1952.

If those now enjoying 26 days' annual leave are cut back to 15 days, they will, in fact, receive 3 weeks leave with pay because Federal employees work only 5 days a week, 8 hours a day. It should be pointed out that those who work more than 40 hours a week receive increased overtime pay.

Mr. Speaker, I should like to point out that a Nation-wide study made by the Civil Service Commission and other departments of the Government to determine leave without pay granted throughout the Nation by private business and industrial firms over a year ago reported 15 days leave with pay is the customary standard policy of such firms and private businesses.

If this legislation is enacted it will keep leave of Federal employees in line with employees in private business.

Mr. Speaker, it is time that something be done to lower the load on the Government which derives its taxes from the people who are, in fact, the Government.

Federal civilian payrolls are now costing the people \$7,500,000,000 a year based on 2,000,000 employees. Thousands are being added to the Federal civilian payrolls weekly. The number of employees may soon reach a peak of 3,000,000 which would increase the cost of civilian Federal employment alone to over \$12,000,000,000 a year.

Mr. Speaker, for 52 weeks of the year the average workweek is 40 hours or a total of 2,080 work hours a year including legal holidays.

About 10 percent of all this working time is allocated to annual leave. At

present the cost of annual leave—for which no compensatory work is done—amounts to approximately \$750,000,000 a year.

In these trying times no one working for the Government should object to working at least 95 percent of the time for which he is paid.

I think it is not asking too much if this reduction in leave is written into law.

Mr. Speaker, this proposed legislation also provides that beginning July 1, 1951, all leave thereafter accruing during the year must be used during the fiscal year in which the same is earned.

This will stop the unwise practice of allowing annual leave to accrue. It may be interesting to the Congress, and I am sure will be to the people, to know that accrued annual leave which has not been used up by the employees in the past has now reached the amount of \$581,000,000, a liability the Government will have to pay.

My bill does not affect or prevent the payment of this annual leave already accrued under existing statutes.

Mr. Speaker, in addition to the 26 days annual leave at present, these Federal employees are entitled under the present law to 15 days' annual sick-leave allowance, which is also not affected under this proposed legislation. It is not proposed at this time to reduce the 15-day annual sick-leave allowance, but it might be well to tighten up the regulations governing it to make the abuses of malingering impossible.

Mr. Speaker, I hope this legislation may have the endorsement of the executive department of the Government and the approval of the Congress at an early date so that it may go into operation with its benefits to the Government in the fiscal year beginning July 1, 1951.

212 WORKDAYS

If a Federal employee takes advantage of the 3 holidays, the 26 days' vacation, the 15 days' sick leave, and the great majority of them do, they only work 212 days out of 365. Their net working time is only 1,688 hours, and on a 5-day-week average, instead of 40 hours, they work 32 hours and 27 minutes a week.

It figures out this way. There are 52 Sundays and 52 Saturdays they do not work, unless occasionally and then they draw overtime for the amount they do work over 40 hours a week. Add to this 8 national holidays, 26 days leave with pay, and 15 days sick leave and you have a total of 153 days that are not worked. This subtracted from 365 days in the year leaves 212 work days in the present set-up.

In addition to a steady job and sure pay, the Federal worker has the benefit of a liberal retirement, a part of which is paid for by the worker and a part of it by the Federal Government drawn from taxes of all of the people. In fact, millions of dollars each year is added by the Federal Government to the trust fund out of which Federal workers receive their annual retirement when they leave Government service. The President has said, and wisely so, that all of us must make sacrifices in higher taxes and in tightening our belts so that we may pay the expenses of Government without adding further to the deficit.

Mr. Speaker, this legislation, if approved, will help to keep down appropriations from \$200,000,000 to \$300,000,000 a year. It does not reduce salaries, and it throws no one out of employment.

I believe the great majority of the patriotic Federal workers will be willing to make this light sacrifice, and it is light compared with the sacrifice our soldiers must make, to help to protect the solvency of our Government.

This is only one of hundreds of departments of Government that must make their equal sacrifice. The retirement Federal workers have helped to pay for along with Government which they hope to draw in future years after being separated from the Government, will all be lost and there will be no retirement checks coming in the future if we continue to pile up this national debt till we destroy the purchasing power the dollar and wreck our Government financially.

The Congress has voted for many raises for Federal employees. It is not my purpose to single out one group of our good American citizens, the great majority of whom have been doing a splendid job for the Government, asking them to make the special sacrifice.

All groups and all American citizens are going to have to make equal, and in many instances, much greater sacrifices in the trying days ahead.

I am inserting herein a copy of the bill I have introduced:

A bill to reduce the annual leave of Federal officers and employees to 15 days during the continuance of the existing national emergency, and for other purposes.

So it enacted, etc., That from and after July 1, 1951, and during the continuance of the present national emergency proclaimed by the President on December 16, 1950, annual leave with pay shall be granted and allowed to civilian officers and employees of the Government of the United States whose appointments are on an annual or monthly basis at the rate of not to exceed 15 working days per annum. No such annual leave shall be accrued and carried forward from one fiscal year to another fiscal year, but shall be taken and used during the fiscal year in which the same shall be earned from and after July 1, 1951: *Provided*, That nothing herein contained shall be construed as affecting any annual leave that has heretofore been or shall be accrued to and including June 30, 1951.

Sec. 2. All laws and parts of laws in conflict herewith are hereby suspended during the continuance of the existing national emergency proclaimed by the President by Proclamation numbered 2914 of December 16, 1950.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

RESULT OF POLL CONDUCTED BY RADIO STATION KSUM, FAIRMONT, MINN.

Mr. O'HARA. Mr. Speaker, radio station KSUM at Fairmont, Minn., has just rendered a significant public service. Over a 1-week period ending January 30, this station submitted a poll of two

questions to the people of the area it serves:

Question No. 1: "Should we pull out of Korea?" received 1,323 answers. One thousand one hundred and seventy-five, or 89 percent, said "Yes."

Question No. 2: "Who should determine whether American troops be sent overseas, Congress or the President?" received 1,291 answers. One thousand two hundred and fifty-one, or 97 percent, said Congress should make the decision.

Mr. Speaker, I do not claim to be an expert on foreign thinking and foreign morale, but I do claim to know something about American thinking and American morale.

Mr. Speaker, to those who lead nations or armies, morale is the greatest factor in victory or defeat.

Now is the time that all who love and are charged with preserving this country do some realistic thinking, before it is too late.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

POLL CONDUCTED BY THE SANTA MONICA INDEPENDENT, SANTA MONICA, CALIF.

Mr. JACKSON of California. Mr. Speaker, some weeks ago one of the newspapers in my district, the Santa Monica Independent, initiated a poll of its readers to determine, if possible, the thinking of people in the area covered by the Independent on several vital foreign-policy matters. The results of the poll have been communicated to me by the editors of the paper, and I think that they are interesting enough to merit inclusion in the CONGRESSIONAL RECORD.

It should be remarked that the Independent is not a partisan publication, nor do the editors generally take any position with respect to the implementation of foreign policy which might be construed by its readers as evidencing a bias in either direction on controversial issues. There is every reason to believe that the publication sought to obtain an honest and objective round-up of current thinking on the questions posed.

The outcome of the poll represents no surprise to me, but rather confirms my convictions as expressed so often here on the floor of the House, both before the Korean expedition and following the Communist counterattacks. For many months I have pointed out time and again that Korea was the last spot on earth that we should have chosen for a test of strength with the military forces of communism. Geography, topography, communications, logistical factors were all weighed against this Nation in reckoning the chances of ultimate success for our arms; and even assuming ultimate success, recorded military and naval testimony before the committees of Congress has invariably indicated serious doubts in the minds of qualified witnesses as to the value of the operation. That Korea did not fig-

ure in the concept of the defense of the United States was admitted publicly by no less an authority than the Secretary of State, Dean Acheson, who placed Korea outside the perimeter of our defense line in the Pacific.

The operation in Korea has not been a military success. Our forces have suffered severe losses to this time, and the end is by no means in sight. An ever-mounting wave of public opinion is demanding withdrawal of United Nations forces from the Korean peninsula.

The Independent's poll consisted of seven questions, as indicated below. I think that it will be interesting to the Congress to see how readers responded, and for that reason the final results follow:

First. Should the United States withdraw from Korea? Yes, 73.16 percent; no, 21.12 percent; no opinion, 0.72 percent.

Second. Should the United States send more troops to Europe? Yes, 60.56 percent; no, 37.32 percent; no opinion, 2.11 percent.

Third. Should the United States withdraw to the defenses of the Western Hemisphere and build them up? Yes, 50.70 percent; no, 41.55 percent; no opinion, 7.75 percent.

Fourth. Should the United States launch an all-out attack against Red China, including the use of the atom bomb? Yes, 19.01 percent; no, 78.83 percent; no opinion, 2.11 percent.

Fifth. Should the United States abandon Formosa and allow Red China into the United Nations? Yes, 46.43 percent; no, 50.71 percent; no opinion, 2.81 percent.

Sixth. Should the United States re-arm Germany? Yes, 36.17 percent; no, 52.48 percent; no opinion, 11.34 percent.

Seventh. Should the United States quit the United Nations? Yes, 43.67 percent; no, 54.22 percent; no opinion, 2.11 percent.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

LENTEN SERVICES

Mr. HAGEN. Mr. Speaker, in this hour of decision the fate of mankind mostly rests on our moral strength and spiritual faith and understanding.

As we approach this Lenten season the Christian world is faced with great challenges which will be successfully met through faith and a close adherence to the deep spiritual traditions upon which our Nation is founded.

I would like to call to the attention of the Members the daily 20-minute Lenten service for the Capitol Hill community at the Lutheran Church of the Reformation, opposite the Folger Shakespeare Library. These services have been conducted for some years and have given new inspiration and understanding to those of us on the Hill who have attended them.

The church is within quick walking distance of the House and Senate Office Buildings and the Capitol. The service is held each weekday from 12:10 to 12:30 except Saturdays. Speakers each day will be ministers of the various Protestant denominations of the Washington area. Everyone will be welcome.

I commend these services to my fellow Members of the Congress for their personal attendance. I also would like to suggest that we make it possible for our staff members to attend. The services start on Ash Wednesday, February 7, and continue through Lent.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

GENERAL EISENHOWER

Mr. GROSS. Mr. Speaker, Members of Congress and the American people were sold a bill of goods that General Eisenhower toured Europe and ascertained whether we have allies in fact as well as in name.

He returned without specific information, as he blandly admitted before the joint meeting of Congress. And his radio speech to the Nation last Friday evening was saturated with "ifs."

According to Eisenhower, if England, if France, if Italy, if Holland, if all the rest can rise to the patriotic grandeur of their forefathers, we might get some help.

Does he mean the kind of help we are not getting in Korea?

In other words, and according to the Eisenhower formula, if we provide the ham, we will be sure to have ham and eggs—if we also provide the eggs.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

REVISION OF IMMIGRATION, NATURALIZATION, AND NATIONALITY LAWS

Mr. WALTER. Mr. Speaker, I have introduced today a bill to revise the laws relating to immigration, naturalization, and nationality, and it is my desire at this time to draw the attention of the House and of the American public to this important legislation. It is long overdue and its introduction and enactment has been urged by every interested branch of Government, by the legal profession, and by numerous social and religious groups helping the new immigrants and concerned with the civic education of our future fellow citizens.

My bill is similar but not entirely identical with the bill, S. 716, introduced in the other body by the senior Senator from Nevada. It represents the final product of painstaking research and careful drafting done in cooperation with the Department of State and the Depart-

ment of Justice. It certainly is not the last word of what we would like to see on our statute books. In many respects it does not even reflect my own views and no department of the administration has officially reported on it at this time.

My purpose in introducing it is to provide for a companion bill in the House, thus permitting us to hold joint hearings with our colleagues from the Committee on the Judiciary of the Senate. We intend to open hearings in about 4 weeks and we invite every interested person and organization to give us the benefit of their views.

My bill is designed to supersede a true maze of laws and amendments as they have accumulated through the years and to write a single, comprehensive and modernized Immigration and Nationality Code without departing from the basic thought governing our immigration policy since 1917, namely, the quota system based on the principle of national origin.

It appears to me that the present world situation is being rather satisfactorily reflected in this proposed legislation. While on the one hand we intend to correct certain shortcomings of our immigration and naturalization laws hampering the free and highly desirable international exchange of skills, scientific experiences, and professional abilities by the free nations of the world, on the other hands we have taken notice of the activities of subversive element inspired and directed by our enemies and we have tried to the best of our abilities to strengthen the safeguards protecting the internal security of this Nation. We believe that we are providing in this bill for more equitable means of preventing the separation of families. We have also incorporated into this bill certain legislative proposals heretofore favorably acted upon by the House, such as the bill sponsored by the able gentleman from Minnesota (Dr. WALTER H. JUNE) repealing the remaining racial exclusion clauses of our immigration laws and granting minimum immigration quotas to every independent nation of the Orient. I can assure the House that an effort will be made to have this vital legislation extensively debated by the public and by the Congress but it is our earnest desire to expedite our work so as to be able to take final action on a bill, which I hope will emerge in improved form and shape from the Committees on the Judiciary of both Houses before this session of Congress adjourns.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

RECIPROCAL TRADE AGREEMENT ACT

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to advise my colleagues that H. R. 1612, legislation to extend the Reciprocal Trade Agreement Act, will be up on Wednesday in the

amendment stage. In this connection I would like to call the attention of all Members of the House to the Record of last Friday on page A575 of the Appendix, where you will find a critical analysis of the existing so-called escape clause in these trade pacts. I trust everyone will have an opportunity to read it because it will concern an amendment on Wednesday. I propose to offer an amendment to provide an avenue of escape for all harassed industries, particularly during this period when the American Government is freezing so many critical materials, and therefore not available for domestic manufacture.

LEAVE OF ABSENCE

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia (Mr. FORRESTER) be granted leave of absence for several days to attend a funeral in his district.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

THE RAILROAD STRIKE

Mr. BRYSON. Mr. Speaker, yesterday a young marine lieutenant, here for the week end, asked me to do him a favor. He desired to send a marine lieutenant's trench coat to one of his friends who in a few days will be on his way to Korea. During the past few days, we have experienced cold weather here in Washington. From the reports coming to us from Korea, it is much colder there. I gladly agreed to send the coat to the young marine. This morning I went to the post office after having had the garment properly packed, and requested that it be mailed first-class and insured. The package met all the postal requirements as to size and weight but was not accepted for mailing by reason of the railroad strike and embargo. Surely this is a deplorable plight. It is a concrete example of how this strike is impeding and interfering with the progress of the war. How anyone could condone or justify such acts is beyond my comprehension. I believe that there is adequate legal authority for dealing with such treasonable acts. Of course it is incumbent upon the executive department of the Government to see that the laws are enforced. If it appears that there is not sufficient legal authority to deal with a situation such as this, then we should immediately proceed with the enactment of proper legislation. Let it not be said that those of us who are calling young men from their homes daily for military service in foreign countries failed to make provision for their comfort and safety.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to revise and extend my remarks.

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

There was no objection.

MILITARY MANPOWER DEMANDS

Mr. RAMSAY. Mr. Speaker, the most difficult question that confronts Congress today in its preparedness program is manpower, which involves the critical decision of drafting either 18-year-olds or veterans and fathers.

This decision—the most difficult of all—will require deep courage on the part of every Member of Congress.

Our present draft program of 19 to 26 is not sufficient to meet manpower demands.

It will not be sufficient to meet military manpower demands under any proposal yet submitted.

I do not know at this time how I shall vote when the issue is drawn. I constantly think of the two alternatives. I read, I think, and I search for a third alternative. One which will meet the necessities of the crisis we face. I find none. No alternative which will relieve me of this distasteful decision. It must be "either—or." "Either" 18-year-olds, "or" veterans and fathers. Which shall it be?

I do not want to draft 18-year-olds. Congress does not approve this course, but we may reluctantly authorize it. How easy it would be, Mr. Speaker, to say "No" to this proposal, and thus ease the minds and hearts of millions of American mothers.

If we follow the dictates of our emotions, that would be the vote each of us would cast. It would be an easy way out; it might win votes.

Such a course would be beneficial, Mr. Speaker, if we didn't have to meet manpower requirements from another source—this other source being veterans and fathers. A "Nay" vote on this alternate proposal would be easy also, and one we would make, if we followed our emotions.

What a great relief this would be to millions of American mothers, whose sons served during World War II—many of them going to the colors at the age of 18. Again—what a great relief this would be to millions of American wives of these veterans with small children. Again, too, such a course might win votes.

But, Mr. Speaker, we cannot say "No" to both propositions. This would endanger the lives of every American, and indeed risk the homes and security of every American—mothers, wives, and children all. Our emotions must not guide our decisions.

The great area of dispute, as I see it, lies in determining the best means of halting Russian aggression. Three major proposals have been offered.

One is the proposal of complete mobilization and combat with the enemy. This is the proposal of Governor Dewey, the titular leader of the Republican Party.

Another is the proposal to abandon Europe and Asia to the Communists, and leave only outposts in England and

Japan. This is basically the proposal offered by the Honorable Herbert Hoover, our only living ex-President and a Republican elder statesman. Mr. Hoover, in the eyes of many in his party, has more claim to leadership than Governor Dewey. Senator ROBERT A. TAFT, referred to in the press as "Mr. Republican," subscribes to this policy, and is an active advocate of it in the other body. It has also found vocal support from the Honorable Joseph Kennedy, a former Ambassador to Great Britain and a leading Democrat.

Finally there is the policy of the administration. A policy of containing Russia; of bolstering the ability of allies to resist Russia; and of building up areas of strength from which to bargain, or, if full-scale warfare is required, areas from which to attack Russian military forces and strategic positions.

While the specific proposals of former President Hoover, former Ambassador Kennedy, and Senator Taft differ somewhat in detail, they are essentially identical. I do not believe they meet the test of what is best for the United States. If the recommendations of Mr. Hoover or Senator Taft are adopted, I believe we would be forced to withdraw even from Japan and England—especially from England. This would return our defense line to the limitations suggested by Mr. Kennedy, so the major distinctions between these positions become more or less academic.

What would be the result of the Taft-Hoover-Kennedy program? It would immeasurably strengthen Soviet Russia. Her strategic position would be greatly enhanced. Russia could get at the United States much more easily. If war comes—and I believe it would be an inevitable result of the Taft-Hoover-Kennedy proposals—our ability to wage it would be greatly weakened.

Mr. Speaker, I shall not take the time to list in detail the military advantages which would be Russia's if she controlled all the world except the Western Hemisphere and the few Pacific and Atlantic islands which would lie within our defense perimeter. This has been done enough times in our Congress and in our media for public comment to be familiar to all. Russia's manpower and industrial resources would be greater than ours.

If "pulling in our horns"—so to speak—as proposed by Mr. Hoover, Senator Taft, and Mr. Kennedy, and those who support their position, were a guaranty of lasting peace, I would support that position. I would support it even though it strengthens Russia and means living in a domestic economy, calling for a tremendous military budget and a tremendous number of our people in uniform.

I realize, Mr. Speaker, that proponents of this program set forth the theory that we need only strong sea-air forces, but relatively little in the way of ground forces. In my opinion, this is an absolutely false premise. If we were to grant—and I do not so grant—that we would not require ground forces to aggressively engage the enemy in combat, we would still have to maintain a large

standing army. In order to properly patrol our perimeter, we would need advance bases. These bases for sea-air power would have to be protected by ground forces. Perhaps in the case of our naval bases, protection could be afforded by marines—but these would still be ground forces, and would be a drain on our manpower.

Mr. Speaker, my main reason for opposing this proposal is that I believe it will make war with Russia—a stronger and even more formidable Russia—in-avoidable.

History has shown us that no aggressor ever stops of his own accord. He must be stopped. Sometimes it has been possible to halt aggression by strong diplomatic measures. Generally, aggression has had to be stopped by force of arms.

Diplomatic measures have been effective, only when an aggressor realizes that his diplomatic opponents are backed by military strength.

By turning over all of Europe and Asia, and probably losing England, we would be permitting Russian aggression to reach a point where our diplomatic overtures for peace would have no weight whatsoever. We would be forced to fight or surrender.

There is, Mr. Speaker, still another reason for opposing the proposals of Mr. Hoover, Senator Taft, and Mr. Kennedy. If we follow this course, we shall be playing right into the hands of Russian diplomacy—the goal of which is to drive a wedge between the United States and the Western European powers.

I should be the last person on earth to imply that the honorable and patriotic gentlemen who propose this course are motivated by any desire to play into the hands of Russia. To these distinguished gentlemen, I attribute only the highest of patriotic motives. In my opinion, they have reached their positions only after serious and sober weighing of all facts at their command. But—I also believe what they proposed would be as helpful to the grand strategy of the Kremlin as any proposal by the Politburo itself.

Mr. Speaker, as I see it, if we lost Europe, we would also lose most of our Western Hemisphere allies. It is human nature to want to be on the winning side. Once a bandwagon is rolling, it gathers passengers as it goes on. I am firmly convinced that the hard core of Communists in some of our neighboring lands would find their tasks made easier with the compelling bandwagon argument to back up their nefarious propaganda.

Before proceeding to analyze alternative courses, I believe a word of explanation is due Members. I have emphasized the political affiliations of the principal advocates of the foreign policy proposal just discussed. I shall also emphasize the political affiliation of advocates of alternative policies. I do this, Mr. Speaker, to highlight that thinking is not along partisan lines.

Two leading Republicans and one leading Democrat have given voice to the proposal just discussed. Both Republicans and Democrats are found as leading advocates of alternative proposals.

Whatever course is followed, we find bipartisanship in its advocacy.

The policy, Mr. Speaker, which I believe best meets the test of what is good for the United States, is the policy of containment being followed by the administration. It has become known in the public press as the Truman-Acheson policy, but it is a continuation of the bipartisan policy in which the distinguished Senator VANERBEEK and our beloved colleague, the gentleman from New Jersey, Dr. EATON, had so much a part.

The Honorable Joan Foster Dulles, a former Republican Senator, had a hand in its formulation, and assists in its implication. By roll call votes in this House, and in the other body, many other Republicans have indicated their support. It too is bipartisan, although it does not have the support of all Democrats, and it does not have the support of all the Republicans.

This is a policy aimed at halting Russian aggression. To do this, we have embarked on a program of building up those nations who will fight Russian aggression. We have had some notable successes. Greece and Turkey are two outstanding examples. The Marshall plan of building up the economic strength of anti-Communist Western Europe has been, and is continuing to be successful.

We were effective in stopping the rise of communism in Italy. We have driven a breach in the iron curtain by weaning Tito—himself a Communist—from the lap of the Kremlin.

Its chief aim is to build up areas of strength from which to bargain with Russia. It is predicated upon building the United Nations into an effective vehicle for maintaining world peace. If successful, this policy will bring peace. If it fails in its primary mission, it has the collateral benefit of building up the war potential of our allies to assist in military operations.

This policy, Mr. Speaker, offers no guarantee of peaceful settlement of problems arising from Russian aggression. But it most assuredly strengthens the hands of the United States and our allies in dealing with these problems through diplomatic channels. And if war comes, we are in a better position for prosecution than if we follow the Hoover-Taft-Kennedy alternative.

There is a third alternative proposal. It was given voice by Gov. Thomas E. Dewey. Briefly, Mr. Dewey wants full mobilization now—to the extent of 200 divisions. In effect, this means war with Russia now. Mr. Dewey does not suggest actual combat, but I believe that would be the direct result.

I shall not discuss this proposal, because I believe it is merely an extension of our present program. It merely presupposes that diplomacy will not do the trick, and that our sole hope lies in military measures.

Mr. Speaker, this brings me to a second set of serious decisions Congress must make. As I see it, no matter which way we move, no matter which of the three proposals for dealing with Russian aggression we adopt, we must mobilize to a greater extent than we at present find ourselves.

Even the Hoover-Taft-Kennedy proposal of tightening our perimeter, and depending largely on sea-air power, calls for manpower. Even if we do not maintain Ground Forces for offensive combat, we must have large numbers of ground troops to protect the advance bases. None of the proposals will do other than make heavy demands on our Treasury. Industrial capacity must be diverted to military production in greater proportion.

The die has been cast on taxes, but the end is not yet in sight. The die has been cast on controls over our economic life. In fact, the people have demanded faster action than has been displayed so far—and, firmer action.

The manpower decision is the one which Congress must make. This choice is going to be the most difficult of all. Our present draft program of 19-26 is not sufficient to meet manpower demands. It will not be sufficient to meet military manpower demands under any proposal yet submitted.

Congress must decide whether we shall take 18-year-olds, or whether we shall take veterans and fathers. Many of the veterans were called up when they were 18. If total mobilization becomes necessary, we must take all, and we shall have no choice.

Mr. Speaker, the decision I must make shall indeed require courage on my part. I believe this can be said of every Member of the House. I do not know, at this time, how I shall vote when the issue is drawn. I constantly think of the two alternatives. I read, I think, and I search for a third alternative. One which will meet the necessities of the crisis we face. I find none. No alternative which will relieve me of this distasteful decision. It must be "either-or." Either 18-year olds, or veterans and fathers. Which shall it be?

I do not want to draft 18-year-olds. Congress does not approve this course, but we may reluctantly authorize it. How easy it would be, Mr. Speaker, to say "No" to this proposal, and thus ease the minds and hearts of millions of American mothers. If we followed the dictates of our emotions, that would be the vote each of us would cast. It would be an easy way out; it might win votes.

Such a course would be beneficial, Mr. Speaker, if we did not have to meet manpower requirements from another source—this other source being veterans and fathers. A "Nay" vote to this alternate proposal would be easy also, and one we would make, if we followed our emotions. What a great relief this would be to millions of American mothers, whose sons served during World War II—many of them going to the colors at the age of 18. Again—what a great relief this would be to millions of American wives of these veterans with small children. Again, too, such a course might win votes.

But, Mr. Speaker, we cannot say "No" to both propositions. This would endanger the lives of every American, and indeed risk the homes and security of every American—mothers, wives, and children all. Our emotions must not guide our decisions.

We must take care that our decision on this matter, and all others, is not guided solely by pure, cold reasoning and logic. When America is governed by reasoning and logic, America will cease to be.

It is the fact that ours is a Government of people, whose decisions are tempered with warm emotion, and are subject to human frailties, which makes our democracy a living, vibrant force. All hope for the world would be lost if the lawmakers of this Nation could subvert their human emotions to cold logic. I find it impossible to accomplish such a subversion. I believe this to be true of all Members of the House. In approaching this or any other problem we must seek to achieve a careful balance between cold logic and warm emotion.

I know, Mr. Speaker, this body will courageously face this and other grave issues in the ensuing months. I know that decisions will be reached only after a collective soul searching—as great as any recorded in this country.

Finally, I know that whatever decision is reached, that decision will be supported 100 percent by all the people.

COMMITTEE ON PUBLIC WORKS

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Buildings and Grounds of the Committee on Public Works be permitted to sit during general debate this week during the sessions of the House.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

TO REQUIRE A YEA-AND-NAY VOTE ON ALL APPROPRIATION BILLS

Mr. ROGERS of Florida. Mr. Speaker, I am today reintroducing my resolution requiring a ye-a-and-nay vote on all appropriation bills passed by this House. I introduced this same resolution last year, but the Rules Committee never granted a rule for its consideration by the House. I have never introduced a bill that received more favorable response and aroused more public interest than I got from the introduction of this resolution.

There are 38 States in the Union that require a ye-a-and-nay vote on appropriations. There is no rhyme or reason why the Members of Congress should not be required to stand up and be counted in appropriating the taxpayers' money, irrespective for what purpose it may be appropriated. I know that our taxpayers desire to know how their Congressmen vote when it comes to spending their money. In the Eighty-first Congress, first session, we passed appropriations of \$29,000,000,000 in the House without a record vote, and the people cannot tell who voted for or against a single appropriation bill.

It appears that we will do away with the omnibus appropriation bill this year and will be called upon to pass a number of appropriation bills, and the requirement of a yea-and-nay vote could be the means of making each Member consider seriously his vote on each appropriation bill and possibly could be the means of bringing about some economy.

This is a period when we want to economize. I do not know whether or not this will bring about economy, but I believe it will have a tendency to do so. I think our constituents have a right to know how we vote on spending their money. I hope the Committee on Rules will grant a rule to bring this resolution up for consideration and give the membership an opportunity to work its will.

Mr. RANKIN. If the gentleman will yield, does the bill apply to the Senate?

Mr. ROGERS of Florida. This is a House resolution amending House rule XXI and applies to the House only. I am quite sure if the House sets this good example by passing this resolution, the Senate will follow. However, that is their business.

PERMISSION TO ADDRESS THE HOUSE

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

THE RAILROAD STRIKE SITUATION

Mr. ANDREWS. Mr. Speaker, in the armed services when a man faked illness he was branded a gold brick and usually wound up in the guardhouse. This illegal, wildcat, unpatriotic strike on the part of certain railroad employees is nauseating to the American people. My information is that many of those men who are now out on strike have been deferred by their draft boards solely because of the fact that they were engaged in an industry or occupation which was essential to the national defense. This strike is paralyzing the commercial life of our Nation and is impeding the war effort.

I am today introducing a bill which provides that the selective-service law be amended so that whenever any man who has been deferred because of occupation or employment for any reason stops working he must immediately report to his draft board and go into the Army of the United States. I hope I have the support of every Member of the Congress to see that this bill becomes law.

The SPEAKER. The time of the gentleman from Alabama has expired.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

OUR ARMED FORCES NEED SKILLED RAILROAD MEN

Mr. BARDEN. Mr. Speaker, we have a lot of fine boys in Korea. I understand

there is a possibility that they may run short of ammunition. We have a lot of fine, patriotic folks in this country who are being terribly handicapped in whatever war effort they are putting forth. Some time ago the House of Representatives and the Senate acted in a situation which was of great interest to the people. It was declared that there was a shortage of doctors in the Army and Navy. So, in the public interest, and the interest of national defense, and in the interest of our country which is at war, we passed a bill and singled those men out, and said, "You are specially trained to render special service to this country in this great emergency." And we drafted them. There has never been a time that I know of when this Nation needed some skilled trainmen and skilled engineers and trained railroad men more than we need them this morning. Are we going to rise to the occasion, or are we going to permit the war effort to lag behind, to the detriment of the country? Personally I cannot help but feel somewhat as a fine American wrote me this morning, and I quote:

When this country is at war the hands and minds of everyone able to move and think effectively should either voluntarily channel themselves or be involuntarily channeled into essential tasks in the Nation's defense.

The SPEAKER. The time of the gentleman from North Carolina has expired.

SPECIAL ORDER GRANTED

Mr. SUTTON asked and was given permission to address the House for 30 minutes tomorrow, following the legislative program and any special orders heretofore entered.

SPEAKER RAYBURN HONORED AT WHITE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include a transcript of the proceedings of the White House recently in honor of our distinguished Speaker.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, there was an extraordinary and historic event at the White House on January 30, 1951, when President Truman honored our Speaker, the Honorable SAM RAYBURN of Texas, on the occasion of Mr. RAYBURN's setting a new record for tenure of the Speakership.

At the President's invitation, there were many notables present, including Chief Justice Fred M. Vinson and Vice President Alben W. Barkley, both from the State of Kentucky, which had held the Speakership record through Henry Clay.

The majority leader of the House, Hon. JOHN W. MCCORMACK, of Massachusetts; the minority leader, Hon. JOSEPH W. MARTIN, Jr., also of Massachusetts, and former Speaker, and the Texas delegation, including Senators TOM CONNALLY and LYNDON JOHNSON, were present.

Mr. Truman also had as his special guests at the ceremony of presenting to the Speaker a gavel made of wood that had been placed in the White House in

1817, the Speaker's sister, Miss Lucinda Rayburn, and his brother, Dick Rayburn, both of Bonham, Tex., and his nephew, Robert Bartley.

The White House was kind enough to let me have a transcript of the proceedings on that occasion, as follows:

PRESIDENT TRUMAN. Mr. Speaker, Mr. Vice President, Mr. Chief Justice, I have a very pleasant duty to perform this morning, to congratulate the Speaker of the House of Representatives on having served longer as Speaker of the House than any other man in the history of this Republic and in order to show him that I feel very kindly to him, if he has to be shown that, I had a gavel made of wood from the White House that was used in 1817 to rebuild the White House after the British burned it. But this is to SAM RAYBURN who has served as Speaker of the House of Representatives longer than any man in the history of the Republic, with honor and devotion to his country, date January 30, 1951, and it is signed by the President. Mr. Speaker. [Applause.]

SPEAKER RAYBURN. Mr. President, to me this is a great occasion for many reasons; to be here in your presence and with you and to receive this presentation, evidence of your friendship and your trust. I appreciate every colleague of mine and every friend from the Hill, including the newspapermen and photographers and television people, whom sometimes I have a little trouble with. To everyone from the depth of a grateful heart I thank you. This is a great day to me. It means much to me. It means much to my family and to my friends back in Texas who have so long trusted me by voting for me and making me their representative. Here again, Mr. President, again I thank you most sincerely. [Applause.]

PRESIDENT TRUMAN. Mr. Speaker, it gives me great pleasure to present you with a gavel. This was made of wood that was used in the reconstruction of the White House in 1817.

SPEAKER RAYBURN. I shall treasure it all the days of my life.

PRESIDENT TRUMAN. I would like the Vice President to say a word.

VICE PRESIDENT BARKLEY. In 1824, President Monroe gave many a great reception in the White House here out of which this gavel came. Everybody wanted to attend one reception and everybody wanted to meet General Lafayette. Two men came to the reception unaccompanied and when they were presented to Lafayette he said to one of them, "Are you married?" He said, "Yes; I am married. I have a wife and three children." He said to the other one, "Are you married?" He said, "No, I am a bachelor." He said, "Lucky dog." [To Speaker] You are a lucky dog.

PRESIDENT TRUMAN. Chief Justice Vinson. Chief Justice Vinson. Mr. President, Mr. Speaker, I don't know whether I ought to be happy or not being a Kentuckian. We must concede that the record set by our great Henry Clay has been broken. I tell you it took a long time to do it and it took Texas and a great Texan to do it. [Applause.] I tell you the truth. Even though I am a Kentuckian I am happy that my good friend Sam Rayburn holds the all-time record for service as a Speaker of the House of Representatives, where he has performed a duty, where he has performed tasks, where he has been a great pacificator many, many times over. Clay you know was known as a great pacificator. He may have pacificated once or twice but this man RAYBURN has been pacificating for almost 40 years.

PRESIDENT TRUMAN. I would like to ask the former Speaker of the House and the minority leader to say a few words. Hon. JOE MARTIN.

Mr. MARTIN of Massachusetts. Mr. President, Speaker RAYBURN, friends of Speaker RAYBURN, it is with a little mingling that

I join in these ceremonies. I, unfortunately, held them up. They would have taken place 2 years previously but for me. Nevertheless, I am happy to come here and join in wishing my good friend of many years, SAM RAYBURN, every best of wishes. Mr. RAYBURN is a very great parliamentarian and a great American and I know I express the words of everyone who has come in association with him that we love him and honor him.

President TRUMAN (to Speaker). Do you want to thank these people for the kind words they said to you?

Speaker RAYBURN (banging gavel). I think, Mr. President, it is about time to bring the speaking to a close. But first I want to say thanks to my friend Fred Vinson who was my manager when I was elected Speaker of the House of Representatives and to my successor and predecessor JOE MARTIN for his kind words.

President TRUMAN. I think the majority leader ought to express his opinion.

Majority Leader McDONALD. Mr. President, Mr. Speaker RAYBURN, Chief Justice VINSON, the association between Speaker RAYBURN and I during his years as Speaker has been very, very close, not only on the personal level, but because of our relationship as Speaker, he as Speaker and I as majority leader of the House during the greater part of the period that Speaker RAYBURN has been Speaker. He may come from Texas, he might be termed a Texan, but in the hearts of all Americans, he is an outstanding American and one of the greatest men of this era.

President TRUMAN. This has been a great day for me. Way back in the early days I tried to get out of the way and let SAM RAYBURN be nominated for Vice President. I didn't have any luck and now I am privileged to present him with this memento of a long term of service. I have had no greater pleasure in any time I can remember.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

THE FEDERAL RESERVE BOARD'S CONTROVERSY WITH UNITED STATES TREASURY

Mr. PATMAN. Mr. Speaker, before any Member takes the side of the Federal Reserve Board in the controversy with the Treasury Department, I hope he seriously considers what the result will be here in the event the Federal Reserve Board should win in this contest.

During the past year the Federal Reserve Board has deliberately caused an increase in short-term paper up to 300 percent in interest. The Federal Reserve Board is now trying to greatly increase interest rates. We are paying, this year \$500,000,000 additional interest on our national debt by reason of the policies of the Open Markets Committee of the Federal Reserve Board, which the Federal Reserve Board is responsible for.

I certainly urge you to consider the fact that the Federal Reserve Board, if it should win—and I certainly hope it does not—will increase interest charges on our national debt from \$1,500,000,000 to \$2,000,000,000 by next year, and price control, I submit, should apply to banks and the Federal Reserve the same as to the people.

The SPEAKER. The time of the gentleman from Texas has expired.

REPUBLICAN ORGANIZATION WHIP SET-UP

Mr. ARENDS. I ask permission to extend my remarks at this point in the Record and include the organizational set-up of the Republican whip.

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

There was no objection.

(The matter referred to follows:)

Republican whip, LESLIE C. ARENDS, Illinois; deputy whip, RALPH A. GAMBLE, New York.

Eastern regional whip, W. STERLING COLE, New York—8 States, 58 members: Maine (3), New Hampshire (2), Vermont (1), Connecticut (4), Delaware (1), A. N. SABLAK, Massachusetts (2), W. H. EATON, New York (22), KATHARINE ST. GEORGE, New Jersey (9), T. MELLER HAND.

East central regional whip, HARRY MCGRACK, Ohio—6 States, 54 members: Pennsylvania (20), LEON H. GAVIN, Michigan (12), GEORGE DOMINICO, Ohio (15), HARRY MCGRACK, Maryland (3), Tennessee (2), Kentucky (2), J. GLENN BEALL.

Midwest regional whip, CHARLES B. HOFFMAN, Iowa—8 States, 56 members: Indiana (9), RALPH HARVEY, Illinois (18), C. W. BISHOP, Wisconsin (9), Minnesota (8), North Dakota (2), South Dakota (2), GLENN DAVIS, of Wisconsin; Iowa (8), Missouri (3), CHARLES B. HOFFMAN, Iowa.

Western regional whip, A. M. COLE, of Kansas—9 States, 39 members: Kansas (6), Colorado (2), Nebraska (4), Oklahoma (2), A. M. COLE of Kansas; Washington (4), Oregon (4), Montana (1), Idaho (2), Wyoming (1), WALTER NORHLAD, California (13), ALLAN HUNTER.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

THE RAILROAD STRIKE

Mr. HOFFMAN of Michigan. Mr. Speaker, in answer to the gentleman from North Carolina (Mr. BARDEN) as to what the House would do about the railroad strike, I am no prophet, but I probably know as much about future events as some fellows who talk over the radio, and my prediction is that we will not do anything about it. It is a simple problem, as has been said so many times before. These gentlemen, who are on strike, who are preventing the support of Armed Forces abroad, have that power and they have special privileges only because of legislation that the Congress has enacted. I would not want to vote to take away the right of any man to strike, but I would like very much to have an oppor-

tunity to vote upon a bill that has been before this House several times in years gone by which would deprive these union men of the special privileges which the House has granted them, when they misuse those privileges, when they interfere with national organizations, like the transportation system, or the telephone, light and water companies in such a way as to endanger the public. When they cut off those things which the people must have and interfere with the war effort, there is no reason why we should not take away the authority granted them and which has enabled them to do these unpatriotic things.

The SPEAKER. The time of the gentleman from Michigan has expired.

PERMISSION TO ADDRESS THE HOUSE

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

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

REPUBLICAN LEADERSHIP

Mr. BENDER. Mr. Speaker, the people of America are looking to the Republican Party for leadership today. They have lost confidence in this administration. If we were to hold an election today, the Republican Party would win an overwhelming victory.

Our people cannot understand how the strongest nation in the world has gotten itself so mixed up that it does not know whether it is afoot or on horseback. This is the time of the year when we remember two of our country's greatest heroes. They were men who stood for fixed principles. They knew what they had to do. The Republican Party knows what must be done today. We are not afraid of the Soviet Union. The administration is quaking in its boots in fear of Russia. That is the key to its whole policy—fear. Let us make the situation clear. Our people abhor war, but if any nation drives us into war, we are not going to sell America short. This should be our position—America is strong. The Republican Party will make it still stronger. We shall make America impregnable. Our party today stands for the biggest, most modern air force in the world. We want the aircraft carriers the administration vetoed not so long ago. We want the Marine Corps which this administration called a police force. When we have these things, the Soviet Union will know that America means business. When this is known, we shall have peace.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

PRICE STABILIZATION

Mr. EDWIN ARTHUR HALL. Mr. Speaker, along with everybody else in

this House, I voted to create the Office of Price Stabilization. I was shocked last night when I heard Drew Pearson say that the only thing which kept this Office from rolling back prices was a phone call which supposedly came from a powerful industrialist.

I make the statement here that the Office of Price Stabilization should not be guided in its decisions by telephone calls either from industrialists or labor leaders, or any other highly placed individuals, except the rank and file of the people of the United States. For that reason I believe that the statement made by Mr. Pearson should be looked into and investigated. If things like that are going on, they should report the information for the welfare of the people of the United States.

To freeze prices at levels they are today would be a drastic mistake, although it would be better than to let them go unchecked.

The real way to give the people their money's worth of a costly price-administration program is to roll back price levels to 1939.

I said prices, not wages. And I mean food prices at retail, not on the farm. I also refer to all the other items which go to make up the average consumer's needs.

Roll them back to 1939, leave wages high, and let us get down to the serious business of shouldering our responsibilities in the current crisis.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

FOOD PRICES

Mr. JAVITS. Mr. Speaker, a particular note of unrealism exists in the whole wage-price freeze in that due to section 402, paragraph (1), subsection (d), of the Defense Production Act of 1950 the price freeze does not apply to many agricultural commodities selling below 100 percent of parity. Wheat and corn are excluded as selling under 100 percent of parity, while cotton, beef, veal, and lamb are selling far above parity and are included. I have introduced a bill, H. R. 1778, to correct this situation and to provide that the 100 percent parity price standard should give way to the actual support-price standard, thus making the freeze immediately applicable.

Though retail products like bread are frozen in price, the fact that the basic ingredient is permitted to rise further inevitably results in exceptions for these end items, and the freeze order makes such exceptions, or they would soon disappear from the retail shops. Undoubtedly there are certain middlemen and processors making hay out of the situation; the way to fix attention on them and get that corrected is to cure the obvious defect in the law as it relates to the freezing of prices of farm prod-

ucts at the farm. The same is true regarding the point made—of such great importance to all of us—that a small proportion of farmers—those who need it least—are collecting most of the Government-support money on agricultural commodities. A thorough investigation is needed on both matters.

The problem raised by section 402 of the Defense Production Act is fundamental to the relations between the people in the cities and the people on the farm. Food represents 40 percent of the normal family budget and city consumers just cannot understand why it continues to far outstrip the rise in the BLS Consumer's Price Index generally an increase for example to a record of 230.5 for foods as of January 15, 1951, on the 1935-1939 average as 100, and an increase of over 5 percent from November 15 alone, against 178.4 in the BLS index for all items—as of December 15, 1950, last available date. Is it not time to ask whether those who believe they are protecting the farmer are straining the situation to a point where it may prove to be impossible to maintain proper and advisable floors under farm prices—which I am for—because consideration of the consumers' needs have seemingly not been given enough weight at this time.

In view of the statements of the leaders of the great farm organizations, city people question, too, whether the rank and file of the farm people themselves want this super-maximum protection. Perhaps they are themselves caught in the squeeze of being the beneficiaries of something they know ultimately to be against their best interests as it is not in the national interest in the present situation. Certainly the Banking and Currency Committee ought to look into this situation without delay as I am sure it would if the administration gave the lead on it.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

KOREAN CONFLICT AND PETTY POLITICS

Mr. TACKETT. Mr. Speaker, it is regrettable that our serious predicament in Korea is being used by a few within the minority party of this Congress for the selfish purpose of fostering their own individual political ambitions; while, in effect, such criticism is serving only to disunite our people at a time when unity is essential. They appear daily upon the floor of this House to arbitrarily denounce every personal, business, or political activity of the leader of the majority party. They gleefully speak with vim, vigor, and vitality of our unsuccessful military efforts; and one is impressed by their happiness to report disaster to our Armed Forces.

The absence of the I-told-you-so approach in these daily words of criticism

is distinctly obvious and glaringly noticeable. They have failed to offer any constructive approach and would just as vigorously be criticizing any other course that might have been followed. These critics were not heard at the time denouncing the idea of defending South Korea, or even crossing the thirty-eighth parallel; but to the contrary, most of them were openly insistent that we defend South Korea and were critical of hesitancy to cross the thirty-eighth parallel. Most of these same Members have been rolling ever since I have been in Congress for us to tie up with Chiang Kai-shek in order that we could more quickly find ourselves in military conflict within Asia.

The minority party has always taken great pride in referring to the foreign spending program as a bipartisan matter; in fact, the Marshall plan was the brain child of the Republican Eightieth Congress. They have strongly insisted upon infiltrating with our wealth in an effort to buy with money that which Russia is attempting to take with force. They should not now be surprised to find the results of their so-called bipartisan efforts to stick the nose of the United States into the business of every other country, resulting in the warfare that has continuously been predicted by a few of us who have attempted to put country above petty politics.

The hindsight of an illiterate is usually more reliable than the foresight of an intellectual. It is a simple political maneuver to criticize the activities of an opponent without mentioning the critic's predictions at the involved time. One of this group has just announced to this House that the minority will get together tonight at the Uline Arena for the purpose of criticizing our situation in Korea. I am just wondering how much time will be devoted at this party to criticizing mistakes made by General MacArthur, the pride of the minority party.

Considering the over-all foreign situation, none of us can now look upon the Korean conflict as the proper solution for difficulties in the Far East. It must be conceded that our military and executive leaders guessed wrong; but it is unknown whether any now criticizing the movement would have acted to the contrary. Most of us are good "Monday morning quarterbacks" who might have called the same plays we later criticize had we been dealing with a like situation under similar circumstances.

We now know that perhaps the immediate cause of our country's becoming entangled in the Korean conflict at the time was due to a sudden reversal of our policy concerning Korea. Knowing Communist philosophy and ulterior motives as we do, I doubt that a different policy would have definitely precluded similar conflict at some place within that area. All of us now know that a definite and ironclad decision should have been made on the proposition of whether South Korea was vital to our defense and should or should not be defended. These factors were questionable within all ranks, and no doubt the indecisions

which culminated in a couple of complete reversals of policy hastened the conflict in Korea. These were mistakes to which all are susceptible. It is difficult to find a present-day critic of the Korean affair who suggested at the time that we not enter Korea. It is still debatable whether we should have crossed the thirty-eighth parallel when it was reached. Some of our military leaders contend that such act was detrimental to our welfare there, and even to our internal security; while other such experts contend that we would have found ourselves in the same critical situation had our forces not crossed the thirty-eighth parallel. Of course, all the answers now available to questions concerning our difficulties in the Korean conflict would be in reverse and the picture there would be quite different, but for the fear of so concentrating our efforts in that campaign as to weaken our defense on more vital fronts.

Therefore, our position in Korea is similar to one man wearing boxing gloves fighting 10 men armed with knuckles—we are restrained to a limited warfare while the Communist opposition has no limitations. We are fighting a war while not being permitted to fight a war. Our appeasement policy precludes us from bombing the enemy's vital production facilities within China and Manchuria, while our enemy is in no wise restricted concerning our defense supplies.

Because of restraining policies, we refuse to use millions of Chinese Nationalists who are anxious to combat communism upon the theory—which is possibly justifiable—that we cannot afford to aggravate and antagonize the Chinese upon the mainland for fear that we would find our defenses divided, a part in the East, a part in Western Europe, and a part in Alaska, should Russia take advantage of our divided situation. Under such restrictions, our possibilities for a successful conclusion are doubtful; and it would not take a military tactician to know that if such is to be our continued rules for warfare in that area, we should immediately evacuate Korea. If it be decided that we continue the fight in Korea, certainly we should not be restricted to our warfare if we expect a successful conclusion to that conflict.

Those believing contrary to my thinking will suggest that our leaving Korea will injure our prestige and that, actually, we are merely assisting and should continue our efforts on behalf of the United Nations. Well, I do not go for that face-saving stuff when young American manhood is involved in a lost cause; and even though I am a strong advocate of the United Nations as an eventual international agency for lasting peace, it so happens that 95 percent of the efforts in Korea are by the young men of the United States of America. We have lost other battles without losing face or disgracing ourselves, and can leave Korea in pride for having gone all out in the defense of democracy, and to save a division of our forces at a time when areas more vital to our defense are in peril.

We must gain and maintain additional dependable allies, never forsaking them or thinking of withdrawing our defenses

to the borders of this country; and, we should never forget those who furnished us a place to fight and assisted us to defeat our enemies during World Wars I and II, precluding conflict from our homeland, preventing the destruction of our material possessions, and prohibiting the suffering of our families.

There is no doubt in my mind but that we can defeat our Communist enemies in Korea, or the whole of Asia, in a short time and with a minimum of casualties, provided an all-out warfare in that area be determined feasible and justifiable in face of Communist threats adverse to our security elsewhere. We must depend upon our military leaders for this vital decision.

Whether we are in accord with all foreign policy activities in the past, the world crisis today has passed the point where academic and rhetorical discussion is in order. Common sense and practical action, uninfluenced by political considerations, party alignment, political indebtedness, or personal ambition, should be our foremost objective. Political demagoguery has no place in our decisions; the welfare of our country should be uppermost in our minds—even above true party alliance and devotion.

To daily publicly denounce proven mistakes that you might have made had the decision been yours to make in no wise contributes to the security of our democracy and to the settlement of the world crisis. This arbitrary criticism has even reached the infamous stage of suggesting the impeachment of the leader selected by the people of the United States. This is just another underhanded method of promoting discord to the detriment of our people. None of these critics suggests that the President is guilty of any of the crimes upon which he might be impeached constitutionally; they do not even intimate that mistakes or errors constitute impeachable grounds, and I am not acquainted with any person—including all the arbitrary critics to whom I have referred—who are free from susceptibility to mistakes and errors. Any of us can justifiably find fault with and strenuously debate policies, philosophies, and advocacies of most any person; but to prominently promulgate the congregated activities with which we do not agree without taking into consideration activities with which we are in accord, is to dissimilate the true picture and fail to properly evaluate the advisability of such actions.

The people elected our President in 1948; he is the same man with like ability as when elected. We knew him then as we know him now. To suggest his impeachment upon the advance complaints is to suggest an impeachment of the people's rights. Even though I am not in accord with many of the policies and philosophies of our leader, I could not and I would not, even if he were a Republican, suggest his removal from office merely because he is not in full accord with my beliefs or because he may have been in error. No doubt a few in high-ranking positions with the present administration have considerably dampened the popularity of our leader. They

are burdensome to the administration, and I wish they were not so connected; but to remove them at this time is impractical and could well lead to defeat on the diplomatic front.

There is nothing more honorable than the admission of blunder and bungle. No doubt I have made a lot of them, but I am, indeed, grateful for my willingness to admit and acknowledge a cognizable error or mistake; and I am thankful that my Good Maker endowed me with the ability to realize that only constructive action, rather than arbitrary criticism, serves to benefit mankind.

In order to further promote discord, disunity, and lack of confidence in our leadership, some of these critics would have the world believe that there is a Communist behind every bush in this country awaiting his time to practice his beliefs, which is no less than encouraging Communist Russia to feel that a majority of the people in this country are communistically inclined and want liberation at the hands of Russia. No doubt there are a few Communists in this country, but it would be known to any intelligent person that those few people know nothing about the principles of democracy or they would not be followers of such a wild-eyed, fairy-tale, utopian idea.

Believers in democracy need not worry half so much about the people throughout the world knowing the ideologies of communism as Russia needs worry about their knowing the true democratic principles which have made these United States into the greatest nation on the face of the globe. Our systems are in no wise comparable, as different as night and day; and there is no question which system would be selected by those who know both systems of government.

I have daily listened to these arbitrary critics and have never heard one of them utter a constructive suggestion; they just criticize and don't seem to know which one of their fellow party members to follow. All are divided on the Korean conflict as well as everything else; just anything to be arbitrary. Some advocate the Taft doctrine, which is a doctrine of indifference even to the extent of suggesting the draft of 18½-year-old boys rather than the draft of 18- or 19-year-olds—just anything to be different. Others are for the Wherry philosophy, which is just a couple of words different to the Taft doctrine. Still others are stringing along with me-too Dewey; and, too, others are preaching the praises of Hoover whose theories, ideologies, philosophies, and policies once led this Government into its most despicable dilemma.

My short experience in this Congress convinces me that there is no lack of intelligence in this legislative body, but it is regrettable that many of the Members do not exhibit more individual courage and place their Government above petty party politics; follow the wishes of their people and the dictates of their conscience rather than act as pollyparrots to a few so-called party leaders.

COMMITTEE ON THE JUDICIARY

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 55, Rept. No. 24).

which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on the Judiciary acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (1) of the Rules of the House of Representatives, and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpoenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

PERMISSION TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

CREDIT AND INTEREST RATES

Mr. CRAWFORD. Mr. Speaker, the gentleman from Texas [Mr. PATMAN] has raised the issue found between the Treasury and the Board of Governors of the Federal Reserve System. Far too long this country and its people have been subjected to the feud which has been running between the Secretary of the Treasury, the White House, and the Board of Governors of the Federal Reserve System.

The gentleman from Texas has cautioned us on taking a position. I hope to use my 20-minute special order today discussing this very question.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. RICHARDS. Mr. Speaker, as acting chairman of the Committee on Foreign Affairs, I wish to announce a new departure and experiment in committee procedure which I hope will further legislative participation in the formulation of United States foreign policy. This new procedure has been agreed upon after consultation with Chairman Kest, who is temporarily absent for a routine physical check up, and careful study by the committee.

The Foreign Affairs Committee has unanimously approved this plan and has voted to call in the authors of all bills referred to the committee and give them an opportunity to speak for 15 minutes on behalf of their proposals. Most of these bills and resolutions touch on some phase of the foreign policy of the United States. Special hearings for this purpose will begin Tuesday, February 6, and run through Thursday, with additional meetings to follow later.

This will give Members of Congress an opportunity to be heard before the committee's legislative schedule is made up for the session. Balled down to its essentials, it means that the thinking of Members of Congress will be weighed and their reasons for sponsoring bills taken into consideration before establishing priority of committee action.

Members of the committee have long been conscious of a growing need for more adequate presentation and consideration of the general legislative viewpoint. The area of legislation coming before the Foreign Affairs Committee has a peculiar relationship to the power of the Executive that does not exist with any other legislative committee. It is clearly the function of the Executive to proclaim and conduct the foreign policy of the United States. It is the function of the legislative to implement this policy when considered advisable or necessary.

In recent years the State Department has established the growing and happy custom of conferring with the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate before, and not after, formulating proposals for legislative action to implement foreign policy. In other words, the legislative is now to some extent being taken into the confidence of the Executive in foreign-policy matters.

Now we propose, in view of the critical international situation and the acute interest of every Member of the House in foreign affairs, to go one step further and bring the membership of the House closer to the Foreign Affairs Committee and its problems before, and not after, we begin to formulate the momentous legislation effecting foreign policy that we are bound to consider in our committee during this session.

Formerly the usual practice has been to receive views of Members of Congress only after regular hearings commenced. Along with witnesses from the executive branch, or private life, they presented their testimony, for or against bills. There was a significant difference, however, in the relative positions of congressional and executive committee witnesses. On most major bills, the hearings had been scheduled at the request, direct or indirect, of the executive branch and some Members of Congress have felt that the stew had already been seasoned and cooked before they were invited to partake of the repast.

The new procedure will put consideration of legislative views of the rank and file of the House on foreign-policy questions on a more equitable basis by assuring their study before firming up the order in which bills will be listed for regular legislative hearings. A lot of

Members of Congress have come up with some pretty good ideas which have been very helpful in the past and we want to make sure that in the pressure of work we do not miss any good bets by not hearing from all the Members who have sponsored foreign-affairs legislation.

A glance at the work record of the committee would show how the need has increased for a new method of screening bills. In past years it was possible for the committee to give full attention to bills sponsored by the executive branch and still have plenty of time left over for hearing Members who requested to be heard on measures of their own sponsoring.

However, during the Eighty-first Congress the Foreign Affairs Committee was almost continuously occupied, holding 273 meetings on 115 of the 405 bills referred to it, and hearing 659 witnesses in the process. Although as much time as possible was devoted to congressionally sponsored legislation, the committee was so busy with many urgent and major measures sponsored by the executive branch that the need became more and more evident for a system that would provide the fairest and most efficient possible method of pre-schedule screening. It had not even been possible to give consideration to all of the administration-sponsored proposals because of various factors relating to timing, relative degree of urgency, and so forth.

The Eighty-second Congress is little over a month old. Already 80 bills and resolutions have been referred to the committee. They embrace over 40 different subjects and cover practically all phases of the critical problems that face the world today. Included are questions involving use of atomic weapons, our membership in the United Nations, the situation in the Far East, disarmament, communism, assistance to other countries, both military and economic, and even international efforts to discover a cancer cure.

PAYMENT OF INTEREST ON SERIES E SAVINGS BONDS

Mr. BOUGHTON, from the Committee on Ways and Means, reported the bill (H. R. 2268) to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes (Rept. No. 25), which was referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

[Mr. RANKIN addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the

House for 1 minute and to revise and extend my remarks.

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

There was no objection.

WE ARE TOO CLOSE TO DICTATORSHIP

Mr. McDONOUGH. Mr. Speaker, I was interested in the remarks recently made by the gentleman from Arkansas concerning the opposition party holding a meeting in Washington and criticizing the party in power. Now, that is just too bad, is it not?

If the situation ever develops in this Nation when the opposition party cannot complain about the party in power, God help the Nation. I know the gentleman does not represent and he is not expressing the views of the majority of his party. Certainly it is a matter of general debate across the Nation as to the Korean crisis, the Korea War, the Korean police action, or whatever you wish to call it.

I doubt if that is going to be the predominant note at the Republican meeting to be held at Uline Auditorium this evening. I do not like the majority party crying when they are in power about the opposition party saying anything against what the majority party may be doing because, God knows, this country will never advance or progress if such condition is ever brought about in this Nation. We are too close to dictatorship in this country right now. What do the Democrats want? Do they want the right to do as they please without opposition from any source. When the party in power cannot stand opposition or criticism there must be something radically wrong in the administration that should be revealed and brought to the attention of the public.

I, for one, shall never yield my right to speak out and criticize the faults of the party in power when I think they are wrong and to suggest, recommend, and propose improvements in the administration of the Government in the best interests of the public welfare. That is what the people of my district sent me here to do.

SPECIAL ORDER GRANTED

Mr. WOOD of Idaho asked and was given permission to address the House for 30 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

PREPAREDNESS

Mr. GAVIN. Mr. Speaker, I just listened to my very good and able friend, the gentleman from Arkansas (Mr. TACKER), asking why and what we would do about Korea. I might say to the distinguished gentleman from Arkansas that we never had an opportu-

nity to determine what we would do about Korea.

I would like to ask my distinguished friend what his party did when we, in the Committee on Armed Services, recommended a national defense program of \$17,000,000,000 and the administration cut it back to \$14,000,000,000? At that time they were going to take off a little of the fat and none of the muscle. But when the administration got through with it, they not only had taken off the fat and the muscle but severed a couple of main arteries as well and the patient—the national defense program—almost expired.

I might ask the gentleman from Arkansas why something was not done about national defense at that time. I do not recall hearing any protest. It was a great program of a great American, Secretary of Defense Forrestal.

That great and able Secretary of Defense was retired; the 70 air group was cut back to 48; they moth-balled the fleet; canceled the carrier; fired Admiral Denfeld; cut back the ground forces; cut back the Navy Air; and skeletonized the Marine Corps; all of which scuttled the defense program.

We were then precipitated into the Korean situation totally unprepared and our boys were rushed to Korea to fight tanks with carbines. Why does not the distinguished gentleman from Arkansas comment about that?

The Committee on Armed Services prepared a very comprehensive program of national defense to give this Nation strength to meet any demands that might have been made upon us; and had this program gone through as was authorized by the Congress, we might not have had a Korea.

The gentleman asked what we did. Well, I might say the Committee on Armed Services did their part. However, no action was taken by the administration on the defense program. That is the reason we found ourselves in a desperate position when the Korean situation broke.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

STAYING ON THE JOB

Mr. COLE of New York. Mr. Speaker, it seems to be the order of the day today to criticize and complain about people not doing their full job during this emergency, and it occurs to me that perhaps we, who are connected with the Government, are somewhat guilty in that respect. I am becoming a little impatient every Saturday morning to come to my office and find, in connection with these innumerable problems that the people are sending to us and asking for help, that every time we call up some department or agency very rarely is a person on the job. It makes us wonder just how important this national effort is. It seems to me that the Government itself,

especially the administration, could do well by setting an example and have its people on the job some time between Friday afternoon at 5 o'clock and Monday morning at 9 o'clock. Full speed in defense production cannot be had by taking the week end off for pleasure—either by industry or Government.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

AUTOMOBILE TAX

Mr. DONDERO. Mr. Speaker, I was rather shocked a few minutes ago to pick up the Washington News and find that in the headline today there is a proposal by the Secretary of the Treasury to impose another 20-percent tax on automobiles. Part of the economy, a very large part of the economy of this country, is represented by automobiles. They are no longer a luxury. They are an absolute necessity, and our national defense depends a great deal upon the use of trucks and automobiles in the moving of goods and men and women to their places of employment. I have in mind thousands of men residing in my State, and they also reside in your State, who are employed not only in the actual making of the automobiles in the factories, but in the preparation of material that goes into those automobiles. I know of one firm in the city of Detroit making automobiles that has 7,000 contributors in the way of small corporations in every State of the Union.

If automobiles become too expensive to buy, there will be no work for those who now make them and our economy would be injured by the loss of a vast amount of tax money now being poured into the Treasury through this source. This loss of revenue would impose a greater burden upon the Government than could possibly be offset by imposing another tax upon a commodity already paying more than its just share. Such a tax would injure our economy rather than help it.

PERMISSION TO ADDRESS THE HOUSE

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

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

There was no objection.

THE RAILROAD STRIKE

Mr. COX. Mr. Speaker, I am wondering if this Congress has the courage, the patriotism, and the decency to deal effectively with the railroad worker now treasonably on strike against our soldiers who are fighting, bleeding, and dying in Korea.

JERE COOPER, JR.

Mr. RANKIN. Mr. Speaker, I have just received the sad news that one of our distinguished colleagues, the gentle-

man from Tennessee (Mr. COOPER), has lost his only son, Jere Cooper, Jr., who passed away rather suddenly at his home in Tennessee on yesterday.

He was one of the finest little fellows I have ever known. His untimely death was a great shock to all who knew him.

I ask unanimous consent that the House extend to Mr. Cooper our heartfelt sympathies in his great bereavement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. DOLLIVER asked and was given permission to extend his remarks and include a newspaper statement showing that the profits of the farmer are less now than on most items in 1947.

Mr. BURDICK asked and was given permission to extend his remarks.

Mr. HILLINGS asked and was given permission to extend his remarks and include an editorial appearing in the Washington Star of Sunday, February 4, concerning appointments being made by the Office of Price Administration.

Mr. TALLE asked and was given permission to extend his remarks and include a letter written by the chairman of the Recreation Board, District of Columbia.

Mr. MCGREGOR asked and was given permission to extend his remarks.

Mr. HARVEY asked and was given permission to extend his remarks and include an editorial.

Mr. PROUTY asked and was given permission to extend his remarks and include an address by the Honorable W. Arthur Simpson, commissioner of social welfare, State of Vermont.

Mrs. ST. GEORGE. Mr. Speaker, on Friday of last week I included a list of sponsors of House Joint Resolution 52 in the Record. I ask unanimous consent to include the name of my colleague, the Honorable WILLIAM H. BATES, of Massachusetts, in the list of sponsors to be printed in the permanent Record.

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

There was no objection.

Mr. HOPE asked and was given permission to extend his remarks and include a press release.

Mr. MERROW asked and was given permission to extend his remarks and include an editorial.

Mr. LANHAM asked and was given permission to extend his remarks and include an editorial.

Mr. PASSMAN asked and was given permission to extend his remarks and include a newspaper article.

Mr. FERNANDEZ asked and was given permission to extend his remarks and include three short articles from the Washington Post.

Mr. STEED asked and was given permission to extend his remarks and include a newspaper article.

Mr. THOMPSON of Texas asked and was given permission to extend his remarks and include extraneous matter.

Mr. MANSFIELD asked and was given permission to extend his remarks on the awarding of the Congressional Medal of Honor to Col. Justice M. Chambers, and

to include with it the citation read by the President of the United States.

Mr. YORTY asked and was given permission to extend his remarks and include a newspaper article.

Mr. EVINS asked and was given permission to extend his remarks and include an editorial from the Christian Science Monitor.

Mr. JONES of Alabama asked and was given permission to extend his remarks and include a report.

Mr. JUDD asked and was given permission to extend his remarks in three instances, and in each include extraneous matter.

Mr. HORAN asked and was given permission to extend his remarks in two instances, and in each include extraneous matter.

Mr. McDONOUGH asked and was given permission to extend his remarks and include an article by Judge Joseph L. Call, of the municipal bench of Los Angeles, Calif.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include an editorial.

Mr. COLMER asked and was given permission to extend his remarks and include a brief statement.

Mr. THORNBERRY asked and was given permission to extend his remarks and include a letter.

Mr. PATTERSON asked and was given permission to extend his remarks and include a letter.

Mr. VURSELL asked and was given permission to include with the remarks he previously made a bill to which he referred.

Mr. ANGELL asked and was given permission to extend his remarks and include excerpts.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 30 minutes.

ST. LAWRENCE WATERWAY AND HYDROELECTRIC PROJECT

Mr. FLOOD. Mr. Speaker, I had thought it was axiomatic that we cannot have our butter and our guns too. Yet that is exactly what is proposed in the President's recommendation for the proposed St. Lawrence waterway-hydroelectric project. At a time when we are faced with perhaps the greatest crisis ever to confront this country, at a time when our young men are being taken from their homes and their schools, at a time when record-breaking taxes are to be imposed upon the people, we are asked to embark upon this fantastic undertaking whose ultimate costs, you can rest assured, will total more than a billion dollars; which would require the diversion of materials and labor so badly needed for defense, and which, if the claims of its proponents even approximate the truth, would bring about an economic dislocation to a great part of our country. I say it is preposterous.

Mr. Speaker, long before I came to Congress, long before most of my colleagues came, this project was being agitated. Until a few years ago, the agitation for this project was largely

confined to a relatively few civic boosters, with more civic enthusiasm than logic or economic sense, who dreamed of making ocean ports of the Great Lakes ports. In their enthusiasm they even visualized the *Queen Mary* docking at Duluth.

In those days it was sought to arouse the interest of Midwest farmers with arguments that they could ship their wheat abroad more cheaply. An even earlier argument was that bananas from Latin America would be delivered to midwestern markets more cheaply. As regards wheat the argument was that Liverpool controlled the world market, that it even influenced the price which the farmer received here at home. There is no evidence that the Midwest farmers were ever greatly aroused although some farm organizations have given perfunctory support to the project down through the years.

Well, the wheat argument is now out. No one contends any more that Liverpool controls any markets, and the fact is that the amount of wheat which the farmers can ship abroad and the price they receive is now fixed by international agreement.

In more recent years the moving argument for the waterway is that it is essential to national defense. We have successfully fought two world wars without it but nevertheless it is now brought forward as essential to the present emergency. Yet it would take 7 years to build it and when constructed would be ice-bound 5 months of the year.

Mr. Speaker, I do not think it is generally understood that there is at present a 14-foot waterway in the St. Lawrence which permits smaller foreign vessels, mostly Scandinavian, South American, and Russian, to come into Great Lakes ports—Cleveland, Detroit, Toledo, Chicago, and so forth. This waterway has a capacity of some 15,000,000 tons a year. With a relatively small expenditure, this capacity could be increased several million additional tons. Yet the highest tonnage ever handled was 9,500,000, and this figure dropped in 1948 and 1949 to 7,500,000 tons, although I understand the figure for last year is back up in the neighborhood of 9,000,000 tons. So it is proposed to build another and deeper waterway of 27 feet depth. I want to say in passing that when the New York State barge canal was being agitated it was claimed it would handle 25,000,000 tons a year. The largest it has ever handled is 5,000,000 tons.

The propaganda of the proponents has long been that just a little bottleneck in the International Rapids of the St. Lawrence River, just about 50 miles long, is all that prevents the Great Lakes ports from becoming a New York, a Boston, a Baltimore, a Philadelphia or a New Orleans, and is a blow at the democratic processes—that a few "selfish interests" on the Atlantic seaboard will not permit this little obstruction to be removed.

Mr. Speaker, every port on the Great Lakes is an additional bottleneck in that there is not one with a harbor depth sufficient to accommodate the shipping which a 27-foot waterway depth that is

proposed would invite. Millions of additional dollars would have to be spent at every one of these ports using the new waterway in the deepening of entrance channels, harbors, slips, and the like.

Then what would be accomplished? The American merchant marine on which we have spent \$19,000,000,000 would have been given a stab in the back. Larger foreign, cheaply manned vessels would be able to use this depth than those which now use the 14-foot waterway, but less than 2 percent of American-flag tonnage, because of the size of American-flag ships—and the trend, for economic reasons, is toward still larger ones—would be able economically to use the 23-foot depth.

These statements, Mr. Speaker, are not subject to dispute. They are substantiated by Secretary of Commerce Sawyer, by General Fleming, head of the Maritime Administration. The late Secretary of Defense James Forrestal, in endorsing the project, nevertheless pointed to its limited use by American-flag vessels. Naturally I am referring to loaded vessels.

It is contended, however, that the proportion of American-flag ships that could use the waterway would be considerably enlarged if they carried only part loads. That, I submit, is a splendid proposition to put up to our American ship operators. They are having their troubles enough to compete with foreign shipping for world commerce because of their higher costs of operation, and no doubt vessels are frequently moved with part loads. This is manifestly not a desirable situation and certainly a situation becomes impossible, when a part load becomes a capacity load and they have to scramble to fill even that.

This is the reason why 30 of this country's leading ocean-going operators have testified they could not use the waterway and are vigorously opposed to it.

Then, Mr. Speaker, for whom are we being asked to build the waterway? Is there any question in anybody's mind that if the waterway would be profitably available to American ship operators, they would be for it?

What is being proposed is that after the taxpayers of this country have put up \$19,000,000,000 to develop and maintain an American merchant marine, we throw them to the mercy for 7 months in the year—the waterway would be ice-bound for the five other months in the year—of cheaply manned, lower operating cost foreign vessels. It costs an American-flag vessel at least \$500 a day more to operate than a comparable foreign vessel.

Mr. Speaker, our merchant marine depends to an inestimable extent upon the commerce that moves from the Midwest down to the Atlantic seaboard and Gulf coast for reshipment abroad. Is it conceivable that we want to wreck this set-up?

Now, Mr. Speaker, I frankly do not know, and neither does anyone else know, to just what extent these smaller and more leisurely moving foreign vessels would come into the Great Lakes. I doubt there would be many more than come in now. It is not an inviting propo-

sition even to foreign vessels because it would take about 18 days to make a round trip between Quebec and Duluth or about 17 days between Quebec and Chicago. Thus it would take any sizable vessel longer to make either of these trips than it would to cross the ocean.

Mr. Paul M. Zels, of the Department of Commerce, in his report on "potential" traffic for the waterway, issued in 1948, estimates this "potential" traffic at from fifty-seven to eighty-five million tons annually. He does not say this amount of tonnage would be handled; indeed, he admits that the locks in the Welland Canal would have to be duplicated to handle this amount. But he is charged with showing that enough tolls would be available to make the project self-liquidating. More realistic previous estimates of tonnage that would be handled were 25,000,000 tons, or roughly 16,000,000 more than is now handled.

But interestingly enough, Mr. Zels and more practical proponents of the waterway do not visualize any great fleet of ocean-going vessels, foreign or any kind, moving between Great Lakes ports and Europe. What they have in mind is that cargoes moving from the Great Lakes would be transshipped at Montreal instead of at Buffalo and other United States transshipping points as is now the case. What a project for the United States Congress to authorize and appropriate for.

Now, Mr. Speaker, I have dealt with this proposition as it was originally justified, and as it has been justified until here recently. A new angle has been added. To the ranks of the civic boosters who have primarily visualized the waterway as making it possible for citizens of Duluth, Detroit, and others, to go down to the wharves on Sunday and see European vessels, have been added a small but very influential and financially well heeled steel operators. Six of the smaller Midwest steel companies, vociferous private enterprisers and vigorous opponents of the waterway in the past, have invested in the Labrador-Quebec ore project. So this subsidized project, because no serious student of the subject thinks it would, in fact, be self-liquidating, becomes essential to national defense.

These gentlemen have hooted in the past at the promise of moving the Atlantic seaboard to the Midwest and they chuckle privately over such a dream even now. But they have a justification of their own.

It is, and they have just come to belated realization, coincident with their investments in Labrador-Quebec, that the waterway would extend the Great Lakes system to Montreal, not to Europe, just to Montreal. And above Montreal, on the Bay of St. Lawrence, is a place called Seven Islands which is to be the port for their ore which they are to bring down from the Canadian wilderness over a 360-mile railroad that must be constructed through tunnels, up and down grade and over about as barren ground as you can imagine. So if the taxpayers will just build the waterway and extend the Great Lakes system

to Montreal they will be in a better competitive position with their ore at the Midwest steel centers.

This, I insist, Mr. Speaker, is a cost problem of theirs, not a matter of national defense or of national importance.

The situation in regard to this country's ore supply is this:

For several years steel producers have been looking around for foreign sources of high-grade ores to supplement, not replace, the lower grade ores of the Lake Superior area which are being developed to serve as the new ore of this fabulous area now that its high-grade ores are running out. I want to emphasize that these Lake Superior ores are still to be the steel industry's main reliance. Foreign supplies from all sources foreseeable in the next 20 years are less than one-third of what the industry's needs are expected to be at that time.

Of the three main foreign sources which American steel operators are working, Labrador-Quebec is only one and its promoters promise to bring in 10,000,000 tons annually in 1955. The other two sources are the Bethlehem and United States Steel operations in Venezuela, and that of Inland Steel and the Cyrus S. Eaton enterprises at Steep Rock, Ontario, only 140 miles from Port Arthur on Lake Ontario. Of equal importance, the Labrador-Quebec project is the only one of the three whose promoters would be helped by the waterway. Bear in mind there is no question of this ore coming in; its promoters have said that without the waterway, it will be brought to Midwest steel centers on presently available transportation facilities on favorable competitive terms. Manifestly, if this ore is so essential to our national well-being, its promoters would not have a worry about competitive terms.

I would like to point out, Mr. Speaker, that three of the steel companies asking for this subsidized waterway, have low-grade or taconite ore deposits in the Lake Superior area and their representatives have been down here negotiating with the RPC for a loan with which to develop them. It strikes me that this group of private enterprisers are becoming mightily dependent upon the Government, yet I have heard expressions of fear in the steel industry that the so-called bureaucrats are trying to move in on that industry.

It strikes me that there have been a lot of irresponsible statements, in the agitation for the waterway, about Detroit, Chicago, and other Great Lakes cities becoming ghost towns, because, unless they do get the waterway, the steel industry will move to the eastern seaboard. Certainly the 10,000,000 tons of ore which are promised from Quebec-Labrador, just about one-tenth of this country's present consumption and the only foreseeable ores that would move over the waterway, would not prevent such a calamity.

Furthermore, these statements appear all the more ridiculous when they are uttered at the time of the greatest expansion ever to take place in the Midwest steel industry, and in Great Lakes steel construction. It is quite obvious,

Mr. Speaker, that the Midwest steel industry has no idea of moving to the seaboard or anywhere else.

Now, Mr. Speaker, there is another phase to this project. It is proposed to construct a power works in the International Rapids. The power generated would be divided equally between the United States and Canada. It is from this phase that the waterway derives much of its strength. The advantages applied to this power project have reached the grandiloquent stage. It would unquestionably be a big power plant, Mr. Speaker, but the power available to the American side, 570,000 kilowatts of firm power, would be no more than that produced by any one of four privately operated plants at present in New York State. It would produce no more than 10 percent of the State's present consumption. I am not trying to minimize the size of this project, I want simply to put it in its true perspective. It is wrapped up in all sorts of romance and accomplishment of a free and progressive people. This St. Lawrence undertaking, propagandized as an eighth wonder of the world, to repeat, would be no more important, no bigger, for the American side, than any one of four plants in New York now operating.

I doubt that I have heard any more hysterical statements than those recently made by Governor Dewey who has sought to make political football of this proposition. In one outburst he claimed that his reelection was a mandate for New York State to enter into an agreement with Ontario to build the hydroelectric works of this dual project, in order that he could give the people of his State cheaper electricity. The denial of this great beneficence to his people, he said, constitutes a monumental fraud.

Mr. Speaker, Governor Dewey has contended that this plant operated by the State of New York would save consumers of New York State \$20,000,000 a year. These alleged savings would come from the fancy bookkeeping fact that the State-operated plant would not be subjected to taxes and other costs which the private utilities have to bear. But even in this way, these alleged savings would mean to the average household consumer of electricity one-twentieth of 1 cent a kilowatt-hour or a saving on the monthly bill of 5 cents a month.

The claims of its proponents that it would bring a new day to all New England, except for Maine, are denied by the chairman of the Federal Power Commission, Mr. Charles W. Smith. In a letter to Senator SAMPSON several months ago, he said its effect on New England power rates and on the needs of the area would be negligible.

Mr. Speaker, I have heard, time after time, these advocates lamenting the tremendous amount of power that is going to waste because the St. Lawrence goes undeveloped. I have heard this project likened to the labor of millions of Chinese coolies.

But Mr. Speaker, I hear no grief expressed for the billions of tons of coal that are lying undeveloped in the ground. This is unutilized energy, Mr. Speaker, just as much as an unharnessed river.

Mr. Speaker, in the past 18 months, the private utilities of New England, excluding Maine, have built practically the power equivalent of the St. Lawrence project. Notwithstanding the continued clamor of the public power advocates about an alleged power shortage in New England, the facts are that this region has a margin of 20 percent of reserve capacity. On schedule between now and the end of 1952, these private utilities plan to provide an additional 450,000 kilowatts, privately financed. Taken with the 500,000 kilowatts added in the past 18 months' period, these private utilities will have added in 3½ years, one-half the time it would take to build the St. Lawrence works, only 190,000 kilowatts less than twice the firm power capacity of those works. Yet we are told that the St. Lawrence is needed as a defense project.

The facts are, Mr. Speaker, that a recent Federal survey showed that only one section of the country is better off than New England in power reserve capacity and that is the South Central region.

On the question of its being a defense project, Mr. Speaker, I quote from a recent speech by Mr. Charles E. Wilson, Director of Mobilization. He said:

The development of the St. Lawrence would take a long time. There are much more pressing problems if we are to win the war of production.

Now, Mr. Speaker, in conclusion let me say this. If the claims of the proponents as to what the waterway would accomplish are not true, then certainly there can be no justification for it. But if they only approximate the truth the waterway would wreak an economic revolution in this country.

For 7 months in the year when the waterway is open, there would be an almost complete demoralization of the present transportation system, by which goods move from the Middle West to the Atlantic and Gulf ports for export to Europe, and imports from Europe for the Middle West come into these ports for inland distribution. This intended bypassing of the Atlantic and Gulf ports would, as I have said, do irreparable harm to our merchant fleet and it would do irreparable harm to the Great Lakes fleet which is not adapted to deep-sea navigation because of fog, ice, and other navigational hazards.

The railroads estimate their annual loss in revenue at between \$100,000,000 and \$250,000,000. The foreign traffic through the port of New York would be cut more than half or more than 3,000,000 tons a year. Other Atlantic and Gulf ports would suffer proportionately. The coal industry would be rendered another blow which in its present state it can ill afford to take. We in the anthracite mining area in Pennsylvania recall the mid-thirties when British, Russian, Indo-Chinese, German, Moroccan, and other foreign anthracite invaded our New England and Canadian markets to the extent of more than 2,000,000 tons per year. What the opening of new lake States markets may entail to the anthracite industry bewilders the imagination. A great portion of this tonnage entered the United States duty-free because of

either reciprocal trade agreements or most-favored-nation clauses in our treaties. It is estimated that approximately a half-million persons in the Atlantic- and Gulf-coast areas whose livelihood rests directly or indirectly upon this traffic would be adversely affected. Millions of dollars of investments would be wiped out.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. Beckworth). Under previous order of the House, the gentleman from Ohio (Mr. Hays) is recognized for 1 hour.

LUSTRON CORP.

Mr. HAYS of Ohio. Mr. Speaker, I am informed that defense housing occupies No. 1 priority in our defense program. A few days ago, one of our distinguished colleagues, the gentleman from the Seventh Congressional District of Tennessee, made some timely statements concerning this important subject on the floor of this House. Since then, I have spent considerable time and effort in an intensive investigation of this vital project. My investigations have disclosed some startling facts, which I would like to present as an aid to our defense effort.

As my honorable colleagues know, the Lustron Corp., formerly one of the Nation's leading manufacturers of prefabricated houses, is located near Columbus, Ohio. This great plant has been shut down for over a year.

Through loans made by the RFC, the Lustron Corp. owes the Federal Government some \$37,500,000. Lustron officials have come up with a proposal to reactivate the plant, reschedule payments of this loan, and repay the moneys over a period of 6 to 7 years.

Mr. Speaker, I have learned that certain high Government officials are planning to scuttle Lustron and give it to the Navy to convert into an assembly plant for airplane frames.

Now, I am not concerned with the issue of whether or not Lustron should have had the loan granted them in the first place. The fact still remains that here is one of the most modern plants equipped to produce critical housing ever constructed, equipped with \$15,500,000 worth of valuable and modern machinery, standing idle.

While our defense production lags all over the United States because of housing shortages, here is a plant that can be reactivated and turning out 100 units of housing a day in less than 3 months.

To my mind, any responsible person or persons in the employ of the Federal Government who can advocate destruction of a plant whose admitted salvage value is not more than \$5,000,000, should be examined by a board of psychiatrists.

The acute housing shortage throughout the Nation has affected not only much-needed defense workers, but our fighting men as well and by that I mean our men training in camps all over the country.

Their morale has hit a new low and something must be done for them now.

I have in my possession photostatic copies of letters on surveys on housing conditions made late in 1950 by civilian and military authorities in various parts

of the country. Their contents are an unbelievably accurate portrayal of conditions which have no right to exist in this Nation today.

Here are excerpts from several of them:

Scott Air Force Base, Ill.:

We have 435 quarters and 3 trailer parks of 40 trailers for airmen and 20 trailers for officers. Of a population of approximately 14,000, some 4,000 are eligible for quarters. You will readily see that our capacity is limited and, therefore, the personnel who are not quartered at the base must find housing within a radius of 30 miles.

United States Atomic Energy Commission, Richland, Wash.:

For permanent operating personnel on the project, we have need for 800 rental houses within the next 3 years. Several hundred Army personnel will also require housing in the same area.

Castle Air Force Base, Calif.:

The latest survey revealed 1,215 families were without housing or living in substandard housing.

George Air Force Base, Calif.:

Of the 1,000 families represented by personnel stationed at this base, which require dependent accommodations, it is estimated that 300 families will require quarters locally. Inasmuch as this base is situated on the Mojave Desert, 54 or 60 miles distant from communities which are capable of an appreciable amount of rental possibilities, it is evident that the personnel of my command are seriously restricted for adequate housing.

Camp Breckinridge, Ky.:

Comparison of rents being charged before this post was reactivated and the present rate: Four families live in a converted barn. There are 11 two-room apartments available. Four are occupied by servicemen. The other seven are vacant. No modern facilities, no plumbing of any type, outside toilet with shower, walls of plasterboard, paint coming off. Occupants must use a coal stove for heat and hot plate for cooking. Rent, \$30 a month for two rooms. Previous civilian occupants were paying \$15 per month.

I might say I have made some personal investigation at some of the other camps, notably Camp Pickett in Virginia, and I found down there that many apartments, which are substandard by any set of standards you can apply, are renting at \$100 and \$125 a month to Army personnel.

I have endeavored to show how seriously the Government is in need of immediate housing. Manpower shortage is an item to be considered. Actual figures show that in erecting a Lustron house, a saving of 80 percent manpower is made, as against the building of conventional houses.

My investigation shows that the Government has need of better than 800,000 units, averaging 1,000 square feet per unit.

Here is some pertinent information about Lustron houses that I know will interest you all. During the course of his remarks recently, the gentleman from Tennessee (Mr. SUTTON) placed a letter in the Record from General Shepherd, former commanding general at Quantico, now in command of the Marines in Korea. In it, the general gave lavish praise of the 60 Lustron houses that had

been erected at Quantico. They had been constructed at a saving to the taxpayers of the Nation of some \$6,000 per unit.

Mr. Speaker, I have heard it said over and over again that housing is our No. 1 priority. That means housing both in the United States and on bases outside continental United States. Without adequate housing we cannot expect to do very much in our defense efforts.

Are you honorable gentlemen aware that the Federal Government is at present paying \$39 per square foot for housing, outside continental United States? Lustron will erect their houses in Alaska and other out-of-country bases of the United States for \$25 per square foot. A mere saving of some \$14,000 a unit.

A Lustron house is one of the finest labor-saving structures this country has ever known. The Lustron house is prefabricated, made up in sections, and shipped to their destinations ready for erection. Any man who can handle a screw driver or wrench can erect a Lustron house.

If the Government will reactivate the Lustron Corporation, they can start production of a minimum of 100 houses every 24 hours. These are the very type of houses the military wants so urgently. Houses that may be used over and over again. And should it ever become necessary to dispose of surplus property as we do after every war, the Lustron house has both real and potential surplus value. I know of many instances where it has been necessary for the Government to dispose of conventional houses at virtual give-away prices.

A Lustron house will not deteriorate. It does not have to be painted, and there is practically no upkeep. And should it ever become necessary to dispose of these houses, they can be stored indefinitely and maintained for future needs.

I should like to make an interesting point of comparison at this time. I would like to compare a Lustron house with a can of beer.

The annual consumption of steel used in construction of Lustron houses, at the rate of 100 units per day, 365 days a year, is 300,000 tons. While the annual consumption of steel used by the beer industry in beer cans is 385,000 tons. This figure excludes the amount of tin used annually in these cans.

Reactivation of the Lustron plant will enable the taxpayers of the Nation to recover the \$37,500,000 already loaned to the corporation. Not to mention a saving to the Government of from \$6,000 to \$14,000 per unit for each house constructed. Lustron could save the Federal Government annually better than \$500,000,000.

Mr. Speaker, my distinguished friend, the gentleman from Tennessee, has indicated that there was skulduggery and strange maneuvering involved in the attempted foreclosure of the loan to the Lustron Corp., and in view of the cravenness and run-around I have been getting in trying to collate this information, I am convinced there is entirely too much covering up.

Why should the Navy wreck a plant that can be of such immediate aid to our

defense production? The only use the Navy would make of the entire plant is to sell the machinery for salvage and use the bare walls as an assembly plant for airplane frames.

According to the record, Lustron has 23 acres of buildings occupying 200 acres of ground. There is ample space to build an assembly plant for the airplane factory without destroying Lustron. It is my understanding that the Government has been building some warehouses similar to the type of building required for an assembly plant for \$3.50 a square foot. Further, I am told the airplane factory needs approximately 1,000,000 square feet for an assembly plant. In other words, construction of a new plant would cost the taxpayers no more than \$3,000,000 to \$4,000,000. But certain unscrupulous persons in the Government propose to destroy \$15,500,000 worth of machinery and salvage the entire Lustron project at a total of \$32,500,000 in order to expend another five million dollars to use the Lustron plant as an assembly plant. This is criminal.

The type of Government officials who will advocate such expenditures are men who should be removed from office. Our Government leaders must be men of sound judgment, of ability, of stature, with vision, a desire to cooperate, and a realization of the necessity for action. Unless we can be assured of this type of leadership, I fear that the huge appropriations this Congress has already made, and the additional appropriations that will be made in the years to come, will avail us just about as much as hair under the barber chair which is swept away each night.

Mr. Speaker, I think this Congress should demand that our Government officials discontinue their wrangling and get on with the business on hand. I propose to go into the matter of the Lustron corporation with some of the highest authorities in this Government, and, if for any reason some of our high-minded bureaucrats are permitted to junk such a magnificent plant, I, personally, will carry the message to the far corners of our country and demand that the taxpayers exact their pound of bureaucratic flesh.

These are perilous times. There is need for action. I hope that the Members of this illustrious body will become interested in this matter and join with us in reactivating Lustron Corp.

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

Mr. HAYS of Ohio. I yield to the gentleman from Tennessee.

Mr. SUTTON. Mr. Speaker, I am indeed grateful to the gentleman for bringing out the facts about the housing necessity of the Armed Forces. On January 12 I made a speech on the floor of this House stating that there was skulduggery in the RFC and that I would at a future date name names and places, and also bring out the facts about the closing down of the Lustron Corp., and refer also to Kaiser-Frazer and some others, the facts of which should be brought out.

On last Saturday, I believe it was, a subcommittee of the Senate Committee

on Banking and Currency put out an interim report in connection with its investigation of the RPC for the past 2 years. This report, when I made the speech last week, I asked the Members of the House to get when it came out on January 31.

I hold in my hand a confidential subcommittee print which will be released day after tomorrow, according to my understanding, in reference to this matter, and I hope each Member will get one of these reports because it bears out exactly what I said on January 12 in reference to the skulduggery, the almost criminal action of certain high officials of the Reconstruction Finance Corporation, the skulduggery of Young, Jacobs, and any other number of people to whom I referred on the floor last week.

It is also interesting to note what the gentleman from Ohio said about the photostatic copies he has from the armed services, and it is interesting to me particularly to note that it is the Navy, according to General Harrison, that wants this plant and that they want only the four walls. He says it is absolutely necessary that they have these four walls even though there are \$15,500,000 of machinery in there which is good for nothing except the building of Lustron prefabricated houses. He said this is absolutely necessary even though it would cost over \$15,000,000 to tear down the plant, resulting in the further loss of \$15,500,000 of machinery, plus the fact it will take 12 to 14 months to clear it out and put it into operation.

General Harrison, who is president of I. T. & T., told me at a meeting I had with him that his company had just completed a warehouse for \$2.50 a square foot; yet he wants to rid the taxpayers of this \$15,500,000 worth of equipment, he wants to destroy this Lustron plant, because the Navy wants it, so he says.

I called Captain Reynolds of the United States Navy and he says they are in dire need of this plant. I also talked with some people at Columbus, Ohio, some of the underlings out there, not the top men, because they said they had orders from Washington to keep quiet. One of their highest-ranking officials told me: "I cannot discuss Lustron with you, because I have orders from Washington not to talk about it."

I talked with some of the other people and they say: "We do not want the Lustron plant destroyed, we need their houses. We could have a plant of four walls completed in shorter time and it would cost the taxpayers less money if some of the people down in Washington would let us go ahead and build an assembly plant."

They tell us it is the Navy that wants to bring about this wholesale destruction. Mr. Speaker, it is amusing to me to note some of the photostatic copies of communications I have from departments here in Washington.

Here is a photostatic copy of a speed letter from the Chief of Naval Operations to the Chief of Naval Personnel dated August 21, 1950—the latter part of 1950—which in part says:

Request continental naval activities be directed advise personnel wedded Pacific area not to bring or have dependents come to San Francisco area unless private arrangements in advance have been made for housing. Present housing shortage for Naval personnel is critical and is of increasing seriousness. The foregoing does not apply to hotel accommodations as there is no shortage at present.

That is from the Chief of Naval Operations to the Bureau of Personnel here in Washington, D. C. Yet it is strange that the navy itself, according to General Harrison, wants to take this plant over and do away with housing that the navy is so direly in need of.

Here is another letter from the commandant of the Eleventh Naval District:

A representative of your office has requested that I forward to you a statement on the housing situation in the San Diego area insofar as naval personnel are concerned.

The housing situation in the San Diego area is critical, both in private housing and in Navy and Federal housing. Motel rates are gradually increasing and housekeeping rooms for couples are very scarce. My housing office has over 500 applications for this last type of accommodation. Medium priced private rentals are rapidly decreasing while the listing of rentals in the \$100 price per month bracket is increasing.

The Navy has 745 Homoka housing units in this area. There are over 300 applicants waiting for vacancies in these units. The Navy has 3,492 units in permanent housing projects in this area. There are approximately 300 shore based personnel awaiting assignment to these units. In an attempt to make space available in the permanent housing projects, 300 eviction notices have been served to tenants who have completed 3 years tenancy as of August 1, 1950. In many instances, extensions have been granted where tenants were found to be building or buying homes. Most of these extensions are to be terminated on February 1, 1951.

The shortage for housing for families of personnel at sea (in aircraft squadrons and ships) is extremely critical. There are over 1,000 applications on file for two-bedroom units in Federal projects for which these people are eligible. In an attempt to alleviate the situation for sea personnel with large families, the hardship cases in this group are being assigned to Homoka housing. There are many instances of personnel with two preschool age children being housed in one bedroom Federal units. Vacancies in the Federal housing projects are very, very scarce. It is believed that this is due to the increased labor and employment in local defense concerns as well as civil service personnel in Government activities.

Here is another letter: Headquarters, ninth naval district, Great Lakes, Ill., from the commandant to the Chief of Naval Personnel:

Forest Park, Ill., area. Military personnel assigned to the activity, married civilian personnel transferred from other stations, and married civilian personnel who must reside in the general area of the plant for reasons of economy are compelled to pay exorbitant rentals if they are successful in locating apartments, houses or housekeeping rooms in the general geographical proximity of the plant. A sampling of the rentals assessed reflects that 1-room unfurnished kitchenettes, when available, are rented for \$62.50 monthly, a 4-room furnished house is available in nearby Maywood for \$200 monthly, a 3-room unfurnished dwelling in Oak Park can be rented for \$175 monthly, four four-

room unfurnished flats will be available in River Forest on December 1, 1950, for \$125 monthly, housekeeping rooms are sometimes available but the rentals range from \$12 to \$16 weekly and single rooms alone rent for \$9 to \$14 weekly.

Realtors who handle rentals in the Forest Park, Maywood, Berwyn, Cicero and Oak Park communities, all near the plant, mutually term conditions with respect to availability of rental units as poor with no foreseeable prospects of relief. There is no public housing in the area and there is none proposed at this time.

A reasonably accurate barometer of area housing conditions is the number and nature of inquiries received by the employee counselor, this activity. Efforts to alleviate the problem, by making counseling service available to military and civilian personnel, have met with little success. This is due to the total absence of listings for rental units for families. Some of the plant's 1,400 civilian personnel have purchased dwellings in the vicinity. In contrast, however, the housing plight of others has frequently had direct effect upon the station's personnel requirements. A notable example occurred recently when an employee transferred to NOP Forest Park from the Central Torpedo Office, Newport, R. I., was compelled to return to Newport after the transfer had been consummated, due to his inability to find housing for himself and family.

There is no other rental housing, public or private, available in the immediate area of Crane, Ind., and housing conditions in the Bloomington, Bedford, Bloomfield, Washington areas (20-35 miles from NAD, Crane), are critical.

Great Lakes, Ill., area: The housing situation is now critical. There are long waiting lists for all Navy and other Government-controlled housing. Naval personnel concerned should be strongly advised against transporting their families into the area prior to making definite housing arrangement, unless they are prepared to pay in excess of \$75 per month for rent. Civilian rentals are available in very limited number in small communities 10 to 20 miles from the Naval Training Center. Motel and trailer camp accommodations are very limited in number.

Omaha, Nebr., area: There is an acute shortage of housing of any description. Rental property is particularly scarce. Rents are exorbitant. Children are not welcome.

Any person with dependents in the Naval Service, officer or man ordered to this area for duty and for whom public quarters on this Reserve Center are not available will have extreme difficulty in locating a place to live suitable or otherwise.

St. Louis, Mo., area: No Navy or Government-controlled housing is available in this area. There is an acute shortage of private rental units and rents for furnished apartments are from \$100 to \$150 per month.

It is virtually impossible to rent an apartment, either furnished or unfurnished, for a short-term period.

Denver, Colo., area: In the Denver area housing is critical. It is extremely difficult to find homes to rent and those that are available usually rent for \$125 per month and up. Small unfurnished apartments, when one can be found, may be rented from \$75 and up. There are numerous motels in this area where two rooms with bath and kitchen may be obtained during the winter months from about \$100 per month and during the summer for \$50 per week and up. In general, hotel rooms are exceedingly scarce and are remote from the station.

Olathe, Kans., area: The housing conditions for the local Olathe, Kans., area are regarded as poor and immediate housing is

not available. There are housing possibilities in the smaller towns 20 to 30 miles distant from NAS, Olathe.

Housing in the Kansas City area is regarded as critical, unless personnel are prepared to pay \$90 to \$100 per month for rent. Desirable housing for rent under the above figures is extremely hard to find.

Naval personnel concerned are advised not to transport dependents into the Olathe, Kans.-Kansas City area prior to making definite housing arrangements.

Indianapolis, Ind., area: The housing situation is not good and rental housing is not within the means of the average naval or civilian person.

Reopening of Army installations in the area is making the situation worse.

Here is another photostatic letter from the commandant, Eighth Naval District, New Orleans, to the Chief of Naval Personnel:

1. The housing situation in New Orleans is still somewhat critical, and civilian housing is quite expensive.

2. Enlisted personnel with children will have a varying period of delay, 1 to 4 weeks, depending upon their needs, before assignment in the Bienville homes (low rent) housing naval housing project. These apartments are unfurnished except for stove and refrigerator.

3. Officers and enlisted personnel without children are not assigned quarters in Bienville homes at present.

4. Civilian furnished housing is available at rates of \$50 up for one-bedroom apartments, and \$60 up for two-bedroom houses. Unfurnished civilian housing is very scarce.

5. Hotel accommodations are practically impossible, except by very early reservation, and then limited to a maximum of 5 days. Auto courts are available at \$3 up per day.

6. Families should not be brought to the New Orleans area until housing has been secured unless sufficient personal funds are available to cover the waiting period.

Yet the Navy still wants this for an assembly plant.

Here is the headquarters eighth naval district, saying the same thing, that housing is critical.

Headquarters thirteenth naval district, Seattle, Wash., the same thing.

Fifth naval district, commandant to the Chief of Naval Personnel: Housing is critical.

Commandant, third naval district to the Bureau of Naval Personnel: Housing situations are critical.

All the way through, Mr. Speaker, you find the same thing. I could quote from every naval district in the United States, with the exception of two, and they all say that defense and servicemen housing is critical, and they are pleading and begging for housing. Why should the Navy, according to General Harrison, want to destroy a plant that could produce 100 houses a day, houses that we are in dire need of, at a minimum cost, when the commandants of the naval districts insist that they are in dire need of housing and that the housing situation is very critical?

This morning I called Mr. Foley down at the Housing Administration and asked him if the Navy had requested any housing. He said, "No." I said, "Is it your expectation that they will?" He said, "Yes." He said, "The housing that we are in dire need of is 6,000 families." That is where the new hydrogen plant is being erected. They are in need of

houses for 3,000 families at Paducah, Ky., for the Atomic Energy Commission. He said, "We need them fast." Yet my friends, to erect a plant where we could produce 100 houses a day at \$6,000 a unit savings to the taxpayers seems criminal to me, because if we could get these houses at Savannah and the houses at Paducah in nothing flat, then we could go ahead with our atomic-energy program at a fast pace, which we need to do. The economy and savings in Lustron houses has been proven at Quantico. They had three bids on houses down there, and the Navy could not buy most of the houses because they cost too much. They wanted \$13,000 for them. We did not appropriate enough money for them to buy those 63 houses at \$13,000 a unit. So, the Navy put in another call for bids. Lustron houses were sent down there for \$7,200, which saved the taxpayers of this country \$6,000 on each one of those houses.

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

Mr. SUTTON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman says that Lustron houses were sent down there for \$7,200 per unit. What did it cost to get those constructed per unit?

Mr. SUTTON. Of course, I have not gone into what it would actually cost to get them constructed. Does the gentleman mean to manufacture them or construct them? Seven thousand two hundred dollars was the price at Quantico put up.

Mr. CRAWFORD. Does the gentleman mean Lustron would erect the houses for \$7,200?

Mr. SUTTON. Erect the houses for \$7,200 a unit.

Mr. CRAWFORD. A turnkey job?

Mr. SUTTON. A turnkey job. It saved the taxpayers \$6,000 a unit.

Mr. CRAWFORD. Is the situation in that locality so that organized labor would permit Lustron to do so?

Mr. SUTTON. I believe you will find organized labor is behind Lustron 100 percent, because I have telegrams from all over Ohio and all over this country admiring the stand I took on January 12 when I condemned the Reconstruction Finance Corporation for trying to close down this plant. Manpower is a shortage as well as housing right now.

Mr. CRAWFORD. I think the gentleman from Ohio (Mr. Hays) referred, if I am not mistaken, to the saving that could be effectuated by shipping Lustron production to the Alaska bases, as an illustration.

Mr. SUTTON. I believe the gentleman will find that there are two of them in Alaska now. The house the Government has been buying to put in Alaska was costing \$39 a square foot, according to their own figures, and the Lustron house costs \$23, which was a saving of \$14 a square foot in Alaska, erected.

Mr. CRAWFORD. A friend of mine who constructs fabricated dwelling quarters spent \$75,000 of his own funds to try to break the combine in Alaska. He could put in completed two-bedroom dwelling units for around \$11,000, as against about \$45,000 that we are pay-

ing for two-bedroom dwelling units there at Anchorage and Fairbanks. After he had sunk the \$75,000 and had put in three or four units, he found himself cold-bloodedly up against the rules and regulations of the Federal Housing Administration and organized labor in Alaska, and he has had to withdraw from the field, although he is in position to continue to make those shipments provided he can get the support of the Federal Government and organized labor in letting him install those units at the two bases at Anchorage and Fairbanks.

There is a combination up there that prevents him from doing so by reason of the fact that there is so much gravy in the \$45,000, \$55,000, and \$75,000 homes that are being built there. So I personally do not believe, after watching this thing for a number of years and having been up in the Territory and held hearings all over the Territory, that if Lustron were equipped with a billion dollars of capital it could necessarily break the combine in Alaska and get these low-priced units up there.

Mr. HAYS of Ohio. I might say to the gentleman that he perhaps knows more about the situation in Alaska than any other Member of the House. I certainly think he knows what he is talking about. On the other hand, may I say that the Government needs a lot of houses in Alaska. It seems to me that if the Government cannot buy houses where it wants to, if it cannot get houses at a price that will save almost 50 percent to the taxpayers in taking the houses up there and erecting them, then the whole situation needs extensive looking into.

Mr. CRAWFORD. I agree with the gentleman 100 percent in that observation. That is the reason I am trying to make this little contribution here.

Mr. HAYS of Ohio. I appreciate the gentleman's contribution.

Mr. CRAWFORD. I can see no reason or sense to this high cost in Alaska, except that the Federal Government agencies have let those combinations in restraint of trade proceed.

Mr. HAYS of Ohio. That might be a good place for the Committee on Armed Services to begin an investigation. As I recall, we gave them authority to do that, just last Friday. In trying to check on these procurement agencies, I think the Armed Services Committee has a very fertile field to work in. I believe there is plenty of work ahead for them to do from the little bit of looking into it I have done, not only in the construction field but in procurement generally.

Mr. SUTTON. May I say to my distinguished friend the gentleman from Michigan (Mr. CRAWFORD) that his aims are the same as mine, in that if we can get houses into Alaska, not for \$44,000 or \$45,000 but for \$25,000 or even \$10,000, I am interested in saving the overburdened taxpayers that money.

The case I had brought to my attention was through my investigation of the RFC before the talk I made on the floor of the House on January 12. When I got into the investigation of the RFC I got into Lustron. I thought an injustice had been done there in the closing down of that factory by certain people who

wanted to take over Lustron for their own measly lust of gold, including some of the directors of RFC that I mentioned before, Mr. Dunham, for example. If we can save the taxpayers \$1,400,000 a day in producing houses for national defense to go to Alaska, regardless of what company it is, I am wholeheartedly in favor of it. If we can clean out a Government agency, whether it is Democratic or Republican—and I being a Democrat it is hard to condemn my own administration—where skulduggery exists, I believe the taxpayers should not be robbed, and we should not let that skulduggery go on. That is why I took the floor to help in cleaning out the RFC. I made the talk on the basis that the taxpayers want it because it is a \$2,000,000,000 corporation of the Federal Government, and at the same time we would get these houses which are so badly needed for our defense and get them as cheaply as we can and as fast as possible, as well as getting the best for the least expense, for the armed services.

That is my sole purpose in this matter. I am sure the gentleman from Ohio has the same intention, and I am positive that the gentleman from Michigan (Mr. CRAWFORD) has the same idea in mind.

Mr. HAYS of Ohio. May I say to the gentleman from Tennessee that I do not know anything about the background of the RFC dealings with Lustron. As I said earlier in my speech the \$37,500,000 that the RFC loaned to Lustron is water over the dam. They received it, and whether the money should have been loaned or whether it should not have been loaned is beside the point now. Now the point is, as I see it, that there is at least \$15,500,000 worth of expensive, almost brand-new equipment out there which cannot be used for anything except to build this particular type of house. The question now comes up, are we going to go ahead and lose \$37,500,000 and write that money off the books and, as the Navy has been quoted in the press as saying, send bulldozers in and just bulldoze that machinery out of there and destroy it so that the value of the machinery is absolutely destroyed, except for what it is worth as junk, or are we going to use the machinery for something that we need? As I see it two wrongs do not make a right, and if it was wrong to lend them the money in the beginning, that is neither here nor there. The point, I reiterate, is are we going to destroy this \$15,500,000 worth of machinery which cannot be used for any other purpose when we so badly need housing at Army bases and all over the country, at our atomic energy plants, and so forth? I have personally gone to some of these Army camps to observe the situation at first hand. I tell you it is no wonder that the morale of some of these troops at some of these camps is very low when they see their families coming down there to exist in the kind of places that they are living in around these camps, because the Government has not met its obligations and has not provided quarters for them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. HAYS of Ohio. Yes, I am glad to yield to the gentleman.

Mr. CRAWFORD. It stands to reason that American genius can produce prefabricated houses at low-unit cost if it can produce automobiles and flying machines and railroad cars and what-not. Here is the Committee on Banking and Currency of the House holding hearings now on the very far-reaching so-called defense housing bill with apparently every intention of going out and spending literally hundreds of millions of dollars for the purpose of acquiring low-unit cost dwellings for our people at those places where defense bases are to be built, that is, for the workers, the structural workers, or the permanent residents of the base; and for permanent homes throughout the country. I agree with the gentleman, I think it is getting awfully close to treason against our people to throw out fifteen or twenty millions of dollars of newly designed and recently built up-to-date equipment when there is so much need for its use. There just is not any sense to that kind of performance. I do not care what the argument on the other side of the question might be. It takes time, labor, and precious material to build these wonderful machines. That machinery should not be destroyed. As the gentleman says, it is not a question now whether the loans were good loans or bad loans. That is beside the point. The question is how you are going to get low-cost housing for the benefit of the fellow who buys it or for the benefit of the taxpayer if it is used in a public manner. Why not use the equipment that was built for that purpose?

Mr. HAYS of Ohio. I thank the gentleman for his contribution. In my opinion he is 100 percent right. The only argument I have heard from General Harrison against reactivating this plant is that the plant went bankrupt. The General may be a good businessman. I do not know. I understand he has been president of the I. T. & T. for some time. It so happens that my father and I have owned some stock in that corporation for perhaps the past 20 years. And the only thing I have ever gotten from them so far is a bunch of explanations as to why they have not paid any dividends. So I do not think he should be throwing any rocks at a corporation simply because it went bankrupt. The gentleman from Michigan (Mr. CRAWFORD), and the gentleman from Tennessee (Mr. SUTTON) hit the nail on the head when they said that the essential thing is that this \$15,500,000 worth of expensive, hard-to-get, hard-to-manufacture machinery ought not to be junked.

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

Mr. HAYS of Ohio. I yield.

Mr. NICHOLSON. The gentleman ought to know that last year we built in this country 1,500,000 housing units. Now this department of Government has fixed it up so that we will not be able to build half a million this year. You are right about the need for more houses, but if we have the Federal Government making it so that no one can build a house, what good will it do to fix up Lustron or anybody else?

Mr. HAYS of Ohio. The gentleman raises a point that I would like to answer. After all is said and done, if we

do not get so wrapped up in our daily tasks and the requests of our constituents, we are the ones who can do something about it. That is why I am trying to bring it out on the floor today.

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

Mr. HAYS of Ohio. I yield.

Mr. SUTTON. The gentleman mentioned General Harrison. I was talking with him the other day on this subject. I went to the White House and I was sent from the White House to see the genial and capable Administrator of the Office of Defense Mobilization, Charles E. Wilson, and from there I was sent to General Harrison. Last Saturday at 10 o'clock I was in General Harrison's office talking to him about this matter. In our conversation I brought out the fact which the gentleman brought out this afternoon, because he told me that they used 385,000 tons of steel for beer cans, excluding tin I knew it took only 300,000 tons of steel to make 100 houses per day of prefabricated houses. When General Harrison told me that he was recommending that Lustron be turned over to the Navy, I said, "Which is more important, 385,000 tons of steel for beer cans or 300,000 tons of steel for housing?" I wish you could have seen the expression on his face. He blew up. He said, "Beer is essential for the morale of the American people." I ask you Members of this Congress which is more essential for these boys in the service, a beer can or a house.

Mr. HAYS of Ohio. If anyone cares to go out here on the rack in the Speaker's lobby and get yesterday's paper—I just came back from Ohio about 12:15, and I had with me the Cleveland Plain Dealer. There is a quarter page of ads of companies in Cleveland that are offering steel, asking for inquiries about steel. Some of them list the amounts of steel, the sizes and shapes and the strips that they have on hand. I thought there was a shortage of steel. In fact, I was amazed when I read that yesterday. I do not know whether this is gray-market steel or European steel or what kind of steel it is, but anyone knows when there is open traffic going on in steel, they advertise in the papers, the big Sunday metropolitan papers like the Cleveland Plain Dealer, these dealers are not covering up the fact that they have steel.

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

Mr. HAYS of Ohio. I yield.

Mr. GROSS. That is a question I was about to ask. Is this black-market steel, and what is the price of it? You can buy steel in Chicago today at 24 cents a pound if you want to pay for it.

Mr. HAYS of Ohio. I thank the gentleman. I think he has a point. I think perhaps some of these regulators downtown ought to be doing a little more regulating along that line instead of the kind of regulating they are doing. I am getting a little tired of it all.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. HAYS of Ohio. I yield.

Mr. CRAWFORD. I was going to address an inquiry to the gentleman from Massachusetts (Mr. NICHOLSON) but I see he has been called from the floor.

However, he made a remark to the effect that private home construction is limited to about half the units built last year. I think that limitation—and this is what I wanted to verify—I think that limitation is based on the amount of material that is allocated for the use of the private citizen who wishes to build. That does not mean to say within the concepts of the military program there is not a lot of material which can be used for building dwelling units. That is the point I want to clear up, but my friend has been called off the floor.

Mr. HAYS of Ohio. I think the gentleman is exactly right and, of course, I think too many of us take for granted that the military is sacrosanct that their conclusions and opinions are not to be questioned, but it so happens that I have been around the world a bit since the last war. I have seen literally thousands of planes sitting all over the world being destroyed by the elements. I am not in position to say that the Navy should not have so many planes or that it should have so many, but I think we ought to look into the matter carefully before we give them authority to purchase 50,000 planes or any other great number of planes when we find thousands of planes sitting out in the waste places rusting out. I have seen them in Egypt, for instance, as far as the eye could reach, there they were. I was told by people who should know that some of them had never been in the air except to be flown from the United States to that point. I think the whole problem is that some of these people downtown seem to me to be rushing into the thing pell mell and without enough thought.

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

Mr. HAYS of Ohio. I yield.

Mr. EVINS. I wish to state to the gentleman from Ohio that before they carry out the decision made by General Harrison on wrecking this plant, which to me is criminal, notwithstanding the fact the decision was made by a general of the United States Army, the Senate Committee on Banking and Currency is going out to Columbus next Monday and Tuesday to investigate, because they think something smells pretty bad.

Mr. HAYS of Ohio. I am glad to hear that the Senate is to make an investigation. I think it would be a good thing if some committee of the House were to go out there and take a look at this situation also.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mrs. ROGERS of Massachusetts. This has nothing to do about the sale or disposition of the Lustron Co., but the gentleman may recall that the RFC refused a loan to the Waltham Watch Co., a loan which would have kept that plant in operation and enabled it to fill Government orders for precision instruments which are so vitally needed in our national defense, and also to prevent a great industry from being killed.

Mr. SUTTON. The trouble is they did not have Merle Young on their side or Rex Jacobs.

Mr. HAYS of Ohio. What the gentleman from Massachusetts states is true. The thing I am interested in at this point is not trying to dig up all the past errors of the RFC; I am just interested in trying to investigate and prevent the destruction of \$15,500,000 worth of machinery that the taxpayers paid for that is sitting there in Columbus idle now; another arm of this bureaucracy proposes to destroy it. One arm of the bureaucracy created it, another now wishes to destroy it.

I know that the Congress and the individual Members of the Congress do not have time to check every one of these stupendous projects which are being undertaken, but I think when one is brought to our attention that we might do something about it and it might make an example and might, to use a cliché, put the fear of God into the hearts of some of the bureaucrats downtown, and make them think twice before they get to issuing these mandatory orders: "Do this; do that" without any regard to the amount of money involved or the people who will have to pay for it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield further?

Mr. HAYS of Ohio. I yield.

Mrs. ROGERS of Massachusetts. It all fits into the same picture. The Waltham Watch Co. is now back in operation making precision instruments, but only after having wasted a lot of precious time. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Speaker, I yield back the balance of my time.

(Mr. HAYS of Ohio asked and was given permission to revise and extend his remarks.)

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan (Mr. CRAWFORD) is recognized for 20 minutes.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein excerpts from Report No. 3 of the Federal Deposit Insurance Corporation, an excerpt from the January 2, 1951, daily statement of the Secretary of the Treasury, quotations from the February 4, 1951, issue of the Washington Sunday Star, and perhaps two or three other quotations I may wish to include.

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

There was no objection.

GOVERNMENT FINANCING

Mr. CRAWFORD. Mr. Speaker, when General Eisenhower made his report to the Members of the House last Thursday among other things he said:

The very problem involved in the very expression, "defense of the free world," are so vast and so complex that no man could hope in a lifetime of study and reflecting to solve them all. He can certainly not be sure of the accuracy of his conclusions.

The next assumption I would like to make is that we are concerned not only with the protection of our territories, of our rights, of our privileges, but we are also concerned with the defense of a way of life. Our own way of life has certain factors that must per-

sist if that way of life itself is to persist. For example, the freedom of the individual, his political freedom, his freedom of worship, and that he will have an economy based upon free enterprise. In other words, our system must remain solvent, as we attempt a solution of this great problem of security. Else we have lost the battle from within that we are trying to win from without.

Now, military defense is made up of many things. The things that defend or that act for it on the field of battle are many and varied and as complex as the Nation itself. The fighting forces are but the cutting edge of a very great machine. The inspiration and the power for which we find in the heart of citizens and all of the various mechanisms that are necessary are represented in our investment capacity, our economic processes, and so on, so that when we talk about defending the free world, we are not merely talking about the divisions and groups and battleships and planes. We are talking about what is in the hearts, what we understand with our heads, and what we are going to do as a body.

As I said a moment ago, military strength is made up of various things, of which the fighting forces are merely the cutting edge. One of the greatest factors in this whole thing is morale, and, ladies and gentlemen, almost the rest of my talk will be made up, directly or indirectly, in discussions of this question of morale; because morale involves understanding, it involves heart, it involves courage, fortitude, basic purpose.

MUST ACCEPT DISADVANTAGE

We must accept, as we must always accept, the disadvantage, militarily, internationally, that goes with peaceful intent and defensive purpose only. Any aggressor picks a day on which he intends to strike, and he builds everything to that point. We have to devise a scheme that we can support if necessary over the next 20 years, 30 years, whatever may be the time necessary, as long as the threat, the announced threat of aggression remains in the world, and that means since we must be ready at any time, one of the important times is today, and from there on.

FINANCING BIG CONSIDERATION

I believe that properly adjusted to this purpose of ours, the purpose of peace and security, is our ability to carry it forward without insolvency for year after year. I believe that within those limits we must now go to the production of equipment exactly as if we were preparing for an emergency and war.

Now, Mr. Speaker, I am very much impressed with the general's repeated reference to the question of solvency and insolvency. Undoubtedly, the general has some big question in his mind as to how this understaking is to be financed and whether or not we can do the job of financing and still retain an economy based upon free enterprise.

Mr. Speaker, when we entered World War I we faced a Federal debt of less than \$1,500,000,000. When we entered World War II this debt was about \$49,000,000,000 and now as we begin the operations under what might be termed World War III we have a Federal debt of about \$257,000,000,000. These are very fundamental facts in the light of what the general has reported to us.

INSURED BANK HOLDINGS OF FEDERAL SECURITY

The Federal Deposit Insurance Corporation report No. 33, page 9, shows that insured banks on June 30, 1950 held \$72,553,872,000 of the United States Government obligations, direct and

guaranteed. That is a fundamental fact, at this particular hour, we cannot ignore.

TREASURY NONMARKETABLE OBLIGATION

January 2, 1951, the Treasury had outstanding nonmarketable obligations in the form of Treasury savings notes, United States Saving bonds series D, E, F, and G, and depositary bonds, and Armed Forces leave bonds and Treasury bonds. Investment series totalling some \$88,124,937,381.74. The amount of series E bonds alone outstanding January 2 amounted to \$34,546,168,368.23. During the period January to December 30, 1950 the sales of series E bonds by the Treasury amounted to about \$3,500,000,000 plus, with cash redemptions of those bonds by the people of \$3,800,000,000. In the face of all the selling campaign pressure the people redeemed small savings bonds issues during the year 1950 of about \$1,250,000,000 in excess of sales. In the years 1952, 1953, 1954 and 1955 the Treasury will face a super task in refunding maturing series E bonds alone: Here are the figures taken from the January 2, 1951, Treasury statement:

1952.....	\$3,873,457,573.12
1953.....	8,361,717,550.00
1954.....	8,923,756,771.68
1955.....	4,704,723,804.41

And with the years 1956, 1957, 1958, and 1959 running from \$2,400,000,000 up to \$2,800,000,000 annually. Of course there will be many other maturities in the marketable issues which will not be met through payment because the tax dollars will not be there to meet the maturities. This simply means more and more refunding operations faced by the Treasury.

So, Mr. Speaker, when the General referred to "talking about what is in the hearts, what we understand with our heads, and what we are going to do as a body," he must have somewhat had in mind this financing problem and the solvency of our financial system.

On or about the 18th of January last, Secretary of the Treasury Snyder appeared before a group in New York City and made some observations pertaining to the interest rate to govern on refunding operations and such new issues as may be necessary due to the deficit financing of the Treasury. Secretary Snyder certainly left the country to understand the financing would be made within the pattern of a 2½-percent rate, and of course his statements carried the implication there would be no increase (within the near future) in the short-term rates. He likewise announced that the holders of the near maturing series E bonds would be given the opportunity to automatically extend the time of the maturing bond for another 2 years, and this would be equivalent to a 20-year bond at an interest rate of about, say, 2.9 percent per annum.

I understand that the Committee on Ways and Means will have a bill on the floor of the House this week authorizing that transaction.

This is a ridiculously low rate for such a transaction, especially with the buying power of the dollar continually declining.

But that is not all, Mr. Speaker. Mr. Snyder, among other things, said:

In the firm belief, after long consideration, that the 2½-percent long-term rate is fair and equitable to the investor, and that market stability is essential, the Treasury Department has concluded, after a joint conference with President Truman and Chairman McCabe, of the Federal Reserve Board, that the refunding and new money issues will be financed with the pattern of that rate.

At the time I wondered about the absolute accuracy of the Secretary's statement insofar as it involved Chairman McCabe of the so-called Independent Federal Reserve Board. For too many years, Mr. Speaker, the good people of this country have been subjected to the economic or financial suicidal war or feud running between Secretary Snyder and backed by President Truman; and the Board of Governors and the Open Market Committee of the Federal Reserve System.

The fight now is in the open. President Truman has really put the silk hat on this contest between the two agencies in sending his now famous letter on this subject to Chairman McCabe of the Board. By reason of what Secretary Snyder said at the New York meeting which misled many to believe the entire Board was in agreement with the Treasury on interest rates on refunding and new issues, plus what the President said in his letter to Chairman McCabe, and in the light of the actual facts, I am forced to the conclusion a deal was made between the President and the Secretary to accomplish what? Simply to so compromise the Board that the interest rates and the supply of credit and money can be dominated by the political office of the Secretary of the Treasury.

Mr. Speaker, on the front page of yesterday's Sunday Star appears this article:

ECCLIES ASTONISHED BY TRUMAN STAND ON INTEREST RATE POLICY—DISPUTES ASSUMPTION THAT BOARD SUPPORTS TREASURY POSITION

An apparent attempt by President Truman to smooth over Treasury and Federal Reserve Board differences in the Federal interest rate policy backfired yesterday and at least one Board member threatened to resign.

The dispute became deeper and more bitter when Marriner S. Eccles, a member and former chairman, declared he was astonished by a Presidential letter indicating that the Board sided completely with the Treasury's stand for low interest rates on Government obligations.

He disclosed a record of a White House meeting at which President Truman last Wednesday talked with the Board's Open Market Committee. The President, in a letter to Board Chairman Thomas B. McCabe, said he had assurance that the agency would fully support the Treasury defense financing program, both as to refunding and new issues.

The record stated that the President made no mention of recent differences of opinion with the Treasury. It also contained no direct references to Treasury defense financing programs both as to refunding and new issues.

At the root of the controversy between the Treasury and Board officials are two major questions:

Is the Federal Reserve System, created by Congress in 1913 as an independent agency

to control the credit structure being dominated by the administration and the Treasury?

Does the Treasury's so-called easy money policy of low interest rates add to inflation?

Secretary of the Treasury Snyder has defended that policy. He warned recently that an increase of as much as one-half of 1 percent in the average rate of interest on outstanding Treasury obligations would boost debt carrying charges by \$1,500,000,000 a year.

DOUGLAS IS FOR OF POLICY

That policy is disputed not only by some Board members but also by some influential Members of Congress, notably Senator Douglas, Democrat, of Illinois, chairman of a joint economic committee group that last year looked into the problem. Senator Douglas reportedly will lead a congressional drive against what he has called the Treasury's devotion to low-interest rates that will ultimately cost the Government and taxpayers far more in higher prices for goods and services.

Mr. Eccles, in disclosing a record of what took place at the White House meeting, explained that the committee, made up of the seven Board members and presidents of Federal Reserve banks in five metropolitan centers, agreed on the record. He added, however, that:

"Any other comment would be superfluous. I am giving you this solely on my own responsibility and without the knowledge of other members of the committee. It is most unfortunate that this vitally important matter of monetary and credit control which Congress has placed in the Federal Reserve System has been raised in a manner which only needlessly adds to the confusion."

McCABE CONFERS WITH TRUMAN

Following a notation that Chairman McCabe had met with Mr. Truman in the President's office shortly before the meeting with the committee in the Cabinet room, the record continued:

"The President stated that during the past few weeks he had met with many groups in Government because he wanted them to know the seriousness of the present emergency and to ask for their full assistance and cooperation. He stated that the present emergency is the greatest this country has ever faced, including the two World Wars and all the preceding wars.

"The President emphasized that we must combat Communist influence on many fronts. He said one way to do this is to maintain confidence in the Government's credit and in Government securities. He felt that if people lose confidence in Government securities all we hope to gain from our military mobilization, and war if need be, might be jeopardized. He recalled his wartime experience when he bought Liberty bonds out of his soldier's pay. When he returned from France and had to sell his bonds to buy clothes and other civilian things, he got only \$90 or a little more for his hundred-dollar bonds and later they were run up to \$125. He said he did not want the people who hold our bonds now to have done to them what was done to him.

"He stated that most politicians would not ask for higher taxes prior to election but that he had vetoed a reduction in taxes before election and won anyway. If it had not been for that irresponsible reduction in taxes, he said, the Federal budget would have been in balance all these years. He stated that he wanted to levy all the taxes necessary to pay the cost of the defense effort, which, he felt would be between one hundred and one hundred and twenty billion dollars over the next few years. He stated that he had just met with the congressional leaders and asked for \$16,500,000,000 in taxes and that he expected to get this in two bites—a quick

tax bill yielding about ten billion and the other six and a half billion to come after more careful study. He wanted us to understand that he is doing all he can on the tax front to combat inflation.

"The President gave each member of the committee a copy of The Federal Budget in Brief. He expressed the opinion that the budget had been pared to an irreducible minimum. He said that he had participated in the preparation of 18 budgets and felt he was competent to judge and understand them. Maybe something could be cut out, but it would make a hole in the defense effort and that he would not do.

"The President said he felt we had done a good job and wanted us to continue to do a good job in maintaining the financial structure of the country. He further stated that he had had a number of conferences with our chairman but this was his first opportunity to meet and talk with the entire committee. He made no mention of recent differences of opinion with the Treasury."

COMMITTEE WORK PRAISED

"Chairman McCabe thanked the President for receiving us and indicated that we all share his concern for the maintenance of the Government credit. He stated that although the support of the Government bond market was something in the nature of an extra-curricular activity for the Federal Open Market Committee, it had performed this service for the past 9 years or more and had done a very good job. He stated that the committee had always carefully weighed its responsibilities to the Government and to the general economy as well and that these are statutory responsibilities which it could not assign, if it would.

"The President interjected that he was familiar with that, but wanted the Committee to continue its good work during the defense period. He emphasized that he was speaking of the defense period only.

"Chairman McCabe referred to the fact that in the last few days the Government bond market had gone up a few thirty-seconds and then had come down a few thirty-seconds, which he considered to be proper market operational technique. The President said he would not undertake to discuss details of that kind, that he was principally concerned with maintaining the confidence of the public in Government securities as one way of presenting a unified front against communism. He did not indicate exactly the details of what he had in mind, but he reiterated that we should do everything possible to maintain confidence in the Government securities market. The Chairman outlined concisely some of the responsibilities with which we were charged, principally to promote stability in the economy by regulating the volume, cost, and availability of money, keeping in mind at all times the best interests of the whole economy. The Chairman turned to the members of the Federal Open Market Committee and said the President could depend on everyone—the group to do what they could to protect the Government credit."

DIFFERENCES EXPECTED

"Chairman McCabe stated that with a group of men such as those composing the Federal Open Market Committee there would, of course, be differences of opinion as to just how the best results could be obtained. The President nodded, indicating that he understood this. The Chairman suggested the following procedure—that we consult frequently with the Secretary of the Treasury, giving him our views at all times and presenting our point of view strongly, and that by every means possible we try to reach an agreement. If this could not be accomplished, he (the Chairman) would like to discuss the matter with the President. The President said this was entirely satisfactory and closed the meet-

ing on the same note as it was opened, namely, that he wanted us to do everything possible to maintain confidence in the credit of the Government and in the Government securities market and to support the President of the United States in achieving this end.

"The chairman stated at the end of the meeting that he presumed that any statement concerning this meeting would be made by the President. The President said he would have no objection to our making a statement and thought that it might be a good thing. The chairman then asked him what would be the general nature of the statement, and he said it can be said that we discussed the general emergency situation, the defense effort, budget and taxes, and that he had stressed the need for public confidence in the Government's credit. He said further that he would be talking to the press the next morning and that he would be prepared to answer questions that might be raised. Since the President indicated that he would be discussing it with the press, the chairman said he felt it would be best for us not to issue any statement to the press at this time. The President did not seem particularly concerned about whether or not a statement was issued. The press conference scheduled for the following morning was canceled because of General Eisenhower's appearance at the Capitol."

TRUMAN LETTER RELEASED

The record concluded with press association accounts of an announcement Thursday by Presidential Press Secretary Joseph H. Short that the Board had pledged its support to the President to maintain the stability of Government securities as long as the emergency lasts. Mr. Short was quoted as saying the announcement was "to quiet those rumors" of differences of opinion between the Treasury and the Board.

The White House late Friday gave out the text of President Truman's letter to Chairman McCabe.

Expressing thanks to the Board and committee for "their expression of full cooperation," the letter stated:

"Your assurance that you would fully support the Treasury defense financing program, both as to refunding and new issues, is of vital importance to me. As I understand it, I have your full assurance that the market on Government securities will be stabilized and maintained at present levels in order to assure the successful financing requirements and to establish in the minds of the people confidence concerning Government credit."

Based on the facts and on what has now appeared in the paper, and on Mr. Eccles' testimony before the Senate committee, I repeat that I think a deal was made between the Secretary of the Treasury and the President. When Mr. Eccles appeared before the Senate committee, among other things, he said this:

People hold an unparalleled amount of liquid assets in the form of bank deposits, Government bonds, equity in insurance policies, building and loan shares, and other forms. Potentialities for inflation are now tremendous. It would be impossible to prevent inflation under these conditions without at least balancing the Federal budget. As inflation proceeds, the desire increases to convert liquid assets into money and then into goods and services.

That is the reason people are running away from the ownership of dollars to the ownership of things, because they do not have confidence in the constant buying power of the dollar, simply because the administration continues to proceed with policies which generate the inflationary forces instead of taking steps which will destroy those forces.

This is what is known as the flight from the dollar. Thus you can have an inflation even if all Federal deficit financing is done outside the banks."

He further said:

The only way to stop access to Federal Reserve funds is by withdrawing Federal Reserve support from the Government securities market and penalizing borrowing by the member banks from the Federal Reserve banks. As long as the Federal Reserve is required to buy Government securities at the will of the market for the purpose of defending a fixed pattern of interest rates established by the Treasury, it must stand ready to create new bank reserves in unlimited amount. This policy makes the entire banking system, through the action of the Federal Reserve System, an engine of inflation.

Nobody knows that any better than Secretary Snyder. I will not say the same of Mr. Truman, because I do not think he knows much more about technical banking, generally speaking, than a lot of high-school boys who have studied the subject some in our high-school system. This whole question is technical and difficult and on it he has not specialized. He leaves the matters largely to the Secretary of the Treasury.

Going a step further, Mr. Allan Sproul, who is one of the top men in the Federal Reserve banking picture, had this to say, and all in reference to the announcement of the Secretary:

I am afraid that the announced debt management policy would lead us directly or indirectly into too much financing by the banks, if we had to do any substantial amount of deficit financing.

Going further, Mr. Sproul said:

And even in terms of possible refunding of bank-held debt, by sale of long-term obligations to nonbank investors who temporarily find other outlets for funds lacking, it would have shortcomings. It runs the risk of falling short of attracting willing nonbank investors in the first instance, and of creating reluctant holders of Government securities for the longer run. We must have learned from our experience during and following the last war, with respect to market bonds, and more recently since the Korean fighting started, with respect to savings bonds, that these are real risks. If these risks were realized, they would mean that too much of our financing would sooner or later be done with bank credit based on the ready availability of Federal Reserve credit. And when that credit began to express itself in inflationary price advances, we would again find our powers to control the inflationary brew greatly impeded by the needs of a Government security market requiring extended periods of extraordinary support.

Remember I gave you the figures of the bonds held by the banks in excess of \$72,000,000,000 last June 30. The job is to keep this new financing out of the bank portfolios. How can you do that? If you want the people to buy them, how can you have the people buy them other than by an interest rate which will cause the people to put their money into Government bonds on a long-term basis, and then protect the buying power of the dollar so that if you buy a 20-year bond today, when it matures and you cash it in you will have the same buying power that you put into the bond at the time you bought it. The gentleman from Texas, as he probably will state later on

today, and as he stated before—and this is no criticism of him because these are his views—he is entitled to his views the same as I am entitled to my views—as I say the gentleman from Texas will probably state that his position is that a rate high enough to induce you to buy long-term Government bonds and keep the bonds out of the banks will run up the cost of carrying the debt. Of course it would. But the great Creator of the universe certainly knows that that type of operation would save our people literally billions of dollars which they are now losing by reason of the inflationary forces. As the Government goes out to buy 150 or 200 or 500 billion dollars' worth of goods for defense purposes, it would save the Government of the United States, namely, the taxpayers of this country, additional billions of dollars by preventing the inflationary forces from running against those purchase orders to be placed by the Government. So he who advocates a low interest rate on a great Federal debt simply so that you can stand up and say that the faith and credit of the Government was never so high as it is today as a result of the rigged low-interest rate which the Treasury is now advocating and thus forcing the issues into the bank portfolios instead of into the hands of the people—I say that he who advocates such a philosophy is advocating a fallacy and that time that has passed and time yet to come will prove it to be a fallacy, because it is literally unsound to go upon such a theory, when you are in a country such as ours with a private enterprise system, to which General Eisenhower referred. Upon what basis can you advocate soundly a philosophy which says to the citizen, "Here, you buy Government bonds. You put in \$1,000 today that will buy us \$1,000 worth of goods and 15 or 20 years from now I will hand you back \$1,000 that will only buy \$400 worth of goods." That citizen has lost the interest on his money. He has lost \$600, as you and I have lost on these bonds that we bought in 1937, 1938, 1939, 1940, and 1941; some of which bonds have matured, and others are about to mature. We have lost on that investment. The President made a statement to the 10 members of the open market committee at the White House the other day. He called them in and discussed this very subject, at which time he said nothing to those 10 men about approving this 2½-percent rate; but in a letter which he sent out, it leaves the inference before the people of the country to the effect that they okayed that rate, and he sends this letter over there to Chairman McCabe in such a manner as to tie him into the agreement when the Board of Governors and the open market committee made no such agreement insofar as I can ascertain from those who deal with this subject from day to day and who generally are well informed on what transpires in such close dealing.

Personally I think that is sheer intellectual dishonesty which should not be practiced at a time when we are expecting our people to carry a \$269,000,000,000 debt and put \$50,000,000,000 into the tax box on the theory that that is going

to prevent inflation by balancing the budget, when you know as well as we all know anything that the inflationary forces can continue to run after the budget is balanced, and through the sales of these refunding issues to the portfolios of the commercial banks instead of to our people. Too much of the debt structure of \$256,000,000,000 is in short-term paper, and too much held by banks. It should be shifted from banks to the people themselves and the way to do this is increase the interest rate and stabilize the dollar.

For 5 or 6 years I sat on the Committee on Banking and Currency of the House of Representatives and argued with Secretary of the Treasury Morgenthau against this very type of debt structure which he built under the previous administration on the ground that was the easy way to do it and of course he and his chief, Mr. Roosevelt, was all the time inflating prices and running down the buying power of the savings of the people and making the citizens feel they were growing rich by reason of the increased supply of money and cheap credit.

Mr. Speaker, the President took occasion to point out to the Open Market Committee his experience upon his return from World War I and how he sold bonds at \$80 which cost him \$100 and went on to say in substance that he did not want people who hold bonds now have done to them what was done to him. Well, is President Truman so uninformed on what his inflationary policy has done to our people? If you hold any savings bonds which you purchased in 1937 or 1938 or 1939 or 1940 and all of which have matured, just how much could you buy with your returned investment plus the interest thereon—yes, I say plus the interest—as compared to what you could buy with just your investment at the time you bought those bonds? This is the hard cold fact Mr. Truman and Mr. Snyder face. This attitude and knowledge of the people of what has happened, what they have felt, what they have experienced, is real. They know that as they collect on a savings bond today which has matured and which they purchased about 10 years ago that what they have lost due to inflation is about 150 percent of what Mr. Truman is griping about and what he lost on his transaction. I repeat that Mr. Truman's philosophy on this inflation and interest rate question is fallacious and destructive to our people.

There are those who would have profits cut and taxable income reduced and at a time the President calls for more than \$50,000,000,000 for the tax box on an annual basis. If we are to pay these bills there must be income—big income—that can be taxed: Make no mistake about that. But unless Mr. Truman and Mr. Snyder can stabilize the buying power of the dollar and stop their inflationary forces they will have more trouble than at present. Let the full light of truth on this matter of high finance come to our people if you want them to purchase tens of billions of dollars of Federal securities annually and carry a debt aggregating from two hun-

dred and fifty-six to three hundred billion dollars or more. If the 30- to 35-year program of General Eisenhower is to be consummated, let me say, Mr. Speaker, it will be necessary for someone to do things other than make sales talks to the people. Some bad policies will have to be changed.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. Backworth). Under previous order of the House, the gentleman from Kansas (Mr. REES) is recognized for 20 minutes.

Mr. REES of Kansas. Mr. Speaker, before delivering the address I have prepared on another subject, I would like to ask the gentleman from Michigan (Mr. CRAWFORD) one question in respect to the speech he just delivered, which I admit is extremely important and informative.

As I understand it, the gentleman believes the interest rates on these bond issues should be in sufficient amount so that the people of the country will want to buy them as an investment; in other words, make them sufficiently attractive so that the people will invest in Government bonds as they would any other securities and reduce spending to that extent, rather than have the banks to invest so much of their funds in them. Is that right?

Mr. CRAWFORD. May I make myself perfectly clear. A low interest rate, short-term policy, has been followed by previous Secretaries of the Treasury, and both Presidents in the White House, which substantially drove the Federal debt into the portfolios of the banks. That was almost equivalent to sheer printing-press money. About the only difference was the psychological influence on the people, because as those bonds went into the bank they expanded the supply of money and provided the inflationary force.

Now, here we are coming around to the maturing of nonmarketable securities. The buying power of the dollar, though inflation has substantially decreased, and citizen after citizen, who holds a bond that matures gets his money, and instead of going back into the bond market, as evidenced by what happened last year, says, "Well, I am going to take this money and go and buy some goods and services, because if I buy another bond, it will drop another 20 or 30 percent in value."

Now, why does the bank take it? The bank is willing to take it on the low interest rate, and thus you engineer more inflation. My position is to pay a rate of interest sufficiently high to the citizen so that he will buy these long-term bonds—not short-term bonds—hold them to maturity, and thus keep them out of the banks and thus destroy the inflationary force, and put the dollar on a stabilized buying basis. I am willing to pay my share of the taxes incident to that increased burden of carrying the public debt by reason of the higher rate of interest, and I will wager dollars to doughnuts you can get 75,000,000 other

people in the United States to do the same thing if they understand what is really going on right now.

Mr. REES of Kansas. I thank the gentleman from Michigan for his views.

REPORT OF HON. LINDSAY C. WARREN,
COMPTROLLER GENERAL OF THE
UNITED STATES

Mr. REES of Kansas. Mr. Speaker, Members of Congress have recently received a letter from the Comptroller General, Hon. Lindsay C. Warren, who outlined the savings which have been accomplished by the General Accounting Office in its internal operations since April 1946.

It is a rare thing, indeed, for Members of Congress to receive letters from the heads of Government departments which demonstrate actual achievements in the field of Government economy and reducing nonessential Federal expenditures.

I wish to take this opportunity to call attention to Comptroller General Warren's excellent record and compliment him on his activities, not only as head of the important General Accounting Office, but also as an able and conscientious administrator.

We need in our Government more officials of the high caliber and conscientious devotion to duty such as the Honorable Lindsay C. Warren.

I have reason to believe that Mr. Warren's letter was too conservative in taking credit for savings and reductions of nonessential Federal spending. I know personally of many instances in which the General Accounting Office has brought about great reductions in Government spending and has saved our Government hundreds of millions of dollars.

During the Eighty-first Congress, the House Post Office and Civil Service Committee called upon the General Accounting Office to assist in an investigation of mismanagement and maladministration of the Army Finance Center, St. Louis, Mo. In addition to uncovering a multitude of discrepancies and examples of maladministration, the General Accounting Office is recovering Federal funds improperly spent by the Army Finance Center at the rate of over \$100,000 a month. The way of a Government administrator who seeks to save Federal funds is not easy. The Department of the Army fought vigorously the activities of the House Post Office and Civil Service Committee as well as the General Accounting Office in our mutual endeavor to improve the operations of the Army Finance Center.

Upon other occasions the General Accounting Office, under authority of section 206 of the Legislative Reorganization Act of 1946, has cooperated with the House Post Office and Civil Service Committee, the Appropriations Committees and the Committees on Expenditures in Executive Agencies, to secure a more efficient and more economically conducted Government operation.

During the Eightieth Congress when I had the honor of being Chairman of the House Post Office and Civil Service Committee I discussed with Comptroller General Warren the possibility of conduct-

ing studies of various operations in the postal service to determine whether such services could be conducted more efficiently with a reduction in the large postal deficit. The General Accounting Office cooperated with our Committee and made an excellent study of the post offices at Philadelphia and Los Angeles. Upon the basis of these studies, the Hoover Commission formulated many of its recommendations which have been carried out by the Congress and the Post Office Department.

Mr. Speaker, if I had more time I would cite hundreds of examples wherein the General Accounting Office, under the able leadership of Hon. Lindsay Warren, has produced a substantial savings in Federal funds in almost every department and agency in the Government. The only criticism I have heard of the Comptroller General has been by uninformed and ill-advised persons who are motivated by a selfish or personal desire for the continuation of some nonessential Federal expenditures. The Comptroller General is assisted by a most capable staff who are loyal to the Comptroller General and to the policies and principles for which he stands.

In reducing the staff of the General Accounting Office from 14,904 in April, 1946, to 7,063 employees in January, 1951, I trust the Comptroller General has not been handicapped in the performance of his important duties and responsibilities. I sincerely hope that the General Accounting Office will be able to carry on its excellent and constructive work which is so important during this period when Government expenditures have reached a new peacetime high.

Under the Legislative Reorganization Act, the Comptroller General has a function which is of great importance today. He is authorized to conduct investigations into the manner in which Government expenditures are being made and to report to the Congress with respect to these matters. I earnestly hope that the Comptroller General will continue to exercise his responsibility in this field as he has in the past and that the Congress will appropriate him sufficient funds to carry out this important activity.

In his letter to the Members of Congress, Comptroller General Warren made the following observation:

It is essential to our economic survival not only that the national defense be strengthened, but that it be done as effectively and economically as possible. On this score, the GAO bids fair to make a real contribution. We will not only audit defense spending, but will also concentrate to seek out excesses, waste, and extravagances in the defense program. At the same time, we will continue to keep a watchful eye on civilian spending to ferret out those extravagances and frills which our country should not and cannot now endure.

I am certain the great majority of the American people will support Mr. Warren in his efforts to bring about savings and reductions of nonessential Federal spending. The heads of all agencies in our Government ought to scrutinize the situation with respect to their particular activities and make sure that expenditures be made on the basis of absolute need and that manpower be utilized in

such manner as to bring about the highest efficiency and the most productivity possible.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include certain statements and excerpts.)

FEDERAL RESERVE BOARD TRYING TO FORCE AN INCREASE OF INTEREST RATES

Mr. PATMAN. Mr. Speaker, I have listened with interest to the gentleman from Michigan (Mr. CRAWFORD), for whom I have a very high regard. I have known the gentleman from Michigan for a long time. I have always had a high regard for him. He is one of the most studious Members of this body. I do not know of any Member of this House, since I have been here 22 years, who has worked harder than FRED CRAWFORD has worked. I will be a witness for him any time if he were ever to need one, and I am sure he never will, as to his honesty, sincerity of purpose, and his desire at all times to do something in the interest of our country.

I am not going to take direct issue with him on all of the things he said, because in his talk he did not make his views sufficiently clear to me and on one or more I agree with him.

One thing in particular that I have in mind is about interest rates to individuals. He makes a very fine argument in favor of an interest rate that will cause the individual to invest his money in Government bonds, although the interest rate is higher than our going rate at this time. Unfortunately for that argument, though, we do not need to increase our rates to get individuals to buy our bonds; they are buying all that we issue; so that is not needed. The question as I see it is between the Federal Reserve and the Treasury through interest rates that will be paid to banks.

The interest rates that have been compelled the last year or two by the Federal Reserve Board which, of course, dominates the Open Markets Committee because the Board constitutes 7 members of the 12 on the Open Markets Committee—the interest rates have increased from three-eighths percent for short-term securities to 1.375 percent; these interest rates have increased over 300 percent. To individuals? No; to banks. So the policy of the Federal Reserve Board has been to make it more profitable to those institutions that do not need and are not entitled to that extra profit at this time on Government securities. Of all the times in history, the banks of our country today are enjoying the greatest prosperity they have ever enjoyed. It has not been long since I have been a Member of this House when the banks were paying four and five hundred million dollars a year interest on demand deposits. We passed in this body what was known as the Federal Deposit Insurance Corporation Act and required a small assessment

from the banks for that guaranty up to \$5,000 for each depositor or customer.

The banks said: "We need a saving somewhere in order to pay that money," which would cost them about \$100,000,000 a year, although it finally reached about \$130,000,000 a year. In conference a little phrase was written into the law which made it illegal, if you please, unlawful—the kind of regimentation the people like if it benefits them—for the banks to pay interest on demand deposits. That saved them hundreds of millions a year and they would be paying out today, were it not for that law, a billion dollars a year. We put it in the law. I believe the gentleman from Michigan will agree with me on that. All right; we permit them to withhold that interest from the demand depositors to pay for the guaranty of their deposits up to \$5,000. Now they have paid about \$125,000,000 a year that way to the FDIC, but the banks have been saved a billion dollars a year; and last session we made it easier for them to put up that money. They have in the past been given a backlog of Government credit of \$3,000,000,000 upon which they could always rely, and reduced their assessments. So we have been pretty good to the banks; they do not need this now, not at all. But during the last year we have arbitrarily—that is the Federal Reserve Board—has arbitrarily forced up interest rates from three-eighths of 1 percent to 1.375 percent on short-term paper, or more than 300 percent. An attempt is now being made to increase the 2½ percent rate. Does the demand come from the people? No. Who does it come from? It comes from the banks including the Federal Reserve banks.

The Government is good to the banks in another way. Let us assume a groceryman who has 7 cans of peas up there on his shelf. If he had to buy only 1 of the 7 cans and when he made a nickel profit on that can, that nickel would be on the investment he made. Take the other 7 cans that Uncle Sam had bought for him, and in which he had no investment at all; he makes a nickel apiece on all those, the groceryman would be in a pretty good condition. That is exactly what the banks do. They make a loan of \$1 that they actually own; then they extend the credit of the Nation on \$6 more. That is Uncle Sam's credit. That is your credit and mine that they are using. That is a mortgage upon the homes of the people of this country, on business and our incomes. The Federal Reserve System uses that absolutely free.

During the last few years the Federal Reserve Board has maneuvered itself into a position of what the members consider, I am sure, to be a position of great security. When the Federal Reserve Act was passed and became law on December 23, 1913, it provided that somebody had to be on there to represent the people—the Comptroller of the Currency and the Secretary of the Treasury—but when our national debt was low, when nobody was looking, so to speak, the Secretary of the Treasury and the Comptroller of the Currency were taken off. We now have seven members left, none

of whom are responsible to the people directly. They are certainly not elected by the people and they are certainly not responsible to anyone who is elected by the people. They are separate and distinct from any other agency of the Government. They consider themselves independent and their arrogance in this particular case demonstrates to me they are ready to assert their independence which they have gotten in amendments to the law that came through a phrase here and a sentence there when nobody was looking. So I think it is about time to bring the whole thing out into the open. I think we ought to have a fair and a complete investigation of the Federal Reserve System. Let us go behind that iron curtain.

A great deal has been said about the General Accounting Office, but the General Accounting Office has never audited their books. What will their books contain? They will show the use and possibly the abuse of Government credit.

They money that we have today, the only money upon which we rely for business, that keeps us from resorting to barter, is in the form of Federal Reserve notes. That is your money. What does a Federal Reserve note say? A Federal Reserve note does not say that the Federal Reserve bank that issues it will pay to the bearer upon demand so much money. It does not say that the Federal Reserve System will pay it or that the Federal Reserve Board will guarantee the money. The Federal Reserve money, and the only actual expanding money we have today, says that the United States Government will pay to bearer upon demand \$20 or whatever the amount happens to be. The Government promises to pay it.

Who issues it? Why, the privately owned Federal Reserve banking system. Did you think we would come to that in this country? Who else can issue money? Can the Treasury issue money? Not a penny—not a dime. Can the Comptroller of the Currency issue money? Not a penny—not a dime. The issuance of money is confined strictly and solely to the Federal Reserve System. It is a blank mortgage upon all of the property of all of the people and upon their income and everything they make. And they issue them at the Federal Reserve banks free of charge. They pay the cost of printing, it is claimed, and possibly they do, which, of course, is too insignificant to mention, about 30 cents per \$1,000.

All right. Now, these Federal Reserve banks in using that Government credit free make a lot of money. It goes into the funds of the banks. We used to have a law that 90 percent of those profits would go into the United States Treasury for the use of the Government's credit free. While Members of the Congress were not looking and without much, if any debate in either chamber, the House or the Senate, that also was repealed. There is no law now upon the statute books compelling them to pay their excess profits into the Treasury. Wise men, as they are, and knowing how vulnerable they must be, they

have discreetly decided that they should pay approximately 90 percent into the Treasury anyway, which they have done the last 2 years. But, there is no law compelling them to do it. And, before they do it, what do they deduct? You know, the deducts always come in for their share. Sometimes the deducts get more than anybody else gets. So, before they make this calculation as to the net profit they have certain expenses they can charge. No one supervises or audits these expenses. That is before you get down to the net profits. So, here we have what a critic could call a politburo, in our financial system, or a Kremlin, in charge of our financial system, that is using our Government credit as they want to use it. They are not audited by the General Accounting Office; no report on them. Of course a report to Congress usually is made, but you know how they are made rather general.

INVESTIGATIONS NEEDED

So, I think it is time for a Congressional committee to go into this great Federal reserve system and see what makes it tick in the way and manner it is ticking today, which I think is against the public interest.

President Truman, yes, as Commander in Chief, asked the members of the Federal Reserve Board and the open markets committee, including, of course these five presidents of the Federal Reserve banks, to come to see him. Why? To help win the war, in the interest of national defense. What did he ask them to do? "During this defense period, gentlemen, I hope you help me keep the Government credit stabilized." Here is what he said, "The President would like to depend on everyone as a group to do what you can to protect the Government's credit." Is that asking too much of them? That is all the President asked. And, they promised it as they should. Then the President's secretary authorized this statement: "Washington, AP. The Federal Reserve Board has pledged the support to President Truman to maintain the stability of Government securities as long as the emergency lasts." They did. Do they dispute that they did? I am sure not one of them will refuse to go along in a case like that.

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

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

Mr. McCORMACK. And the purpose of that was to stabilize the price of Government bonds in the market which has been going on since December 31, 1941, and Mr. Eccles himself, as Chairman of the Federal Reserve Board, assured a stable market in Government bonds in a public statement he made at that time, to prevent bonds going down to 85, like they did after World War I, and the holder forced to sell them. We know what happened then. They were purchased by certain interests, and they sold them as high as \$115 to \$125 some time later.

Mr. PATMAN. Mr. Truman had personal experience with that. He was in World War I. He bought bonds, just as

we did, and deductions were made from our pay each month to pay for those bonds. When the boys came back in 1918 and 1919 after the war, some of them were compelled to sell the bonds for as low as \$80 and Mr. Truman did himself. They were Government bonds, bonds of the United States, that were worth 100 cents on the dollar. The people who bought them used the Government's credit to hold them until they could get \$125 for them.

I knew of isolated cases back in remote sections of the country where these swindlers would go out and buy the bonds for as low as 74 cents on the dollar, using the Government's credit to buy those bonds and swindling the veterans out of them.

Mr. Truman wants to stop that. I want to stop it. When the financing bill was before the Committee on Ways and Means in 1941, I appeared before that committee and pleaded with them. "Whatever you do, gentlemen, as members of this great Committee on Ways and Means, do not let a situation like that occur in this country again. It is scandalous. It is disgraceful."

I have not looked it up, but I think you will find in the reports that we were promised that the American people would never again be forced to go through such swindles as that and through such scandalous situations. This is an attempt by the Federal Reserve Board, whether intended or not, to restore the power to swindlers to do more racketeering like that on the American people.

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

Mr. PATMAN. I yield.

Mr. REES of Kansas. I do not hold any brief for the banks, but suppose the Government asks for the floating of a loan of say a billion dollars within the rather near future, at a low-interest rate, as the gentleman advocates, even lower than the last interest rate; how does the gentleman propose to float that loan?

Mr. PATMAN. We will not have any trouble floating it.

Mr. REES of Kansas. How would you do it?

Mr. PATMAN. Just as we have always done it. We are doing it every day. The people in the country today have confidence in their Government. They have more reasons to have confidence in their Government than they ever had before. More people own their homes, own their farms, have good jobs, have automobiles, and are enjoying more of the comforts and even the luxuries of life than ever before in history. They have reason to have confidence in their Government that gave them these things.

Mr. REES of Kansas. But who would buy the bonds?

Mr. PATMAN. The individuals and the banks and the insurance companies. I agree with the gentleman from Michigan that we should not sell the bonds to the banks. That is just like creating money on the books of the banks. They are not out 1 penny for those bonds. It is creating money. It is inflationary. The gentleman from Michigan is exactly

correct. It should not be permitted. But this increased interest rate deal is not restricted to individuals. The banks will be the principal beneficiaries, and they are not entitled to it.

Mr. REES of Kansas. We read in the newspapers that the individuals are selling bonds presently and that they have been reinvesting their money in other securities and other investments.

Mr. PATMAN. That is right. The Federal Reserve Board's action will shake the confidence of the people, and anything is likely to happen. If the Federal Reserve Board does not get in line and obligate itself to help win this war, just like the President and Congress and everybody else, you are likely to shake the people's confidence more, and more people are liable to sell bonds. This thing is confidence-shaking. The Federal Reserve Board should certainly be ashamed of itself to take issue with the President of the United States in a national emergency like this, and at a time when we are trying to stabilize prices, to fix prices on everything, commodities, products, salaries, and wages. They want to be exempt and they want to increase the interest rate another 50 percent or more.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may proceed for four additional minutes.

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

There was no objection.

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

Mr. PATMAN. I yield.

Mr. CRAWFORD. I think it was in the President's statement to the open-market committee when they met there at the White House the other day where he said something about his war experience and the fact that after returning from the service he sold bonds as low as 80 cents on the dollar as if that was a considerable burden to him. I think the gentleman from Texas will agree with me that the facts are that the good people of this country who purchased savings bonds in the late thirties, which bonds have matured in the last 2 or 3 years, and especially during the last year lost in the buying power of the dollars invested in those bonds anywhere from 150 percent to 200 percent as compared to the losses which the President refers to having suffered through having to sell bonds at \$80 instead of at par. There are two sides to this question and the President might as well admit it because the inflationary forces are destroying the buying power of all the savings of all the people of the United States, whether he likes it or not.

Mr. PATMAN. I join the gentleman in expressing apprehension that any increase in prices, wages, interest rates, and so forth is heading towards inflation. I invited attention to the fact that we are paying half a billion dollars more this year in interest because the Federal Reserve Board compelled the increase in interest rates on short-term

securities. Where are we going to get that money from? It would be obtained through deficit financing. Is that helping to fight inflation? No. That is pouring oil on the fire of inflation—that is what it is doing. If you were to permit the Federal Reserve to win this fight, and increase the interest obligation of Nation by at least \$2,000,000,000 more by next year, will that be fighting inflation? Of course not. That is all inflationary. We do not have the money to pay it. It will result in deficit financing again, which will be doubly inflationary.

In conclusion, let me say I read a statement the other day which was very interesting to me. It was made at Beaumont, Tex., on January 10, by Charles E. Wilson, president of General Motors. He said the Federal Government did not have the political guts to tax the people enough to pay for the present emergency. Who did he mean when he said, "the Federal Government"? He meant us. He meant the Congress. That is who he meant. I hope we prove Mr. Wilson to be wrong. I am going to vote for the tax bills that are necessary to balance this budget, if they are presented to us. I will vote for taxes that I would never vote for before—taxes that I have always opposed. But I will vote for them if it is necessary to do so. I am not going to hide behind some little insignificant something in the budget and say, "You ought to cut that out, and I am not going to vote for taxes because you will not cut that item out." We have a challenge here today. Now is the time when we should compel the Federal Reserve System, if they do not do it so that we can help win this war and quit giving out these statements against the President who is trying to protect the people. It is time for them to stop it. It is time to balance the budget, and not have any more deficit financing if it can be helped.

The SPEAKER. The time of the gentleman from Texas has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes.

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

There was no objection.

MANAGEMENT OF THE FEDERAL DEBT

Mr. McCORMACK. Mr. Speaker, this is one of the very few occasions during my 23 years as a Member of this body that I have ever asked for the privilege of addressing the House under a special order.

In view of the importance of the matter discussed by the gentleman from Michigan (Mr. CRAWFORD) and the gentleman from Texas (Mr. PATMAN) with respect to the superindebted body that is accountable to nobody, I am trying to find out what they are independent of; playing such an important part in the life of the people of our country that they claim complete independence from everybody—this creature of something, but responsible to nobody—in view of the importance of this

subject, I feel constrained to make some remarks today.

I would like to talk today about a subject which is of direct personal interest to every citizen of our country. It has to do with the management of the Federal debt of this country. There are a great many people who feel that this subject is one which can only be understood by financiers or by specialists in monetary management. A decision relating to the management of the public debt, they feel, can have little bearing on their own personal lives or on their own personal finances.

Nothing could be further from the truth. The public debt is owned by every one of us, whether we actually have in our possession a savings bond, or whether we own Government bonds indirectly—such as the depositors in commercial banks or in mutual savings banks, or as the policyholders in insurance companies. Moreover, the payment of the interest on the public debt affects every one of us. Interest on the public debt this fiscal year will represent more than 10 percent of the total expenditures of the Federal Government. It will be more than twice as large as the entire projected deficit of the Federal Government for this fiscal year.

It is clear that every person in this room, every taxpayer, and every American citizen is affected by decisions which have to do with interest payments on the public debt. That is why I should like to take a few minutes today to bring to the attention of the people of our country an extremely important announcement recently made with respect to such payments.

The announcement to which I am referring relates to the rate of interest on the long-term securities of the Federal Government. The present return on such securities is $2\frac{1}{2}$ percent per year. The Secretary of the Treasury, as chief fiscal officer of the Government, has recently announced that $2\frac{1}{2}$ percent will continue to be the maximum rate paid on Federal securities throughout the period of national crisis in which we now find ourselves.

As the Members of the Congress are well aware, the Secretary of the Treasury since this Nation was founded has been charged by law with full responsibility for the management of the Nation's finances. The Congress has further provided that every issue of Federal securities with a maturity of more than 1 year must be approved by the President of the United States. But no part of the Secretary's responsibilities can be delegated. That is why it is both important and necessary that only the Secretary of the Treasury formulate and announce financial policies which are appropriate for the Federal Government.

The $2\frac{1}{2}$ percent rate now paid on long-term Government securities is not a new rate. It has been in effect for more than 10 years. It was an integral part of our financial system during a period when we financed the most costly war in our history and then made a most rapid and successful return to peacetime business at a high level of activity. During this

momentous decade in our history, the $2\frac{1}{2}$ percent rate paid on long-term securities has been the most important single factor in the financial policies adopted by private business throughout the entire country. It is the most important factor in the financial markets where the obligations of private business are bought and sold. It is a key factor in the rates charged by public utilities. It is a key factor in insurance operations. It is a major consideration in the operation of practically all of the Nation's financial institutions. Most of these institutions, it may be noted, have shaped their policies and built their business around that rate. And their business has been better in the past 10 years than ever before.

Most life-insurance companies, for example, have brought the guaranteed interest provisions of their policies into alignment with the $2\frac{1}{2}$ percent rate which they receive for the investment funds which they put into a long-term Federal securities. Today, a very large proportion of the new life insurance premiums received by insurance companies are on policies written at interest rates of $2\frac{1}{2}$ percent or less. It is clear that this rate has been satisfactory both to the insurance companies and to their customers, since there is \$100,000,000,000 more life insurance in force now than there was 10 years ago.

Mutual savings banks have had the same satisfactory experience. The interest which they pay on funds of their depositors is closely related to the interest they receive on their large investments in Federal securities. But the mutual saving banks have not suffered—their deposits are twice as large as before World War II.

It is evident that the $2\frac{1}{2}$ -percent rate has not interfered with a tremendous expansion in these financial institutions. And it has been sufficient to make their operations highly profitable. After investing very substantially in Government securities based on the $2\frac{1}{2}$ -percent rate, earnings of banks and life-insurance companies are double those of 10 years ago. In addition, financial institutions of all types are enjoying the best earning position in their entire history.

Our country has never been more prosperous than during the recent postwar period. Our individual citizens, who saved during the war years in order to build up financial backlogs and in order to buy houses, automobiles, household equipment, and so on when war restrictions were over, have never been in a better financial position than they are right now. Yet the funds available for investment in our economy during the past decade, whether of private individuals, financial institutions, or business concerns, have received a rate of return closely tied to the $2\frac{1}{2}$ -percent rate paid on long-term Federal securities.

The securities of the United States Government make up one-half of all the debt obligations of the country, public and private. As long as they constitute such a significant portion of the debt of the country, the rate paid on long-term Federal securities will be the controlling factor in the rate of return on investment

funds in this country. For that reason, any change in this rate is of overwhelming importance not only to our financial institutions and to individuals who hold large portions of their assets in Federal securities, but to every citizen in the country. That is why the announcement on the part of the Treasury that the $2\frac{1}{2}$ -percent rate will be continued and will not be raised is of such extreme significance. That is why the demand for a higher rate—which has been particularly insistent in some sectors of the financial community—must be examined and analyzed for what it is worth.

The first fact which should be made crystal clear in the minds of every taxpayer is that the present interest charge on the public debt amounts to almost \$6,000,000,000. A rise of $\frac{1}{2}$ of 1 percent in the average rate of interest would add \$1,250,000,000 to the budget expenditures of the Federal Government. Let me repeat that figure—\$1,250,000,000.

Right now, interest on the public debt has to be paid at the rate of \$16,000,000 every day of the year. It has to be paid at the rate of over \$800,000 every hour of the day. To pay the added cost brought about by a one-half of 1 percent rise in the average rate of interest, there would have to be an increase in the Federal income taxes paid by individual taxpayers, or, instead, the burden would be shifted to business corporations. If, on the other hand, we did not increase taxes to pay for the added interest charge on the debt, this cost under present budget conditions would have to be paid for by deficit financing, thereby increasing inflationary pressures.

Yet the very people who are clamoring for higher interest rates also want to balance the budget by forcing cuts in nondefense expenditures. Higher interest costs on the public debt would turn the budget in just the opposite direction. They would increase nondefense expenditures. They would increase the deficit. They would increase the need for higher taxes at a time when every dollar of added tax money is needed to pay for the defense requirements of this Nation.

Since this is true, we need to ask what the real driving force is behind this demand that the Government pay more for the money it borrows from its citizens.

Those who want a greater interest return on Federal securities say that slightly higher rates will cause more individuals and more institutions with available funds to invest in the securities of their Government. I simply do not believe that this argument can hold water. The people of this country, whether individual citizens, presidents of financial institutions, members of boards of directors, investment managers, or those who in some other way are concerned with investment funds—do not, I am certain, need the inducement of an added levy on the taxpayers of the Nation to invest their funds in the securities of their Government. Investment in Federal securities is already well recompensed. It has already proven highly profitable.

Federal Reserve officials have stated that the purpose of raising interest rates is to combat inflationary pressures by restraining credit expansion. Credit expansion must be restrained, but this cannot be done by small increases in interest rates—either short-term or long-term. Such increases are not effective in combating inflationary pressures. Moreover, in my view, the use of such ineffective measures is extremely dangerous, because they give the country a false sense of security. People believe that the fight against inflation is being won in a painless way. This cannot be done.

The fight against inflation is a hard fight. It is a fight which cannot be won by a theoretical approach that has no practical basis of successful operation behind it. It is a fight which cannot be won by talk and propaganda—by saying that small increases in interest rates will keep prices down. Those who advocate this course of action do not prove their case.

Those persons who are answerable for running the fiscal affairs of the Government of the United States have tremendous responsibilities. The stakes are so large and the risk so great that we cannot try experiments. We must let the cold light of careful analysis shine on the problem and use tools in the fight against inflation that we know have a real opportunity of winning the battle.

The rapid credit expansion that this country is experiencing can be controlled. We have effective measures for this purpose. But events have shown that small increases in interest rates do not cut down the urge of businessmen to borrow. They do not stop credit expansion. The situation in recent months is a case in point. Starting in August, the Federal Reserve, through open-market operations, caused yields on Government securities to rise. It carried on an extensive propaganda campaign to lead people to believe that these small increases in interest rates would, by themselves, deter businessmen from borrowing. The record makes clear what happened. In nearly every week since August 18, for example, loans of weekly reporting member banks have risen. The total loan increase of these banks in the past 5 months has amounted to over \$4,000,000,000. This, it seems to me, should have been no surprise. Businessmen know that a fraction of 1 percent is too little to matter when it comes to borrowing money for carrying inventories, plant construction and the like.

Years ago, we had more extreme examples. In 1919 and 1920, rates on short-term Treasury issues were run up sharply. They reached nearly 6 percent, and the rate on call money went as high as 30 percent. In 1929, the rates on short-term Treasury issues were run up to above 5 percent, and the call money rate went to 20 percent. All of you are familiar with the market crashes which followed.

It seems to be clear that increases in interest rates large enough to result in effective discouragement of loans would represent a crude application of economic laws that is out of harmony with

proper economic policy. It would be on a par with driving civilian users of essential defense materials—such as steel, aluminum, copper, zinc—out of the market by means of excessive price rises. This is a course of action which in any area of our economic life is not only unjust in its effects, but is extremely dangerous to the healthy functioning of the economy.

In my view, the demand that the Government pay the investors more money for their funds at the expense of taxpayers is in reality a cloak for an effort on the part of certain sectors of the financial community to use the national emergency for selfish advantage. I believe that such is the real force and the real motivation of the pressure being exerted on the Government for higher rates now. It is no more and no less than an attempt on the part of a few to profit at the expense of many. That is why I have used this occasion to throw some additional light on a current issue of such great import to every one of us—an issue which needs only to be clearly viewed to be appreciated in its true proportions.

The Treasury has stated that its policy is to maintain stability in the Government-bond market. I agree with that policy. The great number of financial people agree with that policy. The announcement has been made that the 2½-percent rate will be maintained, and that such financing as is required will be done within the framework of that rate.

This program is essential in order to keep a high level of confidence in Government securities—confidence that has been built up over a long period of years. It is essential in order to keep the millions of investors who have been brought into the Government-security market so laboriously during the past decade.

We have an army of bondholders. We need them now. We do not want to make the mistake of chasing them away as we did after World War I, when Liberty bonds were allowed to drop to 82. As you well know, it has taken years of financial planning plus tremendous quantities of promotion and aggressive selling to bring nonbank buyers of Government securities—particularly individuals and small corporations—back into the Government-security market. We cannot waste this effort.

The fiscal policy of the Treasury recognizes these facts. That is why it calls for stability in the Government-bond market built around the 2½-percent rate on long-term bonds. I agree with such a program. I feel that it is tremendously important. The credit of the United States Government is the foundation on which the financial strength of our Nation is built.

We must keep this foundation strong. We have the ability and the resources to do so. And I am certain that we have the will to do so. A debt-management policy which succeeds in maintaining stability and confidence in the credit of the United States Government is essential to our national survival.

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

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. Did the gentleman say why the President refused to impose price and wage controls until so many months elapsed, after the Congress gave him authority to do so?

Mr. McCORMACK. I will discuss that on some other occasion. Why did Congress refuse? Did the gentleman vote to permit the gamblers to continue gambling on the commodity market? Did the gentleman vote to permit them to do that?

Mr. GROSS. I certainly did not.

Mr. McCORMACK. Was the gentleman in favor of exempting farmers on the question of the 100-percent parity? Those were avenues, wide-open avenues. Did the gentleman vote to permit gambling in food in the commodity futures market? Did he vote for that?

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

Mr. McCORMACK. Well now, my question is just as irrelevant, I will admit, to the subject we are discussing today, as the gentleman's question to me.

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

Mr. McCORMACK. Yes; I will yield.

Mr. GROSS. Yes, I voted to stop profiteering in the market, and if the gentleman will go back to the Record he will find that I am one of the few when I made the statement in the Record on that subject.

Mr. McCORMACK. The gentleman voted to permit the Government to control speculation on the commodity market.

Mr. GROSS. He certainly did. How did the gentleman vote?

Mr. McCORMACK. But a great majority of the Members of the House did not. I voted the same way the gentleman did.

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

Mr. McCORMACK. I yield to the gentleman from California.

Mr. McDONOUGH. The gentleman has made a very interesting statement on economics, and I am always interested in hearing him on any subject. But, I would like to know if the gentleman is making an explanation or apology for the situation that now exists, for the reason that what he has recited up to now has been in the control of the party that he is the majority leader of in this House, and all of the situation that we are under concerning the Treasury Department and the bond situation is the responsibility of his party. Now, what is this, an explanation or an apology that he is giving to the Congress?

Mr. McCORMACK. How wise a question my very sweet friend from California asked. It is neither an explanation nor an apology.

Mr. McDONOUGH. What is it?

Mr. McCORMACK. It is a statement. Of course, the gentleman may not be able to distinguish between a statement, an explanation, and an apology. The gentleman from Michigan (Mr. CRAWFORD) took issue with the position of the President and the Treasury on this particular matter. Then the gentleman

from Texas (Mr. PATMAN) stated his views. The gentleman from Massachusetts (Mr. McCORMACK) is now stating his views. The gentleman is talking about an apology. Does the gentleman desire to have American bonds go down to 82?

Mr. McDONOUGH. No.

Mr. McCORMACK. Then the gentleman and I are in agreement. The gentleman is very frank, as he always is when he is asked a direct question.

Mr. McDONOUGH. Will the gentleman yield further?

Mr. McCORMACK. Yes. The gentleman has made out my case from his angle, so I will yield.

Mr. McDONOUGH. Not by the answer to that question. It is not so simple as that.

Mr. McCORMACK. That is all this whole thing was for—to stabilize the price of bonds during the emergency.

Mr. McDONOUGH. The gentleman will admit that this whole debate that has come onto the floor of the House today originated in a dispute between Mr. Marriner Eccles and the President just within the last 34 hours.

Mr. McCORMACK. No.

Mr. McDONOUGH. It came from that source.

Mr. McCORMACK. I would not say Mr. Eccles.

Mr. McDONOUGH. The problem we are facing now and the debate we are having now is the result of a misunderstanding on the fiscal policy of the United States in the administration itself.

Mr. McCORMACK. No.

Mr. McDONOUGH. There is no party question here. I am not speaking as a Republican to a Democrat, except to say that this responsibility is on the Democratic Party.

Mr. McCORMACK. Of course, the gentleman occasionally reaches an honest but rash conclusion. The gentleman knows that the Federal Reserve Board is not subject, under the law, to the slightest direction from the President of the United States. If anything, it is more responsible to Congress. Any report it makes is supposed to be made to Congress, as I recall. Is that correct?

Mr. McDONOUGH. That is true.

Mr. McCORMACK. The members of this Board are appointed, and, once they are appointed, they are for all practical purposes accountable to nobody, yet they have the financial destiny of the people of this country under their control. They exercise their judgment honestly. I am not going to make the slightest intimation conveyed that they are not sincere. They are fine men. But it is a tremendous power to vest in anyone. I would not want it. I do not know why they want it.

Some years ago the Secretary of the Treasury was a member and had a voice on that Board, and the Congress took it away. That was the voice of the public. We have a voice in the stock exchanges, not the commodity exchanges but the stock exchanges. We do not have a public voice on the Federal Reserve Board. The gentleman knows that. Within the realm of the Federal Reserve System a

question may arise and within the realm of the Treasury a question may arise, and these questions may be related to one another. The Federal Reserve Board says it is in favor of higher interest rates on long-term securities. The Secretary of the Treasury says "No," in substance. There is an impasse. The most logical thing in the world is that they should then sit in with the President of the United States, the one who should consider it, no matter who that President might be. That would be true if a matter arose 20 years from now and there was a President there who was elected as a Republican. He would be the President, though.

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

Mr. McCORMACK. I yield.

Mr. DEANE. Mr. Speaker, I think our majority leader is to be commended for taking the floor which, as he indicated, is seldom, to speak under a special order to call to the attention of the House this matter with which so few of us are thoroughly familiar. I feel a careful analysis of what the gentleman has said will show that what he has said is completely free of any political implication. I think as Democrats we have the courage to stand on our feet and criticize any organization within this Democratic administration. Personally I feel that the majority leader and the gentleman from Texas who spoke a moment ago are to be commended for taking the floor today and opening up this subject in order that the Members of the Congress may be more acutely aware of the problems involved.

Mr. McCORMACK. And may I state that the gentleman from Michigan (Mr. CHAWWORTH), also is to be commended for calling these problems to our attention in the same way.

Mr. DEANE. I hope the majority leader and other Members of the House will follow it up to the end that this matter is thoroughly understood by all Members of the Congress and to serve notice to the Federal Reserve System and any other agency of the Government that the Congress is studying this very carefully and that decisions which are made should be made in the interest of the American people.

Mr. McCORMACK. I thank the gentleman.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts may proceed for 3 additional minutes.

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

There was no objection.

Mr. McCORMACK. I hope that the members of the Federal Reserve Board and the Secretary of the Treasury and all others interested will dispassionately consider not only this question but any other questions that arise. It seems as if we are going to have a sharp legislative fight on it. I hope we do not. They can control the situation by sitting around the table as men respecting each other's views, no matter how much they may differ with each other, and not im-

pugning each other's motives. I make that suggestion and I hope that they will approach this problem in that way rather than having the question brought up here during this emergency, in a legislative battle, so that the questions involved will be obscured and involved in intense debate on the floor of the House which we know will envelop it.

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

Mr. McCORMACK. I yield.

Mr. PATMAN. I said in my remarks that the Federal Reserve Board originally had as members of that board the Secretary of the Treasury and the Comptroller of the Currency. Eventually they were taken off the board. I desire to read the original Federal Reserve Act on that very point:

Sec. 10. A Federal Reserve Board is hereby created which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate.

So you see at that time out of the seven members two were selected by someone responsible directly to the people—by the President of the United States. Those two members were the Secretary of the Treasury and the Comptroller of the Currency. By changing that over a period of years just a little now and then, now we have a board of seven men. The Secretary of the Treasury is not on the Board, and the Comptroller of the Currency is not on the Board. There are seven independent members selected for 14 years. They are under no obligation to the Executive or to the executive branch. They are an independent body and they are asserting their independence in a way which is costly to the people of the United States.

Mr. McCORMACK. With reference to that point, I believe they are unwise in creating the question, or so-called question of independence. We have gone along now for 10 years with market operations on the part of the Government so that the price has been established. Certainly it seems to me during the emergency the policy which was in operation during World War II and in the postwar years to date might well be followed. One of the worst things which I think could happen and which would have the effect of impairing the morale of our people would be to have Government bonds dropping again to as low as 90, or 85 or 82, as a result of open-market operations. And then to have people—again I do not mean to say they did it deliberately, but again to have people who are financially able to buy them up and hold them over a long period of time, as they did after World War I, in some cases disposing of them at \$125. I think this question should not be aggravated. The members of the Federal Reserve Board ought to realize the significance of world conditions and they ought to sit around the table with the Secretary of the Treasury and thrash these questions out instead of having the question brought in to the legislative body with an intensity of feeling which

will appeal to the emotions of our people and the effect of which would be to divide our people on this false issue of independence of the Federal Reserve Board.

EXTENSION OF REMARKS

Mr. SHEPPARD asked and was given permission to extend his remarks in the Record and include an editorial from the Washington Post of February 3.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RABAUT, for an indefinite period, due to a death in the family.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p. m.) the House adjourned until tomorrow, Tuesday, February 6, 1951, 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:

162. A letter from the President, Commission on Licensure, Healing Arts Practice Act of the District of Columbia, transmitting a report showing the activities of the Commission for the fiscal year ended June 30, 1950, pursuant to section 47 of the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; to the Committee on the District of Columbia.

163. A letter from the Assistant Secretary of the Interior, transmitting copies of certain legislation passed by the Municipal Councils of St. Thomas and St. John and St. Croix, V. I., pursuant to the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Interior and Insular Affairs.

164. A letter from the Secretary of the Navy, transmitting a letter dealing with certain resolutions pertaining to the administration of the government of American Samoa, which were submitted by members of the Pono of American Samoa; to the Committee on Interior and Insular Affairs.

165. A letter from the Assistant Attorney General, transmitting a letter relative to there appearing to be a technical violation of section 1211 (h) of Public Law 759, Eighty-first Congress, pursuant to the provision of section 1211 (i) (2) of Public Law 759, approved September 6, 1950; to the Committee on Appropriations.

166. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 15, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Chassahowitzka River, Fla., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

167. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 14, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Creque Gut and tributaries, island of St. Croix, V. I., authorized by the Flood Control Act approved on August 18, 1941; to the Committee on Public Works.

168. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated November 10, 1950, submitting a report, together

with accompanying papers, on a preliminary examination of Julington Creek, Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

169. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 18, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Coldwater Creek, Calhoun County, Ala., authorized by the Flood Control Act approved on July 24, 1946; to the Committee on Public Works.

170. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 15, 1950, submitting a report, together with accompanying papers, on a preliminary examination of waterway from packing house and railroad terminal at Belle Glade, Fla., to Lake Okeechobee and to the Intracoastal waterway through the Hillsboro and West Palm Beach Canals, authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

171. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated November 28, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Westfield River, Mass., with a view to modifying the existing Knightville Reservoir to provide low-flow regulation, authorized by the Flood Control Act approved on July 24, 1946; to the Committee on Public Works.

172. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination and survey of Chapel Creek, Dorchester County, Md., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

173. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Choctawhatchee River, Fla., authorized by the Flood Control Act approved on December 22, 1944; Choctawhatchee River and tributaries, Alabama and Florida, and Choctawhatchee River, Fla., authorized by the Flood Control Act approved on July 24, 1946; and Choctawhatchee River, Ala. and Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

174. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 12, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Little Petersburg Creek, Fla., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

175. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 14, 1950, submitting a report, together with accompanying papers, on a preliminary examination of channel to Falcón River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

176. A letter from the Secretary of the Interior, transmitting a draft of a bill "A bill to authorize the Secretary of the Interior to undertake certain additional developments in connection with the Central Valley project, California, and for other purposes"; to the Committee on Interior and Insular Affairs.

177. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill relating to the activities

of temporary and certain other employees of the Bureau of Land Management"; to the Committee on Interior and Insular 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. MADDEN: Committee on Rules. House Resolution 95. Resolution authorizing the Committee on the Judiciary to conduct studies and investigations relating to matters within its jurisdiction; without amendment (Rept. No. 24). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2268. A bill to authorize the payment of interest on series E savings bonds retained after maturity, and for other purposes; without amendment (Rept. No. 25). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2141. A bill to make permanent the existing temporary privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad; with amendment (Rept. No. 26). Referred to the Committee of the Whole House on the State of the Union.

Mr. JENKINS: Committee on Ways and Means. H. R. 2192. A bill to amend section 813 (b) of the Tariff Act of 1930; without amendment (Rept. No. 27). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 2374. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 2375. A bill to exempt amounts paid for admissions to operas from the Federal tax on admissions; to the Committee on Ways and Means.

By Mr. KEARNEY:

H. R. 2376. A bill granting to persons in the Armed Forces who receive or are eligible to receive the Korean Campaign Medal, and to their dependents, all the rights, benefits, and privileges granted to veterans of World War II and their dependents; to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 2377. A bill to clarify the requirement in title II of the Servicemen's Readjustment Act of 1944, as amended, with respect to the period within which a course must be initiated; to the Committee on Veterans' Affairs.

By Mr. VURSELL:

H. R. 2378. A bill to reduce the annual leave of Federal officers and employees to 15 days during the continuance of the existing national emergency, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. R. 2379. A bill to revise the laws relating to immigration, naturalization, and nationality; and for other purposes; to the Committee on the Judiciary.

By Mr. ANDREWS:

H. R. 2380. A bill to amend the Selective Service Act of 1948 to provide that certain individuals who engage in strikes while occupationally deferred shall be made immediately available for military service; to the Committee on Armed Services.

By Mr. BARTLETT:

H. R. 2381. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska; to the Committee on Interior and Insular Affairs.

H. R. 2382. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for back and overtime compensation; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 2383. A bill to amend section 304, subsections (a) and (b) of the Federal Food, Drug, and Cosmetics Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. EVINS:

H. R. 2384. A bill to provide that attendance during designated dates at service academies of veterans of the Spanish-American War and World War I shall be considered active military or naval service on the same basis provided for veterans of World War II for the purpose of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. GRANT:

H. R. 2385. A bill to amend the Agricultural Adjustment Act of 1933, as amended; to the Committee on Agriculture.

By Mr. HORAN:

H. R. 2386. A bill to provide for the regulation and control by farmers of their surplus agricultural commodities, to provide for the establishment of farmer-elected control boards, and for other purposes; to the Committee on Agriculture.

H. R. 2387. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 2388. A bill to authorize grants to Ferry and Okanogan Counties, Wash., in lieu of taxes on certain lands restored to tribal ownership; to the Committee on Interior and Insular Affairs.

By Mr. MURRAY of Tennessee:

H. R. 2389. A bill to authorize the sale of post route and rural delivery maps, opinions of the Solicitor, and transcripts of hearings before trial examiners, at rates to be determined by the Postmaster General; to the Committee on Post Office and Civil Service.

H. R. 2390. A bill to amend certain details required by law to be included in the annual report of the Board of Trustees of the Postal Savings System; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE (by request):

H. R. 2391. A bill to liberalize the eligibility requirements for payment of pension to children of deceased World War II veterans; to the Committee on Veterans' Affairs.

By Mr. ALLEN of Louisiana (by request):

H. R. 2392. A bill to amend Veterans Regulation No. 1 (a), as amended; to establish for persons who served in the Armed Forces during a period of war a further presumption of service connection for active pulmonary tuberculosis and certain other chronic diseases; to the Committee on Veterans' Affairs.

By Mr. CELLER:

H. R. 2393. A bill to amend title 28 of the United States Code to authorize the Chief Justice of the United States to assign circuit judges to sit upon the Supreme Court in place of any justice who is unable to serve; to the Committee on the Judiciary.

H. R. 2394. A bill to amend the act of April 22, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast

Guard contracts; to the Committee on the Judiciary.

H. R. 2395. A bill to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes; to the Committee on the Judiciary.

H. R. 2396. A bill to amend chapter 213 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 2397. A bill authorizing an appropriation for emergency repairs to and protection of the Canadian River siphon, Vermejo reclamation project, New Mexico; to the Committee on Interior and Insular Affairs.

H. R. 2398. A bill to amend Public Law 818, Eighty-first Congress, second session; to the Committee on Interior and Insular Affairs.

By Mr. LESINSKI:

H. R. 2399. A bill to provide that the hours of work (exclusive of overtime) in any one calendar day of officers and employees subject to section 604 (a) of the Federal Employees Pay Act of 1944 shall be limited to a period of not more than 16 consecutive hours; to the Committee on Post Office and Civil Service.

H. R. 2400. A bill to amend the Classification Act of 1949 to place the position of charwoman working part time in the appropriate grades of the crafts, protective, and custodial schedule; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. R. 2401. A bill to increase criminal penalties under the Sherman Antitrust Act; to the Committee on the Judiciary.

By Mr. LARCADE:

H. R. 2402. A bill to provide that certain persons who served in the merchant marine shall not be liable for induction into the armed services under the Selective Service Act of 1948; to the Committee on Armed Services.

By Mr. HORAN:

H. J. Res. 182. Joint resolution relating to Father's Day; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. J. Res. 183. Joint resolution granting the consent of Congress to joinder of the United States in suits in the United States Supreme Court for adjudication of claims to waters of the Colorado River system, available for use in the lower Colorado River Basin; to the Committee on the Judiciary.

By Mr. BECKWORTH:

H. Res. 116. Resolution to direct the Committee on Interstate and Foreign Commerce to investigate actual and contemplated action affecting production or consumption of newsprint, or affecting certain other matters; to the Committee on Rules.

By Mr. FURCOLO:

H. Res. 117. Resolution creating a select committee to conduct an investigation and study of the United States educational system in the light of world conditions; to the Committee on Rules.

By Mr. RICHARDS:

H. Res. 118. Resolution providing for expenses of conducting studies and investigations authorized by House Resolution 28; to the Committee on House Administration.

By Mr. ROGERS of Florida:

H. Res. 119. Resolution to amend the rules of the House to require the yeas and nays in the case of final action on appropriation bills; to the Committee on Rules.

By Mr. SHEPPARD:

H. Res. 120. Resolution to increase compensation to certain employees under the jurisdiction of the Doorkeeper; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Indiana, proposing an amendment to the Constitution of the United States relating to the terms of office of the President; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Montana, relative to ratifying proposed amendment to the Constitution of the United States relating to the terms of office of the President of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New Mexico, relative to opposing the drafting of 18-year-old youths; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 2403. A bill for the relief of Leda Taft; to the Committee on the Judiciary.

H. R. 2404. A bill for the relief of Mark Yoke Lun and Mark Seep Ming; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 2405. A bill for the relief of Food Service of Evansville, Inc.; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 2406. A bill for the relief of B. H. Manley; to the Committee on the Judiciary.

H. R. 2407. A bill for the relief of the Wilson County Fair, Inc.; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 2408. A bill for the relief of Mrs. Margit Helena Falk Raboff; to the Committee on the Judiciary.

H. R. 2409. A bill for the relief of Mrs. Toshi Ichibashi; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 2410. A bill for the relief of John DeGatto; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 2411. A bill for the relief of Pierino Francesco Berta; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 2412. A bill to grant increased retired pay to Maj. Gen. Wilson B. Burr, United States Army, retired; to the Committee on Armed Services.

By Mr. SMITH of Virginia:

H. R. 2413. A bill for the relief of the Kloman Instrument Co., Inc.; to the Committee on the Judiciary.

By Mr. SMITH of Virginia (by request):

H. R. 2414. A bill for the relief of Arthur C. Thompson; to the Committee on the Judiciary.

H. R. 2415. A bill for the relief of Maurice Mumford; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

37. The SPEAKER presented a petition of W. Dudley Gunn, secretary-treasurer, Gulf States Marine Fisheries Commission, New Orleans, La., favoring quotas being placed on shrimp importations from all foreign countries, which was referred to the Committee on Ways and Means.

Appendix

General Eisenhower's Report

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. EVINS. Mr. Speaker, rarely has a Nation awaited with more hope and more confidence the answer to questions of national importance than did our country wait upon General Eisenhower and the answers which he brought to an anxious Nation from his tour of European capitals. General Eisenhower did not fail in his mission—he did not fail to fulfill with integrity, intelligence and understanding the national mission upon which he embarked. He brought home the information which we as a Nation sorely needed—in so doing he has perhaps rendered as valuable a service to peace as any one man in recent years.

General Eisenhower's report is both encouraging and realistic. He has stressed the need for effective cooperation among democratic allies. In this connection, the Christian Science Monitor in an editorial entitled "Eisenhower's Answers," from the issue of February 2, last, has concisely and clearly summarized these answers and I ask that a copy of this editorial be included with my remarks in the Appendix of the Record.

The editorial is as follows:

EISENHOWER'S ANSWERS

General Eisenhower in his report to Congress has answered the chief questions the American people have had about the defense of Europe.

His answers carry all the weight of a first-hand investigation by a man who through his professional services and personal qualities has won the confidence of the American people in superlative degree. He has approached the questions frankly from the standpoint of the good of the United States. Isolationists will not find it easy to attack his answers as those of a do-gooder or just another Europe-lover. Let's take his testimony:

As to the importance of Western Europe to America:

"The Western European complex is so important to our future . . . that we cannot afford to do less than our best to make sure it does not go down the drain."

As to whether the United States' allies will defend themselves:

"There is a spirit to resist. There is a determination to do their part—to take the risk."

As to timing:

"There is not a moment to waste."

As to the purpose of rearming Europe:

"We are going to build for ourselves a secure wall of peace. . . . What we are trying to do cannot honestly be considered by any nation as a threat to its existence."

As to a sound attitude toward the Europeans:

"Have patience with our allies. . . . Some of their problems are very great."

As to the effect of abandoning Europe:

"If we were left standing alone, isolated in a world of communism, our system would wither away."

The Eisenhower report will leave little ground for die-hard opposition to early and ample aid in the defense of Europe.

One of the things we like most about General "Ike's" statement is his reminder that military power is more than a matter of men or weapons, or even of productive capacity. It depends also on courage, on purpose, on faith, and on willingness to work together.

The core of the problem of Europe's defense is right in these moral and spiritual ingredients. With them the physical power can be mustered. Those who take a negative line and say, "We won't supply another man or dollar until you prove you can defend yourselves," miss the point. The Eisenhower approach is positive: "Here's what we will contribute to the common effort. Now, what can you do?" Can anyone doubt that this confident, cooperative attitude will evoke a better response?

General Eisenhower is insistent that Europe must help itself; indeed, that it must do the larger part of the job. But he perceives that to spur that effort Europe needs hope, the assurance that it will not be deserted by America. We trust that his magnificent presentation of the case will persuade Congress and the public to give that assurance—unmistakably and promptly.

The Strike of Switchmen

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix to the Congressional Record a very splendid editorial entitled "Strong Words Are Not Enough," published in the Washington Sunday Star of February 4, 1951. This has reference to the railroad strike, and is directed to the President.

My own thought is that Congress should take authoritative action to prevent strikes of this character which threaten the security of the Nation and are in violation and defiance of solemn contracts entered into by the union, and in utter disregard of the public interest. Several measures could be adopted. One would be to deny further bargaining rights to any union for its membership where it authorizes or tolerates a strike in violation of its contract. If the union cannot control its members, then it

should not be given power and responsibility to represent them. The present "sickness" strike is nothing more than a dodge or subterfuge, as has been demonstrated previously. The situation demands vigorous action. This editorial also suggests another possible remedy.

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

STRONG WORDS ARE NOT ENOUGH

The President, who said not long ago that he believed in calling aggression by its right name, now has done some plain talking about the railroad strike. But in this matter strong words are not enough.

This strike is steeped in dishonesty, and is doing a great deal of damage, both materially and morally, to the country.

The switchmen who have walked off their jobs are not sick, and every one knows it. This is simply a transparently dishonest device to escape the consequences which might befall them if they went out openly on strike. This is a serious matter in itself. For if men will not deal honestly in such matters, how is it possible to enter into any agreement with them that merits confidence?

Of greater moment, however, is the damage to the country that this strike is doing. Mr. Truman says that it is "directly injuring our national security." Men engaged in defense work are being laid off as a result of the strike and defense plants are being shut down. Food and clothing destined for our combat forces in Korea are tied up in shut-down yards. In a few more days, the results will be calamitous.

There are those who make excuses for the strikers. It is said they have not had a wage increase since 1948, and that is true. But it is their own fault. Last June, after extensive hearings, a presidential fact-finding board recommended an increase of 18 cents an hour. The railroads accepted, the workers refused. Later, the railroads, trying to avert a strike, raised the ante to 23 cents an hour. The union still refused. Then came the White House intervention. This resulted in an apparent agreement on 25 cents an hour, plus cost-of-living protection, plus other benefits. This was signed by the union representatives, but was later rejected. Others say the railroad presidents should be compelled to negotiate with the union presidents. But what is the point of this? The railroad representatives have had full authority to negotiate and their agreements have been kept. It is the union representatives who have not acted in a responsible manner, and who, as the President says, apparently signed the White House agreement in bad faith. So what purpose would be served by bringing the railroad presidents into the picture?

What is obviously needed in this situation is some means of holding the unions responsible for the acts of their members. If the unions cannot control their members in matters that come within the province of the unions, then they have no right to function as the representatives of the men.

Now this can best be done is a difficult question. But some means of doing it must be found. The Government cannot call on all other Americans for heavy sacrifices in the name of the national welfare, and permit a handful of irresponsible strikers to pur-

sue their own reckless and selfish aims. That not only cripples the national effort in a material sense; it will, if tolerated, certainly destroy the national morale. It is not enough to denounce this strike, or even to find some way of patching up the dispute. The President, as Chief Executive, should start now to provide the machinery that will compel, not some, or most, but all Americans to serve the interests of their country on even terms. All unions today enjoy a privileged status under the law. If this privilege is going to be abused, as it is being abused, it must be revoked.

The Golf Controversy

EXTENSION OF REMARKS

OF

HON. HENRY O. TALLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. TALLE. Mr. Speaker, as a member of the Committee on the District of Columbia, I have taken note of the recent controversy concerning the operation of public golf courses here in Washington with a good deal of interest.

It is not my intention to discuss the problem at this time, but under leave to extend my remarks in the Record I include the following correspondence which, in my opinion, should receive the close attention of the Committee on Public Lands:

WASHINGTON, D. C., January 15, 1951.

DEAR SIR: The story of golf in the District is one that reflects great credit on the operators of the courses from the taxpayer's standpoint, because to this present moment their operation has cost the taxpayer not 1 cent. While there is a continuing deficit in every branch of the Government the golf courses have returned a profit to this same Government. While the District recreation chairman, Harry Wender, asks each year for increased appropriations for his department, the golf courses, under private management, have paid their way. In doing this they have kept green fees way below the green fees of other municipalities throughout the United States.

Many people believe that the Government built the courses and maintains them. The facts are that the courses, in part, were built by the present management of the courses from personal funds. The present operator of the courses risked his own finances in building the courses and was repaid from fees later collected from the players. Year after year during the early stages of golf-course building the District Recreation Commission manifested no interest in the golf courses whatever. During those days when the present operator of the courses was setting up the finest public golf courses in the country, the District Recreation Commission occupied itself with other matters. It was only when wise management started showing a profit that the District Recreation Chairman started casting anxious eyes at the local golf courses.

The golf courses are on Department of the Interior property. The swimming pools are on the Department of the Interior property. The tennis courts are on Department of the Interior property. Mr. Harry Wender does not want his recreation department to operate the swimming pools—he just wants to operate the golf courses. The golf courses show a record of wise management and continuing profit under private management.

The swimming pools, once operated by the present operator of the golf courses at a considerable profit to the Government, are now operated by a quasi governmental agency and are showing a continuing loss. The Recreation Commission has always reached into the pockets of the taxpayers for funds for all operations under their command, while the private operator of the golf courses has put money into the taxpayers' pockets. Anacostia golf course was once operated by a quasi governmental agency, but again a continuing deficit forced the management to turn the golf course over to the present operator, who again turned the operation into a profitable venture.

No one on the Commission knows anything about the operation of golf courses, yet newspaper accounts reveal that Mr. Harry Wender has already predicted the profits for the future under his management. As Members of Congress and other businessmen know, meeting a payroll from profits and wise management is slightly different than meeting a payroll from a congressional appropriation. Mr. Wender is an optimistic soul. He sees only a profit for the future in District golf. Mr. Wender has never investigated the operation of courses in other cities under municipal management. If he had investigated he would find that with few exceptions all the cities operate their courses at higher fees and at a loss to the taxpayers. Yet, undaunted by lack of knowledge of the subject, Mr. Harry Wender has already indicated he proposes to reduce the rates to the golfer.

Citizens who will have to pay the bill for any of Mr. Wender's mistakes in management are asking where the money will come from if the golf courses show a loss under governmental management. Mr. Wender certainly isn't going to foot the bill. Mr. Wender thinks it is easy to get money out of Congress for deficits, so he is reported to be not uneasy about the future if he can get control of the courses.

Should Congress in its wisdom decide to loan Mr. Wender money to purchase the courses some time in the future, it should first examine the entire recreation program. It should set up a policy that would require the Recreation Commission to take over the pools and tennis courts too. It should put the parks under the Recreation Commission control, because the parks and the biddle paths are as much recreation to some people as golf is to others. Mr. Harry Wender doesn't know anything about the operation of these things either, but there may as well be a big deficit as a little one. The taxpayers will never know the difference.

No one, including the Recreation Commission Chairman, Mr. Harry Wender, knows why the Recreation Commission wants to operate the courses. The Commission can't submit a record of profitable management in other ventures. They can't show that present fees are too high. They can't show that the courses are not in good condition. They can't show an excess of employees in the operation of the courses. They can't show anything except a desire to get control of golf in the District. The golf courses under municipal management in other cities show that city employees play the courses at no cost in most cases. The courses become a private playground for officials and political cronies of those in control of the courses. This is one reason why the courses show a loss.

When the Recreation Commission decided they wanted to operate the courses they learned that the present operator could not be attacked on the basis of wise management. They decided that the personal smear angle would produce the best results. All sorts of charges irrelevant were put forward, but they fell flat before an onslaught of facts in the hands of the present operation of the courses.

The most significant statement coming out of the hearings on the transfer of the golf courses to the Recreation Department is the following:

"It is indicated that it was the intention of Congress that the Recreation Board should operate the golf courses. This is obviously inaccurate, since, section 3 of article II of the Recreation Board Act specifically provides: 'That nothing in this act contained shall be construed as affecting any rights under any existing lease or leases lawfully entered into by any agency mentioned or affected by this act, nor shall anything in this act contained be construed as affecting the right of any such agency in the future lawfully to enter into leases of land or premises under its control for recreational purposes.' At that time, the golf courses were being operated by my company. By this provision, therefore, the Congress recognized and approved the continued operation of the golf courses by private concessioners.

"The Chairman of the Recreation Board has led the committee to believe that it was the intention of Congress to use the trust funds for operating the public golf courses, in addition to the other activities of the Recreation Board. Had this been true, in 1942 when the Board was created, the Congress of the United States would certainly not have placed a limitation of only \$500 as the total which would be advanced to the Superintendent of Recreation at any one time to be used for the expenses of conducting the activities of the Board. While this amount has since been raised to \$2,000 it is still obviously impossible to operate the public golf courses, which do a gross business in excess of \$500,000, on any such arrangement as was set up under the act creating the Recreation Board.

"In 28 years we, the present private operators of the golf courses, have paid the Government over \$191,000, which was deposited in the United States Treasury to the credit of miscellaneous receipts, District of Columbia, and have spent for capital improvements over \$240,000. All of these capital improvements either are now or will become the property of the United States. We have done this, and still have given the golfers the cheapest rates in the United States where the courses have been self-supporting."

Respectfully,

JOSEPH C. HEALY.

RECREATION BOARD,

DISTRICT OF COLUMBIA,

Washington, D. C., February 2, 1951.

HON. HENRY O. TALLE,

United States House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN TALLE: Thank you for sending me your letter of January 19 requesting comment on a communication from Mr. Joseph J. Healy under date of January 15 concerning the operation of public golf courses in the District of Columbia.

Mr. Healy writes under a lawyer's letterhead with Covington, Ky., offices, but with a post-office box address at the Franklin Station in Washington, D. C. It appears that Mr. Healy is an employee of the Department of Justice residing in the National Capital area, and is therefore one of the general public for whom the public golf courses should be operated. His letter, however, indicates that he is poorly informed as to the history of the golf courses in the National Capital parks and also as to the reasons for the creation of the District of Columbia Recreation Board and the functions vested in it by act of Congress.

The letter will be dealt with paragraph by paragraph in order to point out its inaccuracies. The statements made in the following comments are based upon information set forth on the records of the Recreation Board and in a Brief History of Golf Courses

in National Capital Parks, a mimeographed statement presented by the Department of the Interior before the Subcommittee of the Public Lands Committee of the House in May 1949.

PARAGRAPHS 1 AND 2

In paragraph 1 Mr. Healy states that the operation of the golf courses "has cost the taxpayer not one cent." This statement is obviously intended to convey the impression that public golf in the National Capital parks has been operated by the present concessioner without cost to the taxpayer.

Paragraph 2 further states "that the courses, in part, were built by the present management of the courses from personal funds."

Of the 81 holes available for play Mr. Leoffler's various companies have built 27 holes. The 18 holes at Rock Creek were built by the Welfare and Recreational Association (now Government Services, Inc.), a semi-public organization. The nine holes at Fort Dupont were built and paid for out of profits due the United States, and the remaining 27 holes were built from appropriated tax money.

There are five clubhouses at the various courses. Those at East Potomac, Anacostia, and Langston were built with tax money. The house at Fort Dupont will be completely paid for out of United States share of profits. Under one contract Mr. Leoffler was required to make some alterations to the oldest of the buildings which is used as a clubhouse at Rock Creek. The major maintenance of these clubhouses is paid out of tax money and the National Capital Parks Office expends large sums annually on other items in maintenance and improvement of the golf courses.

It is implied that the Recreation Board will request public appropriation to help meet the cost of operating the golf courses. There is a firm understanding between the Board of Commissioners of the District of Columbia and the Secretary of Interior that no direct appropriation will be requested for operating the golf courses. The advance requested by the Recreation Board in the 1952 budget estimate will be repaid out of funds received from operation of the courses.

Paragraph 2 contains the statement, "Year after year during the early stages of golf-course building the District Recreation Commission manifested no interest in the golf courses whatever."

The Recreation Board of the District of Columbia was created by act of Congress April 29, 1942, and held its first formal meeting on June 1, 1942. The public golf courses had then been established for 22 years. During the first year of its existence fiscal year 1943, the Board sought transfer of the golf courses upon expiration of the then existing contract, due to expire December 31, 1943. Due to war conditions and the short time available for obtaining the necessary funds, an agreement with the Secretary of the Interior was not reached and Mr. Leoffler received a new contract for 5 years to December 31, 1948.

In January 1948, a year before expiration of this new contract, the Board opened negotiations to obtain transfer of the courses, but despite repeated requests the National Capital Parks Office did not furnish the information as to history of receipts and disbursements and other information necessary to justify a request by the Board for an advance of funds to permit taking over the courses.

During the summer of 1948 the golfers using public courses held meetings and drew up complaints on the poor condition of the courses. As a result of these protests and the introduction of a resolution by Congressman Rivers, of South Carolina, an investigation was made by the Subcommittee on Recreation and Parks of the House Public Lands Committee. Hearings were held beginning March 29, 1949. The information requested

of the Department of the Interior by the Recreation Board was not furnished until February 1949, after the contract with Mr. Leoffler had expired. When the Subcommittee on Parks and Recreation learned that there had been no audit of Mr. Leoffler's books since the beginning of that contract on January 1, 1943, they directed that an audit be made. After the submission of the audit report, the committee recommended that the golf courses be turned over to the Recreation Board. Mr. Rivers introduced a bill directing this transfer.

On August 29, 1944, there was finally negotiated a basic agreement with the Interior Department permitting the Recreation Board to conduct programs on all areas under the jurisdiction of the Interior Department except the swimming pools and stipulating that supplemental agreements must be made for operation of the golf courses. The swimming pools were not included as the Interior considered they should be subject to a separate agreement. Throughout the negotiation of these agreements the Board has been assured that the present Secretary of the Interior desires to turn the golf courses over to the Board. The final supplemental agreement with the Interior for the operation of the golf courses has now been drafted, has received the approval of the District Commissioners and the national park authorities, and is the basis of the request now before Congress for an advance of \$275,000 to be repaid over a period of years from the golf receipts.

PARAGRAPH 3

Mr. Healy suggests that all recreation facilities in the National Capital parks should be transferred to the Recreation Board. The organic act creating the Recreation Board, Public Law 534 (56 Stat. 281) authorizes the Board to conduct a broad and varied program utilizing the public facilities "in major recreation centers, playfields, athletic fields, playgrounds, tennis courts, baseball diamonds, swimming pools, beaches, golf courses, community centers, and social centers in schools, parks, or other publicly owned buildings, as well as other recreational facilities which may be agreed upon between the Board and the agencies having jurisdiction over such facilities." The Recreation Board stands ready to assume the responsibility vested in it by Congress for the operation of all public recreation facilities in the District as rapidly as agreements can be reached with those agencies which have jurisdiction over the property where such facilities have been constructed. The Recreation Board does not own any land but operates on properties owned by the United States, by the District of Columbia government, including buildings and grounds assigned to the Board of Education, and by various public and private agencies. The Board does, however, in entering into these agreements, hold to its basic authority to determine all questions of general policy relating to public recreation in and for the District of Columbia. Any delay in the transfer of recreational facilities or in the completion of agreements between the Board and other governmental agencies is due only to differences of opinion as to the full authority of the Board in predetermining policy.

PARAGRAPH 4

Paragraph 4 questions the knowledge of the Board (Commission) about the operation of golf courses. Under authority granted by the Board, the Superintendent and Assistant Superintendent of the Recreation Department, the Chief of Operations and a representative of the Budget Officer of the District of Columbia have personally inspected and investigated the operation of other municipally owned and operated golf courses. The Superintendent is recognized as one of America's top recreation officials. The Assistant Superintendent is an engineer with

excellent analytical abilities. The program staff of the Recreation Department is thoroughly trained in all phases of recreation work. Under the Recreation Board, direction of the golf courses would be placed in the hands of a thoroughly competent golf expert of recognized experience and ability.

No promise has ever been made to the public by me or the Recreation Board that rates would be reduced. The Board proposes, if and when it receives the operation of the golf courses (1) to pay back its indebtedness on a clearly established schedule, (2) to be sure of a constant program of rehabilitation and improvement of the courses, (3) to extend existing courses and develop new ones, and (4) to give the public the benefit of whatever savings are accomplished by canceling out the "profit" payment now paid to the private concessioner. If, with the efficient operation and improvement of the courses, it is found possible to reduce rates, then, of course, this will be done. We would expect the public golfers themselves, through appropriate representation, to assist the Board in determining the extent to which improvements and extensions should be made before considering rate reductions.

PARAGRAPH 5

The statements of this paragraph have already been met in citing the firm agreement between the District and the Department of Interior that public appropriations will not be sought to operate the public golf courses.

PARAGRAPHS 6 AND 7

Congress has already set up in Public Law 534 a procedure by which the Recreation Board is authorized to accept the operation of all public recreation facilities subject to agreements between the Board and the agencies having jurisdiction over such facilities.

It is because the Board takes seriously the charge laid upon it by this law that it continues to seek the transfer of the golf courses.

PARAGRAPH 8

The writer refers in this paragraph to a "personal smear angle." This allegation is without basis, as at no time, either in its communications and conferences with Interior officials or in its public acts, has the Board or this writer made any personal charges against the present operation of the courses.

PARAGRAPH 9

Paragraph 9 quotes several paragraphs of the testimony of Mr. Leoffler before the Subcommittee on Parks and Recreation of the House Public Lands Committee. This quotation indicates very clearly Mr. Leoffler's lack of understanding in regard to the operation of the trust fund of the Recreation Department and the authority of the Interior Department and of the Recreation Board to enter into agreements for the improved operation of public recreation facilities. It is the opinion of the writer that the really significant statements coming out of the congressional hearings were made in the audit report of the Department of the Interior. These include:

(1) That the bookkeeping methods of the concessioner are "an indication of a lack of understanding as to modern methods of accounting."

(2) That in spending the rehabilitation reserve "individual job cost records were not maintained, making it difficult, if not impossible, to determine with any degree of accuracy the correct cost of the various projects."

(3) That the electric venting machines, only method of checking actual receipts "were disconnected or disregarded in accounting for number of tickets sold."

(4) That ticket "rolls, in many cases, were not entirely used up before a new roll would be started. Thus the effectiveness of using ticket numbers as a control of cash is diminished."

As to the trust fund of the Recreation Department, the advance of \$2,000 allowed for the trust fund is made by the District of Columbia and serves as a form of petty cash fund. Large expenditures for pay rolls, etc., from the trust fund are made according to the regular disbursement procedures established by the District Auditor and the General Accounting Office. If the item carried in the budget now before Congress is granted the Board will have a cash operating fund of \$100,000.

It is believed that it would have been in the interest of good public service if Mr. Healy as a Government employee and resident of this area had availed himself of the opportunity for clarifying numerous impressions and statements he has made. The offices of the Department of Columbia Recreation Department and Board are always available to provide data and information on public recreation services and facilities in the District of Columbia.

We are attaching a significant document, Compendium of Significant Factors Relating to Transfer of Operation of the Public Golf Courses to the District of Columbia. This compendium is a chronological listing of various events and developments which briefly illustrate the problems and difficulties which have beset the Recreation Board in discharging the mandate given to it by the Congress in Public Law 834.

Also enclosed is the original correspondence that you requested be returned to you.

The writer makes no response to Mr. Healy's frequent personal references, as it is assumed that any statements attributed to or directed at me in fact concern the Recreation Board.

This opportunity to comment on Mr. Healy's letter is deeply appreciated and we trust that you will call upon us for any additional information you may desire.

Respectfully yours,

HARRY E. WENDER,
Chairman, Recreation Board,
District of Columbia.

To End the Strike

EXTENSION OF REMARKS

OF

HON. HARRY R. SHEPPARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. SHEPPARD. Mr. Speaker, under leave to extend my remarks in the Record, I include the following editorial appearing on the editorial page from the Washington Post of Saturday, February 3, 1951, entitled "To End the Strike":

To End the Strike

The White House has properly taken account of the great public interest in the restoration of full railroad service in its statement condemning the trainmen's strike. No one can contradict the assertion that "while the unions did not ratify the (December 21) agreement, that does not give them the right to strike against the Government. Their obligation is to remain at work while they use whatever democratic processes are available to settle their dispute."

But court action, however necessary, will not settle the basic issue or restore harmony to rail labor relations. Nor will strong language. The mere fact of governmental control of the railroads implies an obligation upon the administration to see through the intervention it has begun. Yet in the current phase the administration so far has done nothing to bring top rail executives and union leaders face to face.

It became apparent shortly after Christmas that the agreement with the four major operating unions reached through the mediation of Presidential Assistant John R. Steelman was not going to work. The carriers charged the unions with repudiating the agreement; they hold—and the administration apparently agrees—that the contract signed December 21 was binding and must form the basis for any further discussions. The unions, on the other hand, maintain that no contract is firm until it is ratified by the members—and this contention has a solid history in labor relations. It is true that the contract agreed to by management provided a more generous wage raise than that recommended sometime ago by a Presidential emergency board. Union members, however, maintained that this was not enough in light of the fact that the dispute has dragged on almost 2 years; moreover, they objected to the provision enlisting Dr. Steelman as arbitrator for a 3-year period.

Whether or not there was bad faith on the part of the union leaders: whether or not they withheld from members certain items they had agreed to, the very fact of a strike attests the intensity of feeling. Undoubtedly union politics are involved, but an impasse exists and a way out must be found. Maybe Dr. Steelman has done all he can, but union heads have not seen him since January 18. Nor have they seen any top railway executives since December 21. What has set in, apparently, is much the same sort of stalling that took place after the Government seized the railroads last summer. If anyone expects this sort of treatment to cool the union feelings, it has had quite the opposite effect.

Although, according to Dr. Steelman, it was the unions who first sought his help, the plain fact is that they have lost confidence in him. Nor is it possible to see how the National Mediation Board can do much about the hot potato that was thrown back into its lap after White House intervention failed. Point one in any new attempt at governmental intervention, it seems to us, ought to be the recognition by President Truman that a new mediator is essential. The insistence of a management spokesman that this is mere "union propaganda" does not, of course, meet the issue, for confidence is a necessary prelude to workable agreement. There ought to be plenty of experienced men of the caliber of Dr. William Leiserson, former chairman of the Mediation Board, or Senator WAYNE MOSE who would be acceptable to both sides.

Governmental assurance that the wage freeze would not apply because of the history of the dispute would be a big help to a new mediator. But his fundamental job would be to end the dealing through intermediaries and get railroad presidents to sit down with union presidents and face the issues. That, in our opinion, is the only way to get both sides to cease bickering over petty grievances and start thinking of a lasting settlement in the national interest.

Appointment of Price Enforcement Directors

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. HILLINGS. Mr. Speaker, along with many other Members of the Congress, I have viewed with concern the manner in which regional and district

price enforcement directors are being appointed throughout the country. I have been particularly alarmed over the fact that the director named for the Los Angeles area is a left-wing Democrat who has consistently supported the socialistic philosophy of many of the radical thinking individuals in the present administration.

It is imperative that politics be kept out of our national defense program if we are to succeed in facing the demands of the present national emergency. The appointments now being made by the Price Director of the Office of Price Stabilization indicate that despite the national emergency, it is still politics as usual insofar as the Truman administration is concerned.

I am including an editorial from the Washington Sunday Star of February 4, 1951, which points out that the political pork barrel is the main consideration in the appointments being made by the Director of the Office of Price Stabilization. The editorial follows:

NO BEST REPUBLICANS

Price Director DeSalle has denied that political pull is the magic formula for getting jobs in his Office of Price Stabilization. "It makes no difference whether a man is a Democrat or a Republican," Mr. DeSalle said, "we pick the best man we can get."

If that is the case, the Republicans must be a pretty sorry lot, or else they are not looking for jobs.

A check of OPS appointments reveals that 11 of 13 regional price enforcement directors are Democrats of one sort or another, and that 29 of 34 district directors are Democrats. The others who could be reached said they had no party affiliation, or refused to reveal it. Apparently there are no Republicans in the crop, or, if they are any they are either afraid or ashamed to admit it.

This may be just a coincidence, as Mr. DeSalle's statement suggests. But it looks as though the OPS is rapidly becoming a haven for deserving Democrats whose services are not in demand elsewhere.

Will the United Nations, the Truman Administration, and General MacArthur Never Profit by Sad Experience?

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. BURDICK. Mr. Speaker, there is more than a favorable possibility that if the United Nations troops stop at the thirty-eighth parallel, the war in Korea will come to an end. It probably would have ended before if we had stopped at that parallel. We did not do it, and that weakened our argument that all we wanted was to drive the invaders out. It was finally left to General MacArthur and he proceeded across the line. The result was that we suffered the greatest defeat in the history of the United States.

Now again the papers report statements that indicate that we are not going to stop this time. Unless the United

Nations or this country will insist upon going no farther, MacArthur will probably go right ahead and embroil us in an all-out war with China. When we crossed it before, General MacArthur went up to the front lines to watch his great and final—"clean 'em up by Christmas"—operation. He took some good photographs and got a lot of publicity, but the result was a major disaster.

Does anyone think it is good policy to allow him to repeat this mistake? That mistake brought anguish to thousands of homes in America. If the United Nations does not stop it, we can. Has our administration the wisdom and nerve to say "No" when the time comes and not be bound to obey the commands of a vacillating, incompetent, and unnecessary body. The people of the United States never voted any authority to this debating society that strips us of our sovereign power. Any claim to such authority is clearly unconstitutional. The people of this country still rule, or do they?

Speaker Sam Rayburn

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1951

Mr. LeCOMPTE Mr. Speaker, all Members of the House are happy to extend felicitations to the great statesman from Texas who has established a new record for length of service as Speaker of the House of Representatives. Length of service is not his only achievement. He is one of the great statesmen of this age. Henry Clay's record is today surpassed. There have been many great statesmen who have filled the exalted position of Speaker of the House. Clay is generally credited with being the man who brought the Speakership to a very high level and made it one of the positions of first importance in our Government. The late Speaker Cannon of Illinois, served for a long period of time and was sometimes regarded as a czar. In connection with Speaker RAYBURN's great service to his country, it is interesting to note that there have been only four Speakers from west of the Mississippi River in the period of 162 years since the Constitution was adopted and the Federal Government was put in operation. The late Col. David B. Henderson, of my own State, achieved the honor of being the first Speaker of the House from the great region west of the Mississippi River. His service came around the turn of the century. In the administration of Woodrow Wilson, Speaker Champ Clark, of Missouri—another great statesman—wielded the gavel. In the middle of the Hoover administration the Democrats took control of the House and John Nance Garner, of Texas, became the Speaker. Later on he was elevated to Vice President where he served 3 years. Speaker RAYBURN thus becomes the fourth man from the region west of the

Mississippi River who has filled this very important position, and he has established a new record for length of service, but, more important, he has performed a very great service for his country and has, at all times, enjoyed the confidence of the country and the esteem of all Members of the House on both sides of the aisle. We hail him and extend felicitations.

Federal Bureaucracy and Public Unmorality

EXTENSION OF REMARKS

OF

HON. WINSTON L. PROUTY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. PROUTY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an address by the Honorable W. Arthur Simpson, commissioner of social welfare, State of Vermont, before the Rotary Club at St. Albans, Vt., on January 15, 1951.

Speaking from the standpoint of over 30 years experience and participation in public affairs, Mr. Simpson said he had witnessed the steady erosion of American character and much of this has been encouraged by accelerating Federal bureaucracy and public unmorality, emanating in the Nation's Capitol.

Mr. Simpson continued as follows:

In spite of a national emergency more serious than any which has ever confronted the American people, the tentacles of the bureaucratic octopus are still reaching out to entangle us.

There has been no real halt in the creation of a welfare state. We know, moreover, that conditions which are wrecking the financial stability of both State and Federal Government are bringing war and want back to keep their everlasting companionship with man.

For 15 years I have resisted and fought Federal domination and control of State government. Because of our resistance we have avoided the crushing costs which have been imposed on other States. In the State of Washington, for example, the per capita State fund cost of public assistance has reached the sum of \$91.54. This is an average of \$366.16 for every family in the commonwealth. In Vermont the per capita cost is about \$11.

During the past few months as a result of the passage of the Social Security Act of 1950, we have been enticed to adopt all the impractical, expensive and burdensome rules, regulations, and policies we have successfully resisted in the past. They would double our administrative costs to no good purpose and within 4 years add at least another million dollars to our biennial State budget. What can we afford? Where will it end?

One part of Government makes policies which increase prices, exhausts life savings, makes it difficult for a man to support his family, encourages divorce, desertion, dependency, and delinquency. Another part of Government is trying to catch up with the situation at greater and greater expense, and never the twain shall meet. Irrespective of location or conditions, cold weather or warm, each person on assistance must conform to a standard according to the Federal bureau. A standard item for food, a standard item for fuel, a standard item for

lights, clothing, and medical service. They would destroy initiative and thrift. If one raises a garden or a pig he must be charged for a standard garden or a standard pig. So why raise a garden or a pig? Why work anyway? Truly those whom the gods would destroy they first make mad.

And yet, the lure of Federal funds held out by the socialistic planners at the Nation's Capitol is a difficult bait to ignore, even when you know you are going to be hooked. Every State Administrator is bewitched, bothered, bewildered, and bedeviled by this unholy use of our own money.

The enemies of the Republican form of government and the democratic way of life are not all in Kres or Moscow. Some of them are here in America, insidious, persevering, and destructive. If successful, they will impose ultimate and complete regimentation in the United States of America.

We were led into a sense of false security by little men. It will require strong leadership, heroic measures, and such sacrifices as we have never known to save ourselves from disaster.

Why do we not have in Washington men of sufficient vision and courage to call a spade a spade and tell the people the truth? I have faith in their ultimate good sense and moral strength to face momentous issues.

As chickens come home to roost, we are beginning to realize that no person is immune from the consequences of inflation and a crushing burden of taxation.

We must put iron into our democracy. Democracy creating its own world was hard and grim and poor. Democracy in years of national peril has been rich and soft and quarrelsome. Government has been actuated by selfish political motives. It failed tragically to make a peace. It failed dismally to prepare for war. These things are true. At a time to come, at a place not foretold, the life or liberty will be won or lost in an hour of trial. What happens thereon hinge on fate will have been determined beforehand, by work done in the arsenal, in the shipyard, in the factory, on the farm, on the tank assembly line, a few man-hours or less. Liberty cannot be saved in its holiday clothes.

In his message to Congress in December 1923, Calvin Coolidge said:

"The functions which the Congress is to discharge are not those of local government but of national government. The greatest solicitude should be exercised to prevent any encroachment upon the rights of the States or their various political subdivisions. Local self-government is one of our most precious possessions. It is the greatest contributing factor to the stability, strength, liberty, and progress of the Nation. It ought not to be infringed by assault or undermined by purchase. It ought not to abdicate power through weakness or resign its authority through favor."

Calvin Coolidge may or may not have been a great President. That is for history to decide—but he was sound in his fundamental faith in the things which had made this a great nation. His feelings ran deep and and did not swerve. He was intelligent, he was wise, and, above all, he was honest. He possessed qualities very much needed in America today.

Welfare Needs Investigation

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the Rec-

can, I include the following editorial from the Muncie (Ind.) Star of February 3, 1951:

WELFARE NEEDS INVESTIGATION

A bipartisan committee to investigate the entire system of welfare in Indiana is being proposed by members of both political parties in the general assembly. We hope such a committee will be established. Enough evidence has been brought before the legislature to make it clear that the administration, the policies, the personnel, and the secrecy existing in the State welfare department need a thorough housecleaning.

It has taken a long time for the abuses and extravagances in welfare to come to light. There is still much that is hidden because of the iron curtain of secrecy imposed by Federal regulation and by State laws enacted under pressure by Federal bureaucrats. But the increases of expenditures in times of unprecedented prosperity have made it obvious that something is decidedly wrong in State welfare.

Welfare has become virtually an end in itself in Indiana. It is run by people who are accountable to nobody but Federal officials and who are not bound by budgetary restrictions imposed within the State. They seem to believe that their prime duty is to put as many people as possible on relief in order to expand the scope of their own power and influence.

The Star agrees with Representative Jess Andrews who said on Wednesday that "what lies beneath the surface (of welfare activities) will shock the State if it can be brought into the open." We hope that members of both political parties in the assembly will join together in the public interest and establish a bipartisan committee that will bring all welfare activities out into the open.

Old-Age Assistance

EXTENSION OF REMARKS OF

HON. HOMER THORNBERRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. THORNBERRY. Mr. Speaker, I have received a letter from two very dear friends of mine, Mr. and Mrs. A. B. Rosson, of Austin, Tex., who have asked me to read their letter to the membership of this House. Both of them are not only aged citizens, but are deeply interested in a fair and equitable program which will provide an income to our aged citizens without impairment of their dignity as American citizens.

I am glad to read the letter to you, not only because they are friends of mine, but because under the first amendment to the Constitution of the United States, they are entitled as a fundamental right to petition this Congress and their Government for consideration of their beliefs and their problems. I ask for your very careful consideration of their suggestions. The letter is as follows:

DEAR CONGRESSMAN: In compliance with the wishes of Townsend members in this community, I am respectfully requesting that you devote as much time as possible to the active promotion of the principles of the Townsend plan.

You must certainly be aware of the suffering of our aged citizens who are compelled to exist on an average of \$32 per month old-

age assistance, or \$26 per month old-age insurance. Compare this income with the \$150 per month which our Government suggests is the amount required to provide a decent standard of living. How are these people supposed to live? And now the cold hand of poverty knocks even louder on their doors with the latest increases in living costs making their meager incomes even less adequate in terms of food, clothing, and shelter.

It would seem that this problem is important enough to rank first on your list of congressional duties. As voters in your District we are asking that you use your influence to stop this injustice by actively supporting the principles of the Townsend plan, which guarantees dignified retirement on a pay-as-you-go basis.

Very truly yours,

A. B. Rosson,

Mrs. A. B. Rosson.

Our Foreign Situation

EXTENSION OF REMARKS OF

HON. ALBERT M. COLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 2, 1951

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the Record, I include the following address by Hon. Alf M. Landon:

I speak today not as a Republican. Obviously I cannot speak as a Democrat. I speak as an American citizen.

In recent speeches Governor Dewey, Mr. Hoover, Mr. Dulles—an American delegate to the United Nations—Senator Taft, and Governor James Byrnes all predicated the military policies they advocated on political policies.

Ordinarily that would be true. Eventually no military action is an end in itself. It merely provides the opportunity for negotiation and diplomacy. But we are now in a situation where our foreign policies depend on military events immediately confronting us.

Our decision to stay in Korea and our ability to do so completely alters the world political situation.

It forces definite and immediate action—either by the United Nations on our resolution branding Red China as an aggressor—or by ourselves in the realization that the grand idea of collective security has refused to work in a war-troubled world once again. It should be plain by this time to the members of the United Nations—and the Atlantic Pact—that doubts and questioning as to the value to America of our continued membership in both—are rapidly increasing in the United States.

We should make it plain to the United Nations that the adoption of our Red China Communist aggressor resolution does not mean that that is the end of it. We should make it plain that irreparable damage will be done to the grand idea of collective security—unless that resolution is fully supported when adopted, by concerted action, by other members of the United Nations, by the imposition at least of immediate economic sanctions and blockade.

There is too much strategic material like steel—petroleum products, and rubber—being supplied the Communists by our allies whose cause we are fighting in Korea.

There is no question that great quantities of strategic material are getting to Rus-

sia and its satellites. Europe is leaking them just like a sieve.

Of course, implicit in that policy of economic blockades is support for the national government of China—as soon as the United Nations faces up to its responsibility and duty of branding the Communist Chinese as an aggressor.

In asking for that resolution by the United Nations, America is only asking for a normal function because the United Nations was set up as an organization to prevent aggression and uphold peace.

All our diplomatic moves in the United Nations have set the stage for support for the official government of China.

After favorable action by the United Nations on the pending aggression resolution—thereby relieving the United States of any charge of imperialism in Asia—I favor lend-lease to the nationalist government and taking the fetters off Chiang Kai-shek.

Our military defense of Korea must have been upsetting to the Kremlin's timetable of world conquest—as we had practically invited them in there by our previous statements by the Secretary of State and the President that Korea was not of military value to us.

There are no railroads left in Korea. It is doubtful if the Chinese armies can live off the country. The only way they could be supplied with food and ammunition is by trucks. There is no production of trucks, automobiles, tanks, or airplanes in China. There is no rubber in China or Russia. The only available supply to both is from southeast Asia. There is no petroleum in China. Therefore, the only supply of gasoline available to Communist China is from Russia and England. There is not enough oil in Russia to fight a long war. Even to supply the Communist Chinese just with gasoline for the Korean campaign and to resist the forces of our officially recognized government of China is a drain on the petroleum supplies of Russia.

Therefore, instead of the forces of the United Nations being pinned down in Korea, the Russians are pinned down there. They cannot abandon their Chinese Communist satellites.

As a matter of logistics, it is easier for us to supply the United Nations Army on the tip of Korea by water—with our available ships and mechanical equipment—despite the greater mileage involved—than it is for the Communists to supply their forces on the tip of Korea by trucks.

Russia is also short of steel which further complicates its problems of supplying their Chinese satellites with not only motor vehicles and airplanes and fuel to run them, but also with guns and ammunition.

She might get the steel essential to fight a long war by seizing the Ruhr.

But the question of the essential petroleum supplies is not so easy.

The only place Russia can get the crude oil to supplement her own supply is from the Arab States. We are undoubtedly prepared to destroy the Arabian wells, pipelines, and refineries in the event of hostilities. But the oil is still there in the ground. The problem of getting the crude production back is not so great. But that of transportation and refining is. After they get the crude oil back to the top of the ground, they would still have the enormous job of getting it into the refined product and transporting it where they could use it.

Therefore, gasoline is as much of a vital item to Russia in fighting a war as the atom bomb itself.

The total number on hand and her annual rate of production of the atom bomb by Russia are unknown but her weakness in petroleum and steel and rubber in sufficient quantities for warfare is well known. Of these, the greatest of all is gasoline.

Therefore, instead of its being to Russia's interest to keep us involved in Korea, it is to our interest to keep Russia involved there. Russia is being hurt a lot more than we are in Korea.

With all the Reds' shortages in war potentials, it's really costing them bitterly to stick with this Korean adventure. They thought it was going to be a short and cheap victory; instead, Russia is paying through the nose and now the Communist Chinese are beginning to do the same thing.

In the last few weeks they have really been hurting. They are on the receiving end in a big way.

Of course, they have vast manpower resources. But even with their millions—it still is very damaging to lose a couple of armies as they are now in the process of doing.

The plain matter of fact is that the Russians and Chinese Communists are suffering very severely in Korea and will continue to do so to an increasing extent as time goes on.

In other words, time is now playing into our hands.

Naturally, it is costing us something, too, but a lot less than it's costing the Commies. General Collins told the Senate Armed Services Committee the other day that our losses have been amazingly small.

It is our Asiatic policy that I am more concerned with right now rather than with our European policies, because it is there that we find ourselves at grip with Communist aggression.

There is another reason for concentrating on the job we have on our hands in Korea. That is that Russia, traditionally and by policy, has always tried to avoid a two-front war.

By staying in Korea through our superior fire power with a minimum of casualties to the United Nations Army, we relieve the Communist pressure on Indochina, India, and even Western Europe.

The United States has a greater industrial productive capacity and greater natural resources than any combination of the present Communist territories.

The Communist world, lacking necessary productive capacity for war, faces the vital necessity for the quick seizure of the industrial plants intact of Western Europe.

The question of how intact they would be is undoubtedly one of the reasons the Kremlin gangsters are hesitating to plunge into war.

Another reason is the growing revolt throughout the Communist territories by patriots fighting for freedom.

What is known as the underground movement should be vigorous and persistently encouraged and supported everywhere by all anti-Communists.

Another reason the gangsters of the Kremlin are hesitating is being fully demonstrated in the air battles over Korea.

Either the Communist jet planes do not possess their boasted superiority, or their pilots are no match for our American boys.

Either way, we are hitting the Reds off the vaunted Communist jet forces to confound the prophets of gloom and doom.

Our patient efforts through the debates and discussions in the United Nations should enable all the peoples of the world to see and understand that the Communist Chinese are the true aggressors and the failure to brand them as such is the way to war and chaos.

The great idea of collective security is facing its supreme test. If it is to work, it must be all for one and not one for all.

Therein lies the great value of Mr. Hoover's last address to the country. To dismiss his talk as isolationist is simply an attempt to get away from realities.

The essence of his talk as I understand it is that you can't save people who are unwilling to make an effort to save themselves.

It seems to me the crucial thing we are up against is the lack of a will to fight for their own freedom in the western democracies.

People who are so lost to justice, the rights of the individual, to international friendship, to working out their own destinies and their own reforms in their own ways, all the basic elements of what we call the democratic processes, that they haven't the guts or the heart, whatever the reason, to resist the iron-curtain gang, are a grim warning to us that it is time to make a cold reckoning of what we have in the way of collective security and then base our course on that.

If it means pulling in our horns in this place or that place, then that is what we have to do, for to do otherwise is to court sure disaster.

In other words, it is not our job to contain communism so much as it is our job to marshal the forces of freedom-loving people everywhere, to preserve the way of life, for which we are paying, and will continue to pay, a tremendous price.

We have already been grievously hurt because of ineptness, stupidity, and working at cross purposes.

We have been kidding ourselves with a lot of words and huffing and puffing but it is too late for that mumbo-jumbo stuff and longer.

It is time we realized that fully and clearly.

I believe our national administration is on the right track in staying in Korea. I believe our national administration is on the beam in giving the United Nations time to brand the Communist Chinese as an aggressor. But I also believe the American people will not endure much longer the vacillation of the members of the United Nations and the failure to shoulder their share of the load.

The world political picture is completely altered by our decision and our ability to hold Korea. It may be altered for the worse or the better. But it is being completely altered. And I believe it will be for the better. Because, if for no other reason, out of the confusion and division in the United Nations will come a clear and logical policy for us to follow.

Our Great Leader

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1951

Mr. DAGUE. Mr. Speaker, it is with deep pleasure and a sense of high privilege that I join with those who have raised their voices in commendation of our distinguished Speaker, the Honorable SAM RAYBURN, who has capped an illustrious career by attaining a longer period of service in his high office than any other man in the history of this Nation.

As a member of the minority party, I have studiously avoided allowing partisanship to becloud my appreciation of the fairness, tact, ability as a presiding officer, and great parliamentary knowledge, such as are constantly displayed by Mr. RAYBURN. In addition I have had constant satisfaction in the assurance that without regard to politics our Speaker has always been one to whom a Member, new or old, could turn for

counsel and advice, knowing that there constantly awaits every appeal that warm understanding which stems from a heart kept attuned to the thinking of the ordinary folks, in which group most of us are pridefully included.

It is my prayerful hope that Mr. RAYBURN may be spared for many more years of outstanding service in the Congress and that we may always enjoy in our legislative deliberations his wise counsel and sound advice.

Are Farm Prices Too High?

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the Record, I include a statement released to the press of this date by Hon. HAROLD D. COOLEY, the distinguished chairman of the Committee on Agriculture. This statement and the accompanying figures based on data prepared by the committee staff answers many questions which are of widespread interest in the field of farm and food prices. I urge that it be read and studied by every Member of Congress.

ARE FARM PRICES TOO HIGH?

Representative HAROLD D. COOLEY, chairman of the House Committee on Agriculture, said today that those who are pointing the finger of blame at the American farmer for high food prices are demonstrating nothing but their own ignorance of elementary economics and price relationships.

Rather than farm prices being unreasonably high, he said, the January 15 price report just issued by the Department of Agriculture shows that most farm commodities are bringing less than a fair return to the farmer as measured by the parity index, less than the legal minimum price as established by the Defense Production Act and the Price Control Order of January 26, and far less than many of those same commodities were bringing to the farmer in 1948.

When the Department of Agriculture announced that the January 15 parity index stood at 110, many persons, including some who should have known better, immediately jumped to the conclusion that all farmers were receiving 110 percent of parity for all of the crops they had produced in the past year.

The principle of parity is very simple—it means merely a fair price for what the farmer sells in comparison to the cost of the things the farmer buys. The computation of this parity index for 172 different agricultural commodities is, however, a complicated mathematical process, one about which the average consumer or the average farmer knows very little.

The average consumer is not to be blamed therefore, when he accepts the written or spoken statement of those who should know what they are talking about, that a parity ratio of 110 means automatically that all farmers are getting 10 percent more than a fair price for everything they sell, although such an assumption is far from the truth.

If the people who make these statements would publish the complete facts and figures as released by the Department of Agriculture, everyone, consumer and farmer alike, would

be able to see that the parity ratio has been pushed to its high level by only five or six commodities and that the great majority of the commodities farmers sell and consumers use are still bringing less than the parity price to the producer. Following is a complete table of parity ratios for the major agricultural commodities on January 15, 1951, as computed and released by the Department of Agriculture:

Effective parity prices for farm products and average prices received as a percentage of effective parity prices, United States, Jan. 15, 1951, with comparisons

Basic commodities:	
Cotton.....	125
Wheat.....	89
Rice.....	104
Corn.....	90
Peanuts.....	85
Designated nonbasic commodities:	
Potatoes.....	50
Butterfat.....	91
Milk.....	95
Mohair.....	153
Wool.....	153
Honey:	
Comb.....	---
Extracted.....	---
Other non-basic commodities:	
Barley.....	86
Beans, dry edible.....	86
Cottonseed.....	150
Flaxseed.....	---
Oats.....	92
Rye.....	---
Sorghum grain.....	72
Soybeans.....	107
Sweetpotatoes.....	79
Grapefruit.....	42
Lemons.....	75
Oranges.....	35
Apples.....	78
Beef cattle.....	141
Chickens, live.....	80
Eggs.....	82
Hogs.....	97
Lambs.....	143
Turkeys, live.....	91
Veal calves.....	143

* Unofficial estimate.

It will be noted that out of this whole list only cotton, rice, wool, cottonseed, soybeans, beef cattle, lambs, and veal calves were selling at prices above parity on January 15, 1951. Every other major food commodity was selling on that date below parity and some commodities very important to the consumer were selling far below parity. Potatoes were bringing farmers only 50 percent of parity. Dry edible beans, an important protein food, were selling at only 86 percent of parity. Sweetpotatoes were only 79 percent of parity; grapefruit 42 percent of parity; oranges 35 percent of parity; chickens 80 percent of parity; and eggs 82 percent of parity.

The prices of those few commodities which were selling above parity on January 15 were at that level not because the farmer has placed that price tag on his product, but because the buyers, representing 180,000,000 American consumers have placed that value on what the farmer produced. It should be clearly understood that unlike the manufacturer of automobiles, tractors, shirts, and millions of other products, the farmer does not place a selling price on his commodities.

The marketing of agricultural products in the United States is the one great free market left anywhere in the world. The farmer produces the commodities and offers it for sale. He doesn't put a price on his product. He sells it for whatever the consumer thinks it is worth and is willing to pay. As a matter of fact, most of the commodities which are now selling above parity and a great many of the other major agricultural commodities are sold at open auction at prices

over which the farmer has no control whatever.

When a farmer ships a load of cattle or hogs to the market he loses control over the price of these animals the minute they are unloaded at the stockyards. He receives for his investment and his labor in those animals the price that the buyers representing 180,000,000 consumers are willing to pay when the animals are put up for sale. If the farmer doesn't like that price, his only recourse (and even that may not be available to him under many circumstances) is to load the animals back onto the truck or freight car and bring them back to the farm in the hope of a better price later. This is obviously a costly and difficult procedure which can easily result in further loss and is seldom resorted to.

It should be unnecessary to point out that the farmer also has no control over the processing, handling and marketing charges and the wholesale and retail mark-ups placed on a commodity after it leaves his hands—and that these charges contribute substantially to the retail prices against which consumers complain.

If, on the other hand, American consumers don't think the farmer's produce—let's say specifically, meat—is worth the price at which it is selling, they can bring that price down overnight by refusing to buy meat at the prices quoted. Poultry, eggs, dairy products, beans, fish, and beefsteak all contain high quantities of proteins in nutritious and palatable form. They are all selling below parity (except fish, for which there is no parity figure) with the exception of beefsteak and the relatively high price of beef, compared to the other protein foods, indicates the clear and understandable preference of American consumers to get their proteins in this form. Instead of in some of the cheaper but equally nutritious protein foods.

As long as there is a reasonably adequate supply of beef—which there will be as long as farmers are left free to produce in abundance—the price of beef and other meats will continue to reflect not what the farmer would like to get for his animals, but what the consumer thinks it is worth in comparison to the other protein foods.

The price of cotton—another one of the half-dozen commodities that is pushing the parity ratio up—is the clear result of the supply and demand situation. The increased demand resulting from the defense program coincided last summer with the smallest cotton crop for many years. If farmers have the labor, machinery, and fertilizer they need, they will produce the 16,000,000-bale cotton crop the Secretary of Agriculture has requested for 1951 and take care of the cotton-supply situation.

Cottonseed—another commodity pushing the parity ratio up—is utterly insignificant in the cost of living and is, in fact, chiefly an added cost to farmers who use cottonseed meal for animal feed.

The price of wool, which stands in the vicinity of 150 percent of parity and helps to push the whole parity ratio up, means little to American farmers. We import more than two-thirds of the wool used in the United States and the price of wool on the American market is the world price—not the American farm price.

Many of the other woods important to the consumer are marketed like livestock, by open auction on a free market with consumers alone setting the price.

Everyone remembers the tremendous surge of prosperity after the war as the American economy shifted itself back into high gear for civilian production. Economic activity, civilian industrial production, incomes, prices, and many other indicators of economic conditions rose to new heights, reaching a top about July 1948.

At that point there began a leveling off in economic activity, as production caught up with consumption. Some prices fell off sharply—among them the prices of farm products. Nonagricultural income in the United States continued upward—from \$164,575,000,000 in 1947 to \$183,722,000,000 in 1948; \$185,980,000,000 in 1949; and \$198,000,000,000 in 1950.

The net income from farming followed the general trend for only 1 year—from \$18,724,000,000 in 1947 to \$19,169,000,000 in 1948. In 1949, however, net income from farming fell to \$15,934,000,000 and dropped again in 1950 to \$14,600,000,000, the lowest since 1945. In 1947 there was 19.3 percent of the population living on farms and the net income from farming was 10.1 percent of the national income. In 1950 the farm population was still about 18 percent of our total population, but the net income from farming had declined to a mere 6.8 percent of the national income.

While farm prices and incomes were falling, however, employment and wages continued upward to new highs. Average weekly wages of industrial workers went up from \$53.87 in June 1948 to \$64.15 in December 1950, an increase of more than 19 percent.

In spite of the sharp increases which have occurred in recent months in the price of beef, cotton, and the few other commodities which have pushed the parity ratio upward, the prices of most farm commodities are still sharply below the prices farmers were receiving for those same commodities in 1948, and retail food prices have just reached that level.

The following table, compiled by the committee staff and not previously published, shows the farm-price situation clearly:

Average prices received by farmers for farm products, Jan. 15, 1951, United States, with comparisons

Commodity and unit	1948 mid-month average prices	Legal minimum prices Jan. 15, 1951	Average price Jan. 15, 1951
Wheat, per bushel.....dollars..	\$ 2.81	2.35	2.09
Rye, per bushel.....do.....	\$ 2.47	1.73	1.48
Rice (rough), per hundredweight.....dollars..	\$ 6.38	5.36	4.55
Corn, per bushel.....do.....	\$ 1.46	1.71	1.54
Oats, per bushel.....do.....	\$ 1.37	1.04	.882
Barley, per bushel.....do.....	\$ 2.06	1.48	1.27
Sorghum, grain, per hundredweight.....dollars..	\$ 1.77	2.90	2.10
Hay, per ton.....do.....	\$ 24.50	23.30	22.00
Cotton, per pound.....cents..	\$ 33.37	32.98	41.31
Cottonseed, per ton, dollars..	\$ 90.00	71.00	80.00
Soybeans, per bushel.....do.....	\$ 4.11	3.06	2.90
Peanuts, per pound.....cents..	\$ 30.00	12.8	10.9
Flaxseed, per bushel.....dollars..	\$ 6.71	4.34	4.25
Potatoes, per bushel.....do.....	\$ 2.00	1.76	.98
Sweetpotatoes, per bushel.....dollars..	\$ 2.00	2.47	1.94
Beans, dry edible, per hundredweight.....dollars..	\$ 11.90	8.02	7.60
Peas, dry field, per hundredweight.....dollars..	\$ 4.51	5.49	5.31
Tabacco, per pound.....cents..	\$ 20.6	45.9
Apples, per bushel.....dollars..	\$ 2.52	2.77	2.17
Grapefruit, per box (equivalent on-tree returns for all methods of sale).....dollars..	\$ 1.01	1.96	.83
Oranges, per box (equivalent on-tree returns for all methods of sale).....dollars..	\$ 1.56	1.58	1.26
Lemons, per box (equivalent on-tree returns for all methods of sale).....dollars..	\$ 3.65	3.23	2.37
Hogs, per hundredweight.....dollars..	\$ 27.40	26.00	26.00
Feef cattle, per hundredweight.....dollars..	\$ 23.30	13.80	25.00
Veal calves, per hundredweight.....dollars..	\$ 26.40	26.30	26.80
Sheep, per hundredweight.....dollars..	\$ 10.50	12.00	18.20
Lambs, per hundredweight.....dollars..	\$ 27.10	26.40	30.00
Butter, per pound.....cents..	\$ 22.0	21.1
Butterfat, per pound.....do.....	\$ 17.7	14.0	20.2

Footnotes at end of table.

Average prices received by farmers for farm products, Jan. 15, 1951, United States, with comparisons—Continued

Commodity and unit	1948 mid-month average prices	Legal minimum prices Jan. 15, 1951	Average price Jan. 15, 1951
Milk, wholesale, per hundredweight.....dollars	1 5.13	4.02	4.90
Milk, retail, per quart (sold by farmers directly to consumers).....cents	19.4		19.6
Chickens, live, per pound.....cents	32.5	30.2	24.3
Turkeys, live, per pound.....cents	51.4	38.6	33.9
Eggs, per dozen.....do.	58.3	51.5	42.6
Wool, per pound.....do.	50.7	55.2	58.0

1 January.
2 February.
3 March.
4 May.
5 July.
6 November.
7 April.
8 August.
9 October.
10 December.
11 September.
12 June.

This table will bear close study by anyone who is truly interested in the matter of farm prices. It shows clearly that while a few commodities are higher today than they were in 1948, most of the major farm commodities are selling today far below their 1948 price. Out of the 45 major commodities listed on this table, only 9 were priced as high on January 15, 1951, as they were during 1948. These commodities are cotton, cottonseed, peanuts, beef cattle, veal calves, sheep, lambs, retail farm milk, and wool. Of these, cottonseed, peanuts, and retail milk (milk sold by the farmer direct to the consumer) are up only minutely over their 1948 price.

On the other hand, a comparison of the 1951 prices (shown in column 3) with the highest mid-month price of 1948 (shown in column 1) disclosed that many important consumer commodities are selling today far below their 1948 level. Potatoes are about 99 cents per bushel compared to \$2.05 in April 1948. Sweetpotatoes are \$1.94 compared to \$2.65 in August 1948. Wheat, the basic ingredient of bread, was \$2.09 on January 15 of this year compared to \$2.86 in January of 1948. Chickens are 24.3 cents this January compared to 32.5 in August of 1948. The farm price of eggs on January 15, 1951, was 42.6 cents compared to 48.3 cents in November 1948. Oranges were bringing farmers only \$1.26 a box this January, against \$1.96 a box in September 1948. How many nonagricultural commodities can you buy today for less than they cost in 1948?

Contrary to what appears to be the general belief, the price of hogs is 25 percent lower today than it was in 1948—\$20 per hundredweight on January 15, 1951, compared to \$27.40 per hundredweight in September 1948.

Column 2 of the table shows the legal minimum prices or ceilings which may be established for agricultural commodities under the Defense Production Act and the recent price control regulation. Study of these ceilings will indicate that they, too, are generally below the prices farmers received in 1948; so that even if the price of farm commodities should now come up to these ceilings, farmers would still be receiving a lower price for many of these commodities than they were receiving on a free market in 1948.

Suspension of the Copper-Import Tax

EXTENSION OF REMARKS

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. PATTERSON. Mr. Speaker, the short supply of copper continues to plague American industry. The trade barriers erected against the importation of this vital metal by the Eighty-first Congress is threatening the economic stability of the Nation.

I have received from the United States Independent Telephone Association a copy of a letter written to the Honorable ROBERT DOUGHTON, chairman of the Committee on Ways and Means. This association represents 5,700 independent telephone companies in the United States—most of them in rural areas. Their continued operations are essential to the maintenance of our communications system. The utter foolishness of the import tax on copper becomes more evident daily as essential industries feel the pinch of low copper inventories and increased defense orders.

The letter follows:

UNITED STATES INDEPENDENT

TELEPHONE ASSOCIATION,

Washington, D. C., January 30, 1951.

HON. ROBERT L. DOUGHTON,

Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: We are writing to tell you of the vital interest which the independent segment of the telephone industry has in the matter of suspension of import taxes on copper. There are two measures now pending before your committee upon this subject: H. R. 256, by Congressman PATTERSON, of Connecticut, and House Joint Resolution 37, by Congressman MILLER, of Arkansas.

The 5,700 independent operating telephone companies which provide telephone service in 11,000 urban and rural communities throughout the United States are under mandate, by the laws of the States in which they operate, to furnish service of such quality and to such extent as will best serve the public interest.

These companies are confronted with unprecedented demands for telephone service. Copper is one of the essential materials used in the manufacture of wire, cable, switchboards, and numerous other equipment items which are needed in order to meet these service demands.

Independent manufacturers and suppliers producing the various equipment items used by independent telephone companies in furnishing service are experiencing increasing difficulty in obtaining copper in sufficient quantity to meet their needs. The situation has become so serious that it is a matter of considerable concern.

One of our manufacturers has written us that "the present emergency and the heavily stepped-up requirements for copper for defense and essential civilian purposes in the communications industry has made it all the more necessary that relief of the copper shortage be pursued through every available means. Our supply of copper has been extremely tight, and, aside from the meager

requirements covered by DO ratings, we have had to fight for every pound of copper and brass which we cannot do without in the production of telephone equipment."

Another manufacturer has written: "It is becoming increasingly difficult to obtain copper for the purpose of manufacturing components and equipment so vitally needed in the communications industry."

Another manufacturer has written: "Our requirements for copper-base alloys are far in excess of the material allocated to us and this condition in the future will not improve but, conversely, will grow progressively worse."

Still another manufacturer has written: "Vigorous action should be taken to increase the supply of copper in order that the vital communication and electronic industries may be furnished equipment to insure adequate communication facilities during the national emergency. It is our belief that the comparatively insignificant loss of import tax revenue from copper is far offset by the strengthened position which added communication and radio apparatus within our country affords us during this time. As copper is absolutely vital to the communications industry and even more essential in radio and electronic apparatus which we are presently under contract to supply for the defense program, we strongly urge that the import duties be promptly suspended."

In a report by the Select Committee on Small Business of the United States Senate presented on January 15, 1951, the following reference to copper appears: "Even if the Korean situation had not developed, there would not have been sufficient copper to meet the demands of the civilian economy, no less the additional demands of the military programs. In light of this situation, certain actions are required to bring into balance the available supply of copper with the over-all United States demand, which includes military, stockpile, and civilian programs." (Rept. No. 2, 83d Cong., 1st sess., p. 19.)

Suspension of import taxes as called for in the pending measures above mentioned would increase the supply of this critical material and thus assist not only in the military stockpiling program but in maintaining essential telephone service. The Senate Interstate Commerce Committee several years ago reminded the country that "adequate communications facilities and the maintenance of a strong, cohesive, and far-flung communications system are as vital to the prosecution of the war as is the production of guns, airplanes, tanks, and ships."

Our association hopes, therefore, that you will do everything you can to bring about early and favorable consideration to this important legislation.

Sincerely yours,

CLYDE S. BAILEY,
Executive Vice President.

Our Ruling Class

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. DAVIS of Wisconsin. Mr. Speaker, the Nation is in a period of economic and military mobilization—a critical time in which the cooperation and sacrifice of all Americans will be required,

Yet, Mr. Speaker, this administration continues to play politics as usual. Politics as usual for this administration, I might add, is quite a bit of politics. Those who act high and mighty about criticism, certainly ought to at least try to keep themselves above those things which merit the just criticism of the American people.

I cannot condemn too strongly the prevailing practice of placing into the hands of men chosen by the spoils system the power over critical matters affecting our country and our daily lives. I submit herewith a very pointed editorial which recently appeared in the Wisconsin State Journal, of Madison, Wis.:

OUR RULING CLASS

Wilbur Elston, a Minneapolis Tribune staff correspondent in Washington, reported the other day that "price control offices being set up around the country are becoming a haven for defeated Democratic candidates and other Democratic politicians."

Everywhere, Mr. Elston reported, the answer is the same:

Top jobs are being cleared with the Democratic national committee, Democratic Senators and Congressmen, and State Democratic leaders.

The same practice, Elston discovered, "will be followed in staffing regional civilian defense agencies." The organization being set up to patrol wages likewise will be staffed by the party faithful.

It would be too much, of course, to expect the Truman administration to abandon its "politics as usual" slogan in the national emergency. After all, these emergency jobs are not covered by civil service regulations. And the pay is too good—\$50 a day for consultants and \$29.20 a day for public information men—to be wasted on the common people.

Elston cites specific examples of how the party hacks are being taken care of.

The defeated Democratic candidate for Congress from Minnesota's second district gets the district price assignment.

The defeated Democratic candidate for Governor of South Dakota will be a regional legal adviser.

A former Democratic member of the Montana unemployment compensation becomes an assistant regional price director.

Al Loveland, the defeated Democratic candidate for United States Senator from Iowa, will be Iowa district price consultant.

The regional director in Chicago is the defeated Democratic candidate for Illinois State treasurer.

The regional director for the Rocky Mountain States will be the man who in 1948 was president of the Truman-Barkley club. (A 5-man panel had recommended another man.)

In California, a defeated Democratic congressional candidate was named price consultant for the Los Angeles district.

Others slated for or already appointed to the well-paid jobs include a former Democratic Congresswoman from Connecticut; a defeated Democratic congressional candidate in Indiana; the father of a defeated Indiana Democratic Congressman; and a Democratic New York State legislator who was turned down by the voters.

In Wisconsin, of course, we know the story.

Carl Thompson, Democratic national committeeman and patronage boss who was defeated for governor last fall, was offered one of the \$50-a-day jobs. For reasons of his own, he rejected it, but will name his own successor.

Tom Fairchild, the defeated Democratic candidate for United States Senator, also was taken care of. He has been offered the district legal counsel's post.

Most citizens know that the days ahead require personal sacrifice. Most responsible citizens are ready to cooperate in the national effort to control wages and prices, and to get our civilian defense establishment in working order.

The Truman administration is making a mistake by using these necessary Federal programs as instruments of politics.

This country simply doesn't like a ruling class. And our citizens have a particular hatred for a ruling class when membership therein is limited to members of the political party in control.

That sort of thing is too much like the very political philosophy we are fighting against.

Anti-Inflation Policy Backed by Economists

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. YORTY. Mr. Speaker, every one of us is anxious to protect and strengthen the American economy so that the Nation can come through the current and future period of high governmental costs in a sound state. The manner of accomplishing this involves some differences of opinion. Because I believe the information contained in the following article, which appeared in this morning's Washington Post, will be useful to all of us, I am asking that it be included in our Record:

ANTI-INFLATION POLICY BACKED BY ECONOMISTS—RESEARCHERS' REPORT CALLS FOR FULL TAXATION, CURBS ON BANK CREDIT

(By Alfred Friendly)

Four of the Nation's leading economists yesterday gave firm backing to the administration's taxation and price-wage policies for inflation control, but took sharp issue with the Treasury's pegged-price program for Government securities.

They supported, instead, a view associated with the Federal Reserve Board that private credit extension should be cut through tightening of bank reserves, although this entails higher interest rates on Government bonds.

The economists stated their views in a report prepared for the influential Twentieth Century Fund, a research foundation endowed by the late Boston merchant, Edward A. Filene.

The team of experts was headed by John M. Clark, professor of economics at Columbia University. Other members were Theodore W. Schultz, chairman of the economics department of the University of Chicago; Arthur Smithies who holds the comparable post at Harvard; and Donald H. Wallace, director of the graduate program of Princeton's Woodrow Wilson School of Public and International Affairs.

Their study, one of the most forthright and uncomplicated to appear on the economics of the defense program, had as its basic theme the argument that direct controls on wages and prices can only be supplementary to, not substitutes for, the measures that attack the real roots of inflation.

The three basic methods, their report said, are:

1. Pay-as-you-go taxation to cover completely the costs of the defense program and regular Government expenses.

2. Limitation of bank credit, even at the cost of higher interest rates on Federal and other borrowing.

3. A truce on customary contests of bargaining power and pressure among the interest groups of labor, business, and farmers.

The report emphasized that the present situation was quite different from that at the outbreak of World War II. At that time, what was demanded was intense economic efforts of relatively short duration. Now, what is needed besides a rapid build-up of armed strength is a state of military readiness that may have to last for the indefinite future.

In World War II direct controls were necessary and worked, for the short term, with some effect. But now, the economists said, "price control must have far better support from fiscal, credit, and debt management policy if it is to have a chance for survival."

The report insisted that inflation cannot be controlled if excess demand for goods is allowed to compete for the limited supply.

The report said, "Inflation is, among other things, a sign that the country is giving divided support to the national effort. If we are willing to appropriate money for defense, but unwilling to take it away from ourselves, we are trying to escape the basic fact of diversion of resources and the necessity of initial curtailments of civilian supply."

"We are supporting national defense with one hand and sabotaging it with the other."

Principal conclusions and recommendations of the four economists:

Taxation: "It is both possible and necessary to depend on taxation to finance the defense expenditures and to remove the bulk of inflationary pressure." The minimum objective should be an increase of tax revenues by \$16,000,000,000. Of this, corporations can pay 4,000,000,000, through higher normal rather than excess profits rates; personal income tax should yield nine to ten billions; and the rest should come from excises.

"From a standpoint of absorbing purchasing power, there is a case for heavy excises on all goods in short supply."

Monetary and credit policy: "The Federal Reserve System must be enabled to tighten bank reserves." It failed to follow a restrictive credit policy since the outbreak of the Korean War, but if it had, it could have blocked the monetary expansion that occurred since then and "prevented much of the inflation."

The policy of not letting rates on Government securities rise has deprived the Federal Reserve of its major weapon to tighten bank lending. "It is long past time that this shortsighted policy be abandoned," even though reviving the Federal Reserve's power in the open market "would doubtless involve some increase in Treasury interest payments."

Wage and price controls: Some increases in wage and price ceilings will be necessary to obtain desirable increases in output. Therefore, "rigid adherence to the original frozen prices and wage rates would be undesirable and indeed self-defeating."

"It is clear that some upward drift of the average of commodity prices and wage rates is probably unavoidable."

Flexibility is seriously hampered by the provision in the present law providing that ceilings on farm products cannot be fixed at prices less than parity.

Rationing: Consumer rationing will probably be required for some commodities, such as meat, but the rationing device should be used most sparingly, particularly because it is so "very expensive in manpower" in its administration.

Social security: Now is an appropriate time to increase the size and coverage of the social-security program, because "increased payroll taxes will absorb purchasing power, and the prospect of increased benefits will create a sense of security in the future that is now badly needed."

Government economies: "The possibilities of economy in the nonmilitary field are frequently exaggerated. We doubt that the most rigorous economy could achieve a reduction of more than one or two billions from the budget estimates of 1951-52."

**Col. Justice M. Chambers, USMCR—A
Deserved Tribute**

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. MANSFIELD. Mr. Speaker, the issues of war or peace in our world today are determined by political leaders. The issues of victory or defeat, however, are determined by the fighting man on the ground, in the air, or on the sea. Historians and statesmen may well tell of grand strategy and campaigns won or lost, but in the final analysis it is the leadership and heroism of officers and men on the scene of battle that really turns the tide.

For this reason, it is well today that we pause a moment from our solemn responsibilities of meeting a new and greater danger to a free world and pay tribute to a man among men, a hero among heroes, whom we of the Congress have been privileged to know and respect these past 4 years.

I refer to the staff advisor of the Senate Armed Services Committee, who recently received the Congressional Medal of Honor from President Truman for conspicuous gallantry and intrepidity at the risk of his own life and above and beyond the call of duty.

Colonel Chambers was known and loved by Marines under his command as "Jumping Joe" because of his ever constant activity, his timeless and persistent training schedules, and his almost superhuman powers of endurance, both in and out of combat, from Guadalcanal to a narrow escape from death at Iwo Jima.

We of the Congress are particularly aware of Colonel Chambers' great contribution to his country in peace as staff advisor of the Senate Armed Services Committee. Maryland should be proud that one of her sons is the two hundredth marine to receive the Congressional Medal and the eightieth in World War II.

The blue rosette with the white stars has replaced the blue and white bar in his coat lapel. The Navy Cross previously awarded him is now replaced by the Medal of Honor for which he was originally recommended. Gen. Clifton B. Cates, Marine Commandant, who first made the recommendation brought additional evidence into the reexamination of his recommendations.

This evidence is most interesting. It reveals that while commanding the Third Battalion, Twenty-fifth Regiment, Fourth Marine Division, Colonel Chambers was as responsible as any one individual could be for securing the right flank of the Fifth Amphibious Corps'

Iwo Jima beachhead. This evidence shows that Colonel Chambers utterly disregarded his own safety under enemy plunging fire on his exposed flank that caused more than 50 percent casualties the first day among his officers and men. It further shows that he was seemingly everywhere at once on the shifting black sands of tortured Iwo Jima during the most dangerous hours of this amphibious operation.

The high ground flanking his battalion was an impossible military threat to the security of the entire Marine beachhead. By example rather than by command, Colonel Chambers succeeded in winning the key heights and anchoring the right flank of the two Marine divisions making the initial landing.

Bravery and leadership by this fighting Marine son of Maryland, who lives with his wonderful wife and family at Rockville, was no accident. It was the result of long years of training, of hard work. If any man can be said to have led a charmed life, it is Col. Joe Chambers.

Wounded on Tulagi during the Solomons landing, he received the Silver Star for heroism in directing the defense of a battalion aid station while he was a seriously wounded patient.

He commanded the Third Battalion, Twenty-fifth Marines across Roi-Namur, Saipan and Tinian. Suffering from blast concussion on Saipan, he talked his way out of the sick bay to lead his battalion through the Tinian campaign for which he received the combat Legion of Merit.

Some simple arithmetic gives Joe Chambers three Purple Hearts, the Silver Star, the Legion of Merit and the Medal of Honor, not to mention five combat stars and three Presidential unit citations. He is one of the few marines in a corps of heroes who wears three stars on the coveted Presidential unit citation.

Recently the Nation was pleased to see President Truman present Colonel Chambers with the Medal of Honor in the presence of the entire Chambers family, including Marine recruits Peter and Paul, twin sons aged 7 months. The twins made such a fuss over President Truman that they made the presentation front page news across the country. We have all seen pictures of the proud and happy father holding the twins while a beaming President tries to disengage himself from the chubby fingers of one of the twins.

Newspapermen have called this one of the truly fine human interest stories of the year. It was more than that. It was a perfect illustration of how our democracy works. It was a beautiful reminder of the importance of the individual and of his family to our society. And, it could not have happened to a nicer guy.

Last June, Colonel Chambers marched down New York's Broadway at the head of the Fourth Marine Division association of which he is president. During the past year he has been named first vice president of the respected Marine Corps Reserve Officers Association. He is also active in Maryland civic and State circles.

Colonel Chambers has made several important contributions to the work of the Armed Services Committee, of which he is one of the valued staff workers. He served as staff counsel in Germany last year in connection with the Malmédy investigation and recently accompanied a group of Senators on a special inspection trip to our Alaskan frontier. He has also visited many American camps and bases on assignment from the committee. Always his keen legal mind and capacity for almost constant work have resulted in signal service.

Colonel Chambers has trained and trained well for a life of service to our Republic. His retirement from his beloved Marine Corps because of wounds has not quenched his will to serve others. On such men as this has our country depended since the American Revolution.

Born 42 years ago in Huntington, W. Va., educated at Marshall College there, at George Washington University, and National University, Colonel Chambers came up through the ranks of Washington's Fifth Marine Reserve Battalion during the days of peace. This year he rounds out 20 years of marine service. That service has been in the highest American and marine tradition.

That the Members of the Congress may understand what lies behind the blue and white rosette on this man's button hole, I am proud to repeat the citation read by the President of the United States:

The President of the United States takes pleasure in presenting the Medal of Honor to Col. Justice M. Chambers, United States Marine Corps Reserve, for service as set forth in the following citation:

"For conspicuous gallantry and trepidity at the risk of his life above and beyond the call of duty as commanding officer of the Third Assault Battalion Landing Team, Twenty-fifth Marines, Fourth Marine Division, in action against enemy Japanese forces on Iwo Jima, Volcano Islands, from 19 to 22 February 1945. Under a furious barrage of enemy machine-gun and small-arms fire from the commanding cliffs on the right, Colonel Chambers, then lieutenant colonel, landed immediately after the initial assault wave of his battalion on D-day to find the momentum of the assault threatened by heavy casualties from withering Japanese artillery, mortar, rocket, machine-gun, and rifle fire. Exposed to relentless hostile fire, he coolly reorganized his battle-weary men, inspiring them to heroic efforts by his own valor and leading them in an attack on the critical, impregnable high ground from which the enemy was pouring an increasing volume of fire directly onto troops ashore as well as amphibious craft in succeeding waves. Constantly in the front lines encouraging his men to push forward against the enemy's savage resistance, Colonel Chambers led the 8-hour battle to carry the flanking ridge top and reduce the enemy's fields of aimed fire, thus protecting the vital foothold gained. In constant defiance of hostile fire while reorganizing the entire regimental combat team zone of action, he maintained contact with adjacent units and forwarded vital information to the regimental commander. His zealous fighting spirit undiminished despite terrific casualties and the loss of most of his key officers, he again reorganized his troops for renewed attack against the enemy's main line of resistance and was directing the fire of the rocket platoon when he fell, critically wounded. Evacuated under heavy Japanese fire, Colonel Chambers, by forceful leadership, courage, and fortitude in the

face of staggering odds, was directly instrumental in insuring the success of subsequent operations of the Fifth amphibious Corps on Iwo Jima, thereby sustaining and enhancing the finest tradition of the United States Naval Service."

Report of Northwest Alabama Soil Conservation District

EXTENSION OF REMARKS

OF
HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. JONES of Alabama. Mr. Speaker, under permission to extend my remarks I include the 1950 Northwest Alabama Soil Conservation District report which has been sent to me by Mr. Rutland Cunningham, the very able chairman of the board of supervisors. The conservation of our soil and water resources is of real importance to the welfare of our country, and the splendid results achieved through this program in northwest Alabama are of outstanding significance. Mr. Cunningham and the district supervisors are to be commended for this splendid report:

ANNUAL REPORT OF NORTHWEST ALABAMA SOIL CONSERVATION DISTRICT FOR THE CALENDAR YEAR 1950

To the People of the Northwest Alabama Soil Conservation District:

This report is made to you for the purpose of giving you an accounting of the year's progress in the five counties which comprise this district. The Northwest Alabama District is made up of Lauderdale, Colbert, Franklin, Lawrence, and Morgan Counties.

The Northwest Alabama Soil Conservation District has been in operation for 8 years. It is very satisfying to know that in the times we are facing, when agricultural productivity will be much needed for the defense of our way of life, the soils of this district are more capable of that needed productivity.

As in past years, we have promoted the new crops that seem to have the best possibilities for use in conservation farming.

Kentucky 31 fescue had its north Alabama beginning through the Northwest Alabama Soil Conservation District. In 1946 we secured fescue seed from soil-conservation service nurseries to plant two 8-acre seed patches. As a result of farmers seeing this fescue and hearing about it through the district program, the acreage mounted each year. In 1950 farmers of the district planted approximately 25,000 acres of fescue. This is more pasture grass than was ever planted in any 1 year.

Caley peas are an excellent reseeding winter legume. We secured our first 100 pounds of seed in 1943. Over 600,000 pounds of Caley peas were planted in the district in 1950.

There have been similar increases in acreage of button clover, rescue grass, Lespedeza bicolor, and other new crops introduced by the district.

In 1950 we brought in additional new conservation crops on a field trial basis. Among the more promising are hairy indigo, Wilmington Bahis grass, Tangler peas, Ala-Lu clover, and Hillsboro strain of white clover.

We appreciate the fact that the soil-conservation service nursery division is always on the lookout for new plants which show promise in soil conservation, and that they

produce these plants, or seed, and provide them to us for observational plantings.

In 1950 you, as cooperating farmers, did a fine conservation job. You, 483 of you, made application for complete soil and water conservation plans. The technicians assigned to us by the soil-conservation service completed plans for 402 of you. They helped 38 of you to revise your old plans. They helped you apply soil-conservation practices that were new to you or which required special technical know-how.

You did more in 1950 than in any previous year. At the present time, there are 2,543 of you cooperating with the district. You own 291,250 acres of land in the best section of Alabama.

You planted 15,579 acres of pasture in 1950. This was two and one-half times as much as you planted in 1949. You planted 64 percent more sericea in 1950 than you planted in 1949. You established 47 percent more sod waterways. You did 28 percent more drainage; built 67 percent more farm ponds; planted 82 percent more wildlife borders; established 32 percent more soil-conservation crop rotations; and planted 385 percent more trees. Your other accomplishments were outstanding. You harvested more seed of soil-conservation crops than ever in the history of Alabama.

You did a fine job on your farm. You have demonstrated that a sound conservation program results in increased production and protects the soil at the same time.

We hope you will share your soil-conservation know-how with your neighbors. Encourage them to take advantage of the assistance offered by the soil-conservation district.

It would be impossible to list all of the folks that helped the district and helped you in doing this fine job. We do feel that the newspapers of the district should have a large share of the credit. They have constantly kept you informed through special soil conservation news articles and pictures.

As a farmer in the district, you are entitled to certain advantages that you may not have known about. By cooperating with the district you have access to the many facilities that are available to assist you with your erosion control and land use problems.

You can get a written soil conservation plan made on your farm with the help of qualified technicians. This plan will contain an aerial photograph of your farm which shows the capability of your soils to produce crops without damage to your land. Your plan will contain a map of your farm, showing the best use for each acre of land. You will be given specific recommendations for establishing and maintaining the conservation practices that you and the technicians decide are needed for your farm. If you need help in doing some of the new or difficult conservation jobs, the technicians will come out to your farm and help you.

There is no charge for this assistance. When you voted in, and organized, the Northwest Alabama Soil Conservation District, you created a Government subdivision of Alabama to secure this assistance for you. We hope you will take advantage of this assistance.

We are your five district supervisors. We are responsible for the proper management of your district.

However, we need your help. We are very busy on our own farms. All of us are farmers. We are also busy in other worthwhile activities working for the farmer, including the REA electric cooperatives, Farm Bureau, and FMA committees. We are interested in the welfare of all your farmers in the district.

We enjoy working as supervisors of your district. We are not paid for our services. We do district work because we love the soil. We have seen the tragic destruction of our

soils and its terrible effect on the people of our district. We have seen some of you harvest much greater yields as a result of your conservation work. We pleasantly anticipate the day when all of you will reap the great benefits that are yours through your district program.

With the help of the agricultural agencies, we made a careful study of our district this year and determined the conservation needs for each county. The combined efforts of farmers, businessmen, and all agencies and organizations are needed to do this conservation job, which is so necessary to sustain our Nation.

We ask the cooperation of all agencies and individuals in doing this important conservation job.

W. RUTLAND CUNNINGHAM,
Chairman, Florence, Ala.

JOHN M. LEE,
Leighton, Ala.

M. O. GLASS,
Route 5, Russellville, Ala.

J. W. CUNTS,
Mt. Hope, Ala.

A. D. SAMPLE,
Hartselle, Ala.

The Marble Plaques Adorning the Walls of the Chamber

EXTENSION OF REMARKS

OF
HON. ANTONIO M. FERNANDEZ

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. FERNANDEZ. Mr. Speaker, under leave to extend my remarks, I include the sixth, seventh, and eighth short sketches being published by the Washington Post with respect to the men honored by the plaques which adorn the walls of the Chamber:

PAPINIAN: ANOTHER ROMAN LAWGIVER

Papinian, who died in A. D. 212, is generally considered to be the greatest of all Roman jurists. He was master of the rolls and later praetorian prefect under the Emperor Septimius Severus.

Papinian was known not only as a jurist of great comprehension, but as a stern moralist. His works are known to the modern world through the numerous quotations in the Theodosian Code and in the Digest of the Corpus Juris Civilis, which has influenced all legal history.

He was the principal of five jurists set up as authorities to be cited in future decisions of the courts.

The Papinian plaque was sculptured by Laura Gardin Fraser, of Westport, Conn.

JUSTINIAN: COMPILER OF THE CORPUS JURIS CIVILIS (A. D. 483-525)

Justinian (A. D. 483-525) is probably the most famous of all emperors of the Eastern Roman (Byzantine) Empire. He captured Africa from the Vandals and Italy from the Ostrogoths. But it is as a legislator that Justinian's name is most familiar in the modern world.

His greatest contribution was a huge volume entitled "Corpus Juris Civilis" which has influenced all subsequent legal history. The work was a consolidation of the imperial constitutions from the time of Hadrian, a collection of opinions of the classical jurists and many new laws instituted by Justinian.

Justinian undertook the work after finding the Roman Empire in great confusion.

His plaque was done by Gaetano Cecere of Fredericksburg, Va.

TRIBONIAN: ANOTHER ROMAN JURIST WHO
CARRIED ON JUSTINIAN'S WORK

Tribonian, who died in A. D. 545, was chief legal aide to Emperor Justinian. Under the Emperor's command, Tribonian supervised the compilation of the *Corpus Juris Civilis*, the most important collection of Roman law and the basic document of modern civil law.

Historians surmise that he wrote a large portion of the document from his own vast knowledge of Roman law.

Tribonian probably was not a juridical thinker, but his background of Roman law was absolutely essential to the great project he directed, scholars say.

The Tribonian plaque was sculptured by Brenda Putnam, of New York City.

Rewriting the Constitution

EXTENSION OF REMARKS

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. STEED. Mr. Speaker, herewith is reprinted an article in the *Wall Street Journal* written by Garet Garret: on a subject so important that I sincerely believe it is worthy of the attention of every Member of this Congress:

The twelve most ominous words of legal meaning uttered in our time came from the Appellate Court of California last July. On striking down California's alien land law on the ground that it was in conflict with an international treaty, that court said unanimously:

"The United Nations Charter has become the supreme law of the land."

A Japanese person, insisting upon his right as an Asiatic to own land in California, had appealed from the State law to international treaty law and had been upheld. It is understood that the case will be carried to the Supreme Court for final decision.

Our form of government is involved in this question: Can the Constitution of the United States be superseded or rewritten by international treaty?

In an academic way that subject has been debated for many years; but now suddenly for reasons that will appear, it comes to have alarming urgency.

The California court stood on the Constitution. The Constitution says that treaties made by the President, the Senate concurring, shall be the supreme law of the land, and the judges in every State shall be bound thereby, anything in the Constitution, or laws of the State, to the contrary notwithstanding.

THE COURT'S DECISION

In a constitutional manner the United States subscribed to the United Nations Charter, as a treaty. Ergo, the Charter of the United Nations becomes the supreme law of the land. As simple as that. So the California court decided.

When the phrase that makes a treaty the supreme law of the land was written into the Constitution it was all right. An honorable nation must keep its word at any cost. It continued to be all right so long as treaties with foreign countries touched such things as boundaries, port amenities, fishery rights, and bird migration. It is a very different matter when international treaties begin to touch our internal social and economic arrangements, our civil rights, and our do-

mestic laws. Certainly the founders who wrote the Constitution never imagined that such a thing as the United Nations Charter would ever become the supreme law of the land.

And it is not only the Charter of the United Nations. The noblest single industry of the United Nations is to invent covenants and conventions and propose them to be adopted as treaties by the member nations. These covenants and conventions are designed in every case to implement or give teeth to articles of the Charter which, as they stand, represent only ideal intentions and are not in themselves mandatory. Thus we get, for example, the International Covenant on Human Rights, which will come presently before the Senate for consent, and the Genocide Convention, which President Truman has already placed before the Senate with an urgent plea for ratification. These treaties, if they are ratified, will become the supreme law of the land.

A VERY FINE POINT

Whether the International Covenant on Human Rights would supersede our own Bill of Rights is for the moment a speculative question. But whether it would or not, all legal minds agree that it would enable Congress to enact laws which otherwise would be unconstitutional. Here is a fine point, and yet not too fine for the layman.

In 1913 Congress passed a migratory bird law. A year later the Supreme Court said the law was unconstitutional because the subject of migratory birds belonged entirely to the States and Congress could not legislate about it. But those who wanted the law were persistent. They persuaded the President to negotiate a treaty with Great Britain to regulate the killing of migratory birds, and when it had been ratified Congress passed a second law, almost exactly the same as the first one, and this second law was upheld by the Supreme Court on the ground that it was to implement a treaty.

Frank E. Holman, formerly president of the American Bar Association, said:

"This decision in effect and really for the first time opens the way for amending the Constitution of the United States by and through a treaty, because it proclaims that an otherwise unconstitutional law may become constitutional when, as, and if the President negotiates a treaty on the subject."

SUPREME COURT'S LAST WORD

That stands as the Supreme Court's last word in the matter. There is no sign whatever that it has changed its mind.

If you make a logical projection of that decision you will come to some startling possibilities.

For example, the Constitution says: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press, or the right of people peaceably to assemble." So our Bill of Rights makes these three freedoms—freedom of worship, freedom of speech and freedom of assembly—untouchable. The Congress is forbidden to pass any law about them at all.

But the International Covenant on Human Rights says:

"Freedom to manifest one's religion or beliefs shall be subject only to such limitations as are pursuant to law and are reasonable and necessary."

It says:

"Everyone shall have the right to freedom of expression . . . subject to certain penalties and liabilities and restrictions, but these shall be only such as are provided by law and are necessary."

It says:

"The right to peaceful assembly shall be recognized. No restrictions shall be placed

on the exercise of this right other than those imposed in conformity with the law and which are necessary."

OPENS OTHER AVENUES

Suppose this International Covenant on Human Rights were ratified as a treaty. Then, on the ground that the purpose was to implement a treaty, would the Supreme Court say the Congress could pass laws about religion, free speech, and freedom of assembly, which, according to our own Bill of Rights, it is forbidden to do? Unless the Supreme Court should change its mind, the answer is yes; and it may be noted that the Supreme Court has never yet invalidated a treaty.

A commission of the American Bar Association was appointed to study this question and it concluded that the United Nations Covenant on Human Rights would prostitute our fundamental and inalienable rights "to the readily invented emergency declarations of the all-powerful;" that "the Government could close down newspapers just as in other emergencies it closed down banks," and that it "presents the doctrine of State regulation of religion, a codification of the rights of regulation, and complete destruction of the freedom of religion, if laws based on the alleged public safety and order of the state shall provide."

There is then the Genocide Convention. It is already before the Senate. Genocide means race murder. Who is not against race murder? The State Department's representative at the United Nations, addressing the General Assembly on the day the convention was approved, said: "The denial of the right of existence of entire human groups is the subject matter with which this convention deals."

THE GENOCIDE CONVENTION

As in so many cases, the preamble is unobjectionable. That is a feature of the technique. The truth nevertheless is that this Genocide Convention is so curiously and obscurely phrased that hardly any two legal minds could agree on what it means. Yet if it is ratified it will become the supreme law of the land. It defines genocide as any act committed with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group as such. So far you follow it sympathetically. Then it proceeds to describe the acts, and they may be such among others as (a) killing members of the group, and (b) causing serious bodily or mental harm to members of the group.

Try making an application of this description to the happenings of everyday life. The murder of a Negro for any reason might be called genocide. Imagine the many acts in hotels or restaurants or in regions of the South where segregation is practiced that might be construed as causing mental harm to members of a racial group. Nobody could be sure from a reading of the text how, when, or under what circumstances the provisions of this convention might overcross our domestic laws. It defines a new crime and persons or groups of persons (though apparently not a state) may be guilty of that new crime. The representatives of the United States on the legal committee of the United Nations agreed on this interpretation: "If an individual is murdered by another individual or by a group, with intent to destroy one of the groups enumerated in article III, the international crime of genocide is committed, as well as the municipal law crime of homicide."

And the State Department has said that the convention "is designed to ensure international liability where state responsibility has not been properly discharged."

Thus a race riot in Detroit or the lynching of a Negro anywhere would become the concern of international law, and American

citizens might be brought before an international court to answer for it.

ANOTHER CONSTITUTIONAL BYPASS

So far, the most revolutionary departure from American tradition is in the North Atlantic Treaty, ratified in 1949, which voids the constitutional safeguard that only Congress can declare war. By this treaty we are bound to regard an attack upon one of the other 11 signatory nations as an attack upon ourselves, so that if 1 of the other 11 is attacked for any reason we are, ipso facto, at war, whether or not otherwise we should wish to be. It is under an unexpected construction of this treaty that the President now assumes the right to send an American Army to Europe, without the consent of Congress, just so it will be there if 1 of the other 11 nations is attacked.

Besides all that, the North Atlantic Treaty obliges us to strengthen our "free institutions," whatever that may mean. Certainly we should strengthen our free institutions, but how strange that we should undertake to do it under an international treaty.

The zealous internationalists say disarmingly that a treaty after all is not mandatory; it does not execute itself. After we have ratified a treaty, then we may decide for ourselves whether or not to pass a law to implement it. This, however, leaves out such facts as—

1. Once a treaty has been ratified the pressure to implement it by law will be very strong, and we shall be accused of bad faith if we don't.

2. The nondiscriminatory articles of the United Nations Charter were not supposed to be mandatory, nor was it believed that they could touch matters which we held to be subject to domestic jurisdiction, and yet they were used to strike down California's alien land law.

3. A treaty within its own terms may oblige us to pass the implementing law. The Genocide Convention does that. It says: "The contracting parties undertake to enact . . . the necessary legislation to give effect to the provisions of the convention."

CAN STRUCTURE OF LAW BE CHANGED?

So the question stands: How far can the structure of the American Government be changed by international treaty?

A former president of the American Bar Association goes so far as to say that law-making by treaty is "a blank check for writing a new Constitution." You will find his conclusion set forth in the September 1950 issue of the American Bar Association Journal.

The American Bar Association has appointed a commission to consider an amendment of the Constitution to forbid the invasion of domestic laws by treaty unless specifically authorized by Congress, and to forbid Congress to make treaties effective by laws not otherwise authorized by the Constitution. A similar proposal to amend the Constitution in that manner will appear presently in Congress. The intention has already been announced.

Until we know for sure what we are doing, would it not be prudent to keep some of these treaties on the ice? It is much easier to get in than to get out. We cannot get out of the North Atlantic Treaty until the twenty-first year. Article 13 of the treaty reads:

"After the treaty has been in force for 20 years, any party may cease to be a party 1 year after its notice of denunciation has been given to the United States of America, which will inform the governments of the other parties of the deposit of each notice of denunciation."

So you have the great oddity that in order to get out after 20 years the American Government would have to notify itself and then deposit the notice with itself.

The Martinsville Seven

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. HOEY. Mr. President, the Washington Evening Star of Sunday has a very illuminating editorial entitled "The Martinsville Seven," which I ask unanimous consent to have inserted in the Appendix to the CONGRESSIONAL RECORD. This article presents the facts which are sadly overlooked or ignored in the wild propaganda circulated by Communist newspapers and writers and given credence innocently by others who are ignorant of the facts in this case. A reading of this editorial will prove most enlightening.

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

THE MARTINSVILLE SEVEN

The case of the Martinsville seven affords an instructive lesson in the uses of propaganda.

Two years ago a white woman was raped in Martinsville, Va., and seven men, all Negroes, were brought to trial for the offense and convicted. The Virginia Supreme Court said that "one can hardly conceive of a more atrocious, a more heinous crime."

The evidence showed that the woman, wife of a Martinsville merchant, had gone into the Negro section of the town to collect for clothing that had been sold. In the course of the mass assault she was bitten, scratched, and suffered serious internal injuries. She is still under medical care.

All of the seven men made written confessions. Four of them testified in open court and gave details of the assault. Among the witnesses for the prosecution were a Negro boy, a Negro woman, and the wife of one of the defendants. So there was no substantial question as to their guilt, and, indeed, the attorneys who represented the men on appeal have not contended that they were innocent of the crime.

Nevertheless, after all seven had been sentenced to death (four have been executed and the three others are scheduled to die tomorrow) a tremendous campaign in their behalf was under way.

This campaign falls roughly into three phases: First came the strenuous efforts in behalf of the condemned men by their attorneys. The case was carried through the appellate processes of the Virginia courts and taken twice to the supreme court. The theory of the appeal was that the men had been discriminated against because of their race, and this rested on the contention that only Negroes are sentenced to death for rape in Virginia. It was not a meritorious appeal, and the courts uniformly rejected it. Still, a lawyer has a right, and a duty, to do all that he can in behalf of a client.

The second phase took the form of apparently sincere appeals to Virginia's Governor Battle for clemency. One such appeal came, for instance, from the president of the Richmond Ministerial Union. Appeals of this sort may seem to manifest a greater concern for guilty men than for the victim of their crime. Nevertheless, they are legitimate exercises of the right of petition.

It is the third phase that should be a matter of concern for all people, white or colored.

This phase was a propaganda campaign headed up by the Communist Daily Worker

and the Civil Rights Congress, which is on the Attorney General's subversive list. The truth means nothing to these people. But they saw in the case of the Martinsville seven an opportunity to stir up racial discord in this country and to blacken the reputation of the United States abroad. And they did a masterful job of it.

These propagandists saw to it that Governor Battle was swamped with telegrams and protests, many of which were published in the Worker. From Red China came a cable signed in the names of three organizations. It said that news of the imminent executions had aroused the deepest indignation among the Chinese people, and added that the confessions had been extracted by inhuman torture and later repudiated by the accused in open court. This followed the line of material that had been put out by Civil Rights Congress.

In Moscow, all of the leading papers published a summary of a letter of protest signed by 30 Russian writers, composers, and scientists. Another protest came from Bucharest and there were still others from groups in England.

In this way, the case of men guilty of a brutal crime, men found guilty after receiving the benefit of all the safeguards afforded by American justice, becomes an instrument to be used in discrediting the United States abroad. And there is no doubt that the instrument has been used effectively, for the people in other parts of the world will hear only the Communist version. They will never have an opportunity to know the truth—certainly not from the Communist propagandists.

There is one other aspect of this matter which is entitled to some serious consideration.

Virginia has a drastic antilynch law, and there has not been a lynching in the State since the law was passed more than a quarter of a century ago. That law is respected by the people of Virginia because it rests on the eminently correct proposition that mob violence is intolerable, that any person, white or colored, who is accused or suspected of crime is entitled to a judicial trial.

The case of the Martinsville seven presents the shoe on the other foot. The vicious, lying propaganda, the march of hundreds of demonstrators into Richmond, the picketing of the White House—all of these things were designed to nullify the judicial process and to coerce elected officials into reversing or modifying the judgment of the courts. Of course, the effort did not succeed in this case. But the intent was there, and that should be a matter of some concern. For the position of those who still would resort to mob violence will be strengthened in direct proportion to the extent that pressure groups may succeed in interfering with the judicial function or in nullifying a judgment of the courts that has been rendered after a fair trial.

Joseph H. McGann, Sr.

EXTENSION OF REMARKS

OF

HON. J. HARRY MCGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. MCGREGOR. Mr. Speaker, I have just learned that Joseph H. McGann, Sr., chief clerk of the House Committee on Public Works, has recently completed 49 years of service with the committee.

"Mack," as we affectionately know him, came from Cleveland, Ohio. He has

served and is serving faithfully and well. He is always gracious and courteous and is willing to share his expert knowledge of the functions of the committee with all.

I congratulate him on his achievements, both for himself and his country, hoping that he will have many more years of satisfying service.

Unwanted Criticism

EXTENSION OF REMARKS

OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. LEHMAN. Mr. President, the Jamestown Sun, of Jamestown, N. Y., in its issue of January 20, published an excellent and very penetrating editorial on the subject of Government expenditures for public assistance. This editorial points out that the defense program and the increased tempo of mobilization may increase the public assistance load rather than lighten it.

I ask unanimous consent to have this fine editorial printed in the Appendix of the Record.

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

UNWARRANTED CRITICISM

In an editorial which it entitles "Curt-closer and Curiouser" the New York Herald Tribune of Thursday took President Truman to task on his budget because the section of it providing for social security, welfare, and health will cost \$3,600,000,000 during the fiscal year of 1952. Of this amount \$1,302,000,000 is earmarked for public assistance, more than three times the amount spent annually in 1943 through 1946.

The editorial raises the question, "Why should this hugely augmented sum be anticipated as needed for public assistance when we are already in a period of unprecedented full employment with a severe labor scarcity in the immediate offing?"

Then the editorial goes on to explain that we have just extended social-security old-age benefits. It assumes that "the tail continues to wag the dog."

We would, perhaps, have passed up comment on this editorial position under ordinary circumstances. The amount of money actually is small compared with the rest of the budget. But the attitude shown here is one that we have found common among many people in our own community.

The Tribune editorial cites Mr. Truman's explanation as being that the amendment to the law authorized grants to "totally and permanently disabled persons and greater aid to dependent children, plus medical care for persons receiving public assistance."

It doesn't consider this a sufficient cause for the increase. And it isn't a sufficient cause.

The Tribune editorial assumes that the bulk of the funds expended by public assistance go to persons who might find employment at times such as these.

That assumption is an error which can be confirmed by even a casual inspection of the rolls of any local department of public assistance.

There are a few facts about public assistance which can't be repeated too often.

The first is that the public assistance rolls during the past several years contained few employables, and these few have remained on the rolls for only short periods.

The second fact is that there are quite a few people who have come to the public assistance rolls in spite of the fact that they had made provision for old age. The attrition of inflation and, in many instances, misfortune, have wiped out their source of income. There is no longer any excuse for perpetuating the fallacy that the public assistance rolls are made up of the loafers, the improvident, and the indigent.

A third fact is that the people on public assistance rolls are living longer because they are getting better care. Medical costs have gone up. They need more medical care. All the related costs of public assistance have increased.

A fourth fact is that as the defense program gets going more-elderly people will need help, not fewer. There is no indication that prices will not continue to rise. War casualties and industrial hazards will remove means of support from many elderly people.

A fifth fact is that during the period of conversion to military necessities, we can expect in the United States some sharp and sudden increases in unemployment in specific areas. This unemployment may be temporary, but during that period of unemployment, a man's dependents have to live.

It is quite evident that, far from being reckless about the provision for public assistance in the new budget, the President's advisers in this field were extremely cautious in the right, but perhaps unpopular, direction. They show an understanding of the problem that will be facing people on the public assistance rolls, and they don't want to impose upon them unnecessary hardships.

Some of your best friends are on the public assistance rolls. The only reason you don't know it is that public assistance today is not administered as poor relief, but in a way to protect recipients from those who regard our elderly people as wards of charity who should be clean and properly humble and grateful for being permitted to live.

Prices Received by Farmers

EXTENSION OF REMARKS

OF

HON. JAMES I. DOLLIVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. DOLLIVER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following article from the League Reporter for February 5, 1951:

FIGURES SHOW FARMER MAKES LESS ON MOST ITEMS THAN HE GOT IN 1947

Here's proof that farmers aren't responsible for high food prices.

The figures below show farmers were getting less for nine of the most important crops last December than they were 3 years earlier.

For only two crops—cotton and wool—were farmers receiving more last December than in 1947.

Although meat prices are not included in the list, corn, wheat, oats, and rye are. As the list, corn, wheat, oats, and rye are. As the cattle and hogs eat corn and grain, the prices of these four crops have a lot to do with the cost of meat.

Look at these figures, all official ones from the Agriculture Department:

Price received by farmers

Commodity	Dec. 15, 1947	Dec. 15, 1950	Difference
Wheat.....bushel..	\$2.79	\$2.03	-\$0.76
Corn.....do.....	2.37	1.45	-.92
Oats.....do.....	1.18	.85	-.33
Rye.....do.....	2.43	1.37	-1.06
Barley.....do.....	6.66	3.59	-3.07
Soybeans.....do.....	3.69	2.70	-.99
Rice.....100 pounds..	6.42	5.32	-1.10
Batteries.....pound..	.88	.59	-.29
Eggs.....do.....	.59	.51	-.08
Wool.....pound..	.42	.80	+.38
Cotton.....do.....	.35	.40	+.05

The Korean War

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record, a letter to the editor written by Dale D. Dorman, Jr., of Graham, Mo. This letter was printed in the Maryville (Mo.) Daily Forum and a copy was sent to me by Mr. and Mrs. C. C. James, of that city. I believe the letter is of interest as showing the thinking of many people regarding the Korean War.

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

GRAHAM, MO., January 27, 1951.

MARYVILLE DAILY FORUM,

Maryville, Mo.

EDITOR, DAILY FORUM: It is said that while Nero fiddled, Rome burned. Today, while the United Nations fiddles, Korea burns.

Today the United States, with 90 percent of the UN forces in Korea and 90 percent of the casualties, is letting the United Nations, which includes many of our enemies, as well as our questionable friends, decide when and where Americans are to battle, to fight, and to die.

After America has poured out \$42,552,000,000 to foreign nations since the end of World War II, we yet today have far fewer true friends than we had at the war's end. When, oh when, will we learn that we cannot buy friendship?

Our Government is still talking of spending more billions in Europe, even though there is little doubt but what Russia could sweep over Europe at her own discretion. Then why is she waiting? Russia's waiting for our Marshall plan to place more and more American industrial equipment and war materials there before she attacks.

At the close of World War II, only 3 years ago, Russia, with starvation and bankruptcy, was held up only by an infusion of \$11,000,000,000 of lend lease and other billions of relief from the United States. Of course, the murderous treason of giving Russia half the world at Tehran, Potsdam, and Yalta also helped.

Red China, too, was down and out when General Marshall visited China in 1945 and tried forcing Chiang Kai-shek to take the Communists into his national council and army. Marshall, it seems, even delayed ship-

ments of arms and ammunition to Chiang until he accepted the Communists. Where's Chiang now? On an island in the Pacific. And where's Marshall now? Secretary of Defense in Washington, D. C.

Yes, who built the menacing power of Soviet Russia anyway?

A foreign policy which places anything ahead of American peace and freedom is betraying our great Nation. Yet never before have a free people been so deliberately deceived, so ruthlessly exploited, and so hideously betrayed. Today, America, once the land of the free and the home of the brave, is engulfed by foreign interests until we are reduced to the role of a feeding trough for an international Gargantua.

But if one opposes these insane acts of treason, he is termed by these so-called diplomats and fools as an isolationist. If we were to follow these global war rats they would call us all isolationists by saying we refused to give them enough power to meddle in other nations' affairs—because we had been too stingy in opening our pocketbooks—because we had never given them enough control over drafting our manpower, wasting our resources, and freely spending away our wealth.

It is this Communist-Fair-Deal-global conspiracy which would destroy us, and the governors of some of our most populous States have also joined this internationalist conspiracy for destruction.

It is time Americans took a stand for America.

Acheson and Marshall should be fired, and the wrath of the American people should force such action. Every last dime of foreign hand-outs should be halted, for friendship can only be secured by convincing other nations of our common interests.

The United States should immediately withdraw from the defunct United Nations, an organization which has only berated, obstructed, and paralyzed our forces, and which has refused to take action against the death, tragedy, and despair which Red China is causing in Korea.

America, and all nations which we are capable of defending by our air and sea power, must be defended; but not another dollar, not another dime, not another penny should be spent to aid the suicidal, foolhardy plans of the so-called internationalist-Fair Deal-Communist traitors in draining American resources, American wealth, and even American blood into the crevices and gulches of the earth.

Very truly yours,

DALE D. DORMAN, Jr.

Speaker Sam Rayburn

EXTENSION OF REMARKS

OF

HON. J. HARRY MCGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1951

Mr. MCGREGOR. Mr. Speaker, it is a privilege to pay my respects to a distinguished leader, who has long been a respected public servant. A man who has been often tried and never found wanting, a great American, our beloved Speaker, Mr. RAYBURN.

Speaker RAYBURN is truly a friend of all, regardless of position. He has helped thousands and thousands of people—he has indeed helped humanity.

On behalf of the people of my district and my State of Ohio, I am happy to join with Americans everywhere in congratulating him upon the single honor he has attained, in having served longer than any other person as Speaker of the House of Representatives.

We in Ohio are proud of Speaker SAM RAYBURN.

A Protest Against Defeatism

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record an editorial entitled "A Protest Against Defeatism," published in a recent issue of the Newark, N. J., Star-Ledger.

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

A PROTEST AGAINST DEFEATISM

This is a protest against defeatism.

There is near-total defeatism in the doctrine that we can survive communism only by sweeping militarization, rigid regimentation, and the thoughtless sacrifice of our Nation's youth.

We are willing to go along with this fearful program if it is the only way to fight communism. We would, in other words, make a fine distinction between outside communism and self-imposed communism.

We do not believe our situation is quite that desperate, and we protest the horrible defeatism of a leadership that is sadly lacking in imagination, faith, and confidence.

Defeatism arises from: (1) Exaggeration of the enemy's strength; and (2) belittling of our own strength and resources.

Our leaders have erred both ways.

Communism's drive for expansion and world conquest is born of the desperation of weakness, but has been generously nurtured by the fabulous errors of our policy makers in Eastern Europe and Asia.

The land of prison labor camps, government-by-terror and total secrecy is no less hollow than the late Adolf Hitler's thousand-year Reich.

Nor are we the weakling nation that some recent behavior would indicate us to be.

If some of our statesmen reflect weakness by their hysteria, we still possess the greatest production plant in the world, the most resourceful industrial management, and the most adaptable workers, not to mention the atom bomb and its related weapons.

Before we agree to sink to communism's level, let us see whether it is still not possible to wage the good fight—for peace and freedom and prosperity.

If it is an inescapable necessity at the moment that we scoop up precious manpower for the Army by steam-shovel methods, let us at least make it clear that in the near future we will have a thoughtful policy to make the most of every American individual and conserve our youth and our civilian values.

If it is really essential that at this moment we price control, wage control, and regiment our economy, then let us at least make it

clear that we are working on plans to escape those un-American evils by an imaginative, hopeful program for expanding production under restored freedom.

The way to real victory—the victory for peace, freedom, and prosperity—is in showing ourselves, our friends, and our enemies that we have the will, the ability, and the resources to produce enough to support both military power and civilian life.

If we prove we can do that, there will be no war. For no enemy will dare to attack an invincible power.

When we announce that we can arm ourselves only by giving up our freedom and prosperity, we virtually declare ourselves half-beaten and thus encourage the enemy to make war.

Temporary retreat to regimentation may be inescapable because our policy makers have allowed events to take us by surprise.

Emphasis, however, should be on the temporary and limited character of any controls and sacrifices of freedom.

We must have a plan for expanding and improving civilian and military production and conservation of the individual in a free economy.

To achieve this goal, we should first overcome a childish obsession in Washington with excess profits. The Government, it seems, is prepared to make a thousand new black-market millionaires rather than see a single corporation earn excess dividends.

Obviously, it is far more important to stop inflation with stepped-up production than to play to the galleries, and to the pirates of the black market, with unsound taxes.

Tax incentives should be offered to any enterprise, whether it manufactures for the military or civilian, that is willing to expand and improve its plant to produce more and to produce efficiently.

If we offer industry and labor stimulating rewards for more and better production, we will astonish ourselves and the world, including our enemies, with our invincible power.

Just as we need to restore freedom as soon as practicable to stimulate production we need to restore freedom of discussion to stimulate wisdom.

There has been, to be sure, some regard in the administration and the Supreme Court for the civil rights of small and repressed minorities.

We also need some respect for the right of large minorities and majorities.

There is abroad in this land an hysterical and destructive intimidation of criticism and free discussion. We are being told that if some dissident statesman makes a displeasing statement, whether foolish or wise, all Europe will desert us and let the Kremlin's hordes walk to the Atlantic coast.

Let's stop that nonsense. If our alliance with Western Europe is that delicate, we should know it now. We don't believe that America should give up the right and the duty to debate its own fate for any consideration.

It is the rankest defeatism to argue that we must subdue decent and honest public discussion.

This country needs a program for the future in harmony with its dynamic past. We need a program to achieve security by strength and freedom and prosperity.

It is well enough to be prepared to make sacrifices and to die. But we do not want to make sacrifices for a dismal future and to die for the love of death.

Out of Washington has come as yet no clear program for the American way of overcoming the obstacle of belligerent communism. The people want such a program. It must come.

"Perfectionism" and the United Nations

EXTENSION OF REMARKS OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of
Monday, January 29), 1951

Mr. LEHMAN. Mr. President, Mr. Walter Lippmann, the distinguished columnist, recently published a series of columns, whose conclusion was roughly the same as that of the senior Senator from Ohio (Mr. TARR), namely, that collective security was unworkable. The Washington Post of January 22 carried an excellent commentary on that position by the Honorable Benjamin V. Cohen, one of our great authorities on international law and a member of the American delegation to the United Nations.

I ask unanimous consent that Mr. Cohen's reply to Mr. Lippmann, as published in the Washington Post, be printed in the Appendix of the Record.

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

"PERFECTIONISM" AND THE UNITED NATIONS (By Benjamin V. Cohen)

It is with deep regret that one finds Mr. Walter Lippmann, in his column of January 15, agreeing with Senator Tarr that collective security is an unworkable principle and that we should develop our own military policy and our own policy of alliances without regard to the nonexistent power of the United Nations to prevent aggression.

Both Senator Tarr and Mr. Lippmann seem to forget that under the Charter of the United Nations all members have agreed: (1) To settle their international disputes by peaceful means; and (2) to refrain in their international relations from threat or use of force in any manner inconsistent with the purposes of the United Nations (art. 2, para. 3 and 4).

So long as we adhere to the Charter we are not free, as Senator Tarr has suggested, "to engage in our own wars when we think we should engage in them." So long as we adhere to the Charter we are not free to use the United Nations as a mere diplomatic weapon in the cold war and disregard our obligation to refrain from the use of force except in defense of law.

The very first purpose of the United Nations, as stated in the Charter, is: "to maintain peace and security, and to that end, to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of peace." (Art. I, par. 1.)

As long as we adhere to the Charter we are obligated to exercise an honest judgment as to what we can do to carry out this purpose. If the Security Council acts—but it cannot act without our approval or acquiescence—we are bound to carry out its orders. If the Assembly recommends, we are not bound to act, but we are morally and legally bound to exercise an honest judgment, giving due weight to the United Nations rec-

ommendations, as to what action on our part would be best calculated to further world peace and security.

The Assembly's recommendations are not subject to great power veto. The uniting-for-peace proposals adopted at the last session of the General Assembly provide effective means for the voluntary cooperation of member states in carrying out United Nations recommendations for the maintenance of peace and security.

We may go further, as we have in the Atlantic Pact and in the Inter-American Security Pact, and assume somewhat more specific obligations to maintain peace and security in certain areas as long as these arrangements do not conflict with the Charter. But we have no right to forswear concern and responsibility for world peace and security. To do so would not only be to emasculate the Charter but to invite the Soviet Union and its allies to move in wherever we are not prepared to give in advance specific guarantees.

The power of the United Nations in respect to collective security is not nonexistent because its exercise depends upon the good faith and voluntary cooperation of its members. The power of the United Nations in respect to collective security is not nonexistent because its exercise by military sanctions is not always practicable. The United Nations provides greater possibilities for uniting the moral and material strength of the law-abiding nations in maintaining peace and resisting aggression than can be secured by any system of alliances outside the framework of the United Nations.

But both Senator Tarr and Mr. Lippmann are in favor of abandoning the principle of collective security under the United Nations because it cannot be universally enforced. This is like asking the American people to abandon the Bill of Rights because it is not, and possibly cannot be, fully enforced everywhere in the United States. This is forsaking the good because it is not perfect.

The United Nations does not demand the impossible. It does not demand the use of force in every case. It does not demand abortive action to save face. In some cases only conciliation and mediation may be practicable. The United Nations demands only that its members individually and collectively exercise their best and honest judgment as to what will advance the cause of peace, security, and law in the world, taking into account not only the situation of immediate concern but the whole complex of the world situation.

It would, however, be a grave mistake to think that we could abandon our obligations to work with other nations in the United Nations to advance the cause of peace, security and law and still have the great moral support of the United Nations for action we take independently of the United Nations. It would be a grave mistake to think that other nations in the United Nations would support us in any effort to use the United Nations as a diplomatic weapon for our own purposes.

It is well to remember the warning of President Roosevelt in his last message of January 6, 1943, on the State of the Union:

"Perfectionism, no less than isolationism or power politics, may obstruct the paths to international peace. Let us not forget that the retreat to isolationism a quarter of a century ago was started not by a direct attack against international cooperation but against the alleged imperfections of the peace."

"In our disillusionment after the last war we preferred international anarchy to international cooperation with nations which did not see and think exactly as we did. We gave up the hope of gradually achieving a better peace because we had not the courage to fulfill our responsibility."

Imprisonment of Joseph Cardinal Mindszenty

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of
Monday, January 29), 1951

Mr. O'CONOR. Mr. President, this week marks the second anniversary of one of the most despicable crimes in world history resulting in the imprisonment by the Communists of His Eminence Joseph Cardinal Mindszenty, prince primate of Hungary. This fearless churchman was sentenced to life imprisonment and is now broken in health for no other purpose than to stifle his condemnation of Communist doctrines. In commemoration of this occurrence the Maryland Action Guild, a group of patriotic Americans, arranged for a special religious service presided over by the Most Reverend Francis P. Keough, D. D., archbishop of Baltimore. A most appropriate sermon was preached by the Reverend John L. Bazinet, S. S. Because the sermon is so challenging to free men of all religions it merits reading throughout the length and breadth of the United States and I ask unanimous consent that it be printed in the Appendix of the Record.

There being no objection, the sermon was ordered to be printed in the Record, as follows:

CARDINAL MINDSZENTY

This morning, my beloved, you pay honor to a man who stands forth, indeed shines brilliantly, as a symbol before all religious-minded men in our age. That man, a churchman as you know, is the prince primate of Hungary, His Eminence Josef Cardinal Mindszenty. You recall that 2 years ago, on February 8, 1949, to be exact, after a series of criminal forces including arrest, charges, drugging, torture, forced "confession," trial, His Eminence was sentenced to life imprisonment by the atheist scoundrels of Moscow wielding power in Budapest.

In Cardinal Mindszenty you see a symbol, a sign of the ferocious fight of the godless Communists against men of all faiths, and of no faith, but with conviction that freedom and justice are treasured values, a precious heritage of mankind. His Eminence in his suffering, you will agree, focused the attention of distracted men and women all over the whole civilized world.

Thousands of other unhappy victims, as you read in your papers and heard over your radio, had previously been tried on trumped-up charges, sentenced unjustly and most severely, but it was left for the cardinal like a hurricane to jar the most apathetic, the most skeptical, the most deaf and blind to the realities of your life in the mid-twentieth century.

Because we could not see close up the hatred of Red atheism for religion, more especially for the Catholic Church, you will admit it was hard to believe. In the person of their imprisoned primate of Hungary you saw close up, you drew back in blanched horror, you faced the living drama, the stark struggle of our times. See what happens to a strong man behind the iron curtain. The slash, you note, was public, undeniable,

clear-cut, absolute. Amplified echoes of a little-known cardinal's Golgotha on a hardly understood spot of crucifixion, Budapest, stormed through the known world: London and Rio de Janeiro, Paris and Buenos Aires, Rome, Madrid and Peiping, Tokyo and Washington, New York and Baltimore.

He is after all a cardinal. What man or woman among you could then fail to heed? "Now, indeed," you must have reasoned, "is the time to rise from sleep."

For in fact the imprisoned cardinal-archbishop stands as a symbol. And you know what a symbol or sign is. On your way to this cathedral this morning you may have passed symbols of danger or safety, the mechanical green-and-red light flashing at the street corners, automatic signs; maybe the lifeless white arrow pointing out the right road for you; likely enough, too, the embodiment of law in the blue-coated officer on traffic duty, an indication of public power; even, perhaps, the Stars and Stripes hoisted on buildings, symbol of our country so dear to the hearts of us all.

But men by their acts can be signs, too, symbols of deep meaning, deeper maybe than we care to see without close inspection. Yet you will allow, my brethren, that men and women can hardly be automata—lifeless, mechanical signs of anything really precious. By their thinking they stand for something or against something. By their speaking they make clear their beliefs and courage; by their acts also when such are free, and above all by what they are willing to suffer for, to risk their lives for—in all these you recognize men for what they truly are.

So with the cardinal-archbishop of Esztergom, whose very name, Mindszenty, stems from the root words meaning "all saints." Hence by his very name as well as by his eminence's thinking, speaking, acts, and suffering, Cardinal Mindszenty gives us some idea of the kind of courage needed to stand up to the Red menace at close quarters.

"Now we need men," he used to say repeatedly. Yes; you will concede, we need the kind of men and women who are not afraid to be big, to be heroic if need be, and to be stout-hearted, freely giving of self, grappling and beating down unspoken inner fears, finding new strength in prayer; heroic, indeed, is what it means to be saintly. Now is truth we need men.

American voices you have heard trying to confuse you. Was His Eminence not anti-Semitic? Anti-Semitic indeed, the man who had been more than once jailed by the Jew-hating Nazis for speaking out in Jewish defense, for organizing teams for their risky rescue from fiendish torture and sure death. You need read only the Jewish-produced Grey Book to sense the extent of his help. And what was His Eminence's gold medal for it not to honor him for this very fact? Why did the real anti-Semites sneer at him: "What about Your Reverence's Jewish doctor?"

You have perhaps heard him called a reactionary; but did you know, my beloved, that for 30 years Cardinal Mindszenty, as curate, parish priest and bishop, had been demanding reform: "Poverty must not be tolerated," he proclaimed. "Why is your rectory not heated?" Father Mindszenty was asked when he was pastor in Zala. "Until I know that every poor man has fuel," he admitted, "the parish priest will have no heat."

You may have heard him called uncompromising before the Reds. Yet have not you yourselves learned by now that there is no such thing as compromise with Communists on basic principles? You may have heard him carped at for being too outspoken, or heard it whispered maybe that His Eminence should not have stirred things up, that it was a bad time for public utterance, that his public relations were poor, that the whole affair Mindszenty was a "sectarian" matter.

Yet what is a Christian bishop for if not to defend his flock, souls entrusted to his shepherding, from all tyranny and atheism masquerading under the forms of law?

As for sectarianism, you will not need to be reminded, dearly beloved, that whole congregations of Protestants, their pastors and ministers included, used to turn out publicly to do him honor when His Eminence went on his confirmation tours. Lutherans and Calvinists loved him, respected him, worked with him, joined him in his fight and theirs against Marxist monopoly-education, looked upon the Cardinal as their leader for true freedom and real religion. This is the man, my beloved, labeled the traitor Cardinal and an enemy of the people by the slaves of Moscow.

Having campaigned against His Eminence for months on end and tried to buy him with bribes, using too their well-rigged charges while shutting the Cardinal's voice off from all public reply, daring even to poison his very own people and bludgeoning them by foul means to sign statements against him, statements for which they had no stomach, heart, or conviction—the conditions under which the State collects signatures and arranges polls, he observed, are only too well known—these time-servers of atheism tortured his own type to turn spy on His Eminence, his errand-boy, too, his own doorman, the postmaster at Esztergom, his own legal counselor, the manager of his Budapest office, in time even his own private secretary, since for these poor victims it meant submission or ignoble death.

Thus you see the Red Spider weave its stealthy steel threads around the Red Hat of the Cardinal of Esztergom. Thus you may observe how Red spokesmen whose strategy aims at confusion in the English-speaking world then as now furthered the vile campaign against His Eminence. This even happened, beloved brethren, over one of America's largest radio chains. Indeed, ridiculous as it may sound in your ears, one eminent daily journal printed despatches from the Budapest trial itself written by its non-Hungarian-speaking fellow-traveler reporter finding fault with Cardinal Mindszenty's Hungarian pronunciation and even his Hungarian diction.

This should not surprise you, my beloved. After all, do you not recall Red master Lenin's own words: "All religious ideas . . . are an unspeakable abomination?" Mindszenty held out for religion, justice, freedom. So Communist sympathizers everywhere were following the Stalin line; dupes are rarely made without crafty cleverness.

Though again this may be hard to believe, my brethren, sympathizers and dupes are still doing so, subtly, sometimes at public expense. Why is it that broadcasts pouring from the West into this very same Red Hungary with its imprisoned Cardinal as of this hour give small comfort and no hope to the 70 percent Catholics locked there, none whatever to religious-minded Jews and Protestants?

Why is it that America is said to be paying with your dollars for the propaganda line that the United States does not oppose communism—only aggression? What hope can there be in this for God-fearing Hungarians? Is that the way to see in his eminence's suffering what it really was and is? Is the symbol meaningless? Is the sign unread? Is atheism to your liking? Is Communist tyranny your friend? No, indeed, my beloved, you are not and will not be confused and deceived.

"Now we need men at home," the cardinal used to say. This, my beloved, ruled his thoughts. Surely no one of you can miss the fact that his eminence knew whereof he spoke. Manfully, clearly, he championed true, lasting reform, not that so-called land reform that robbed owners of land, divid-

ing it so that no one farmer, regardless of his skill, would have a big enough patch of ground on which he could possibly make a living; Mindszenty knew then that it was only step No. 1 to collectivization, farm socialism.

Repeatedly he spoke out for freedom. "For a small minority to impose its will on a huge majority," he warned in 1948, "is not democracy, but its very opposite." Not once but many times, dearly beloved, you can hear his voice crying out against poverty, calling for social justice.

And his acts, as you are well aware, matched his words. During the Nazi days of brutal occupation his name was a major target of their twisted smear propaganda. So much so, you do well to recall, beloved, that at the end of the terrible World War II the then Bishop Mindszenty was rewarded with a golden medal for his part in the resistance to Nazi tyranny. Yet when the time came for the Red masters to turn on his eminence, the men who arrested him, jailed, tried, and convicted him were all former Nazis themselves, one-time members of the Hitler-run, green-shirted party of the Arrow Cross.

His very sufferings—why detail these for you, my beloved? You know them: Nazi-jailed, publicly campaigned against by the Reds, the secrets of 60 Andrássy Street (now renamed 60 Stalin Street), headquarters of the secret police make known to us by an escaped police officer who fled, unable to stand the sight any longer, expert forgers employed—these also escaped in time—the mental and moral suffering, the false friends, the slanders set down in the aptly named Communist Yellow Book. Can you wonder that United States Minister to Hungary Selden Chapin cried out, "He was a great man."

Yet until that time, dearly beloved brethren, many of you may not have realized what justice means behind the iron curtain. Now you know; now you fully understand that for the Communists, whether they are Hungarian, Russian, or American, "jurisprudence," in the words of a Hungarian commissar of such justice, "is one of the weapons of the class fight . . . make it a sharper weapon than ever"; to which another Marxian leftist added this for your enlightenment: "The court is the instrument of politics" (Vishinsky).

But Mindszenty stood for religion, justice, freedom; his eminence was a sign of another world, a word of man's dignity and brotherly love, dear brethren, a world hateful to and hated by the Stalinists, but beloved and cherished by you. The sign indeed was contradicted; but the sign stands firm even amid suffering. Confusion vanishes.

Symbol as the cardinal is of the fight between God and the powers of anti-God, his eminence, like a deep-toned bell, tolls as a warning to you and to me, an alarm as well as a spur and source of encouragement. You may have read a few days ago in a Baltimore labor paper of known integrity words pointing up that admonition for us locally.

"Often in the past," recalls its editor, "we have warned against the growth of communism in Maryland. Once again, we sound a solemn warning to industry and to labor in the Baltimore area. It is time to realize that in every large or extra large plant in Baltimore there exists a red thread of communism, which broadens out here and there to ribbon width, and finally . . . reaches the proportions of whole cloth."

"Why does the Red line widen and grow?" queries this writer. "Where is the leadership to restrain and contain, or to destroy it? . . . This infiltration goes on day and night." Is it true, dearly beloved, as this informed Marylander suggests, that it is "because the people lie supinely on their backs and snore through a Red revolution brewing

in our midst?" If you will not heed the sign that is Cardinal Mindszenty, maybe you will realize that this labor thinker understands the very facts about you here and now.

Such alarm bells, whether from overseas or in our own city, should indeed be a spur and encouragement to you, my brethren. "Now we need men at home!" urged the Cardinal. His Eminence has set us that example. The cunning but sham legality of his hideous trial and barbarous sentence you have of course seen operate in other cases before and since. "The twisting of words and facts," protests our Holy Father Pius XII, "has become a classical weapon of deceit."

Was not our Saviour Himself unjustly accused of stirring up the people? Were there not legal pretenses aplenty used against St. Peter and St. John the apostle? In spite of his being a Roman citizen, coveted ancient privilege, you will note that St. Paul the apostle likewise fell victim to legal sophistry. So did Mindszenty.

Yet you will discern in the self-drawn, reluctant picture of the apostle of the Gentiles, Paul, the lifelike portrait of his Eminence today in Red hands. "Wherein any man is bold, I also am bold . . . in many more labors, in prisons more frequently, in lashes above measure, often exposed to death . . . Five times I received forty lashes less one. Three times I was scourged, once I was stoned; . . . in journeyings often . . . in perils from robbers, in perils from my own nation, in perils from the Gentiles, in perils in the city, in perils in the wilderness, . . . in perils from false brethren; in labor and hardships, in many sleepless nights, in hunger and thirst, in fastings often, in cold and nakedness. Besides those outer things, there is my daily pressing anxiety, the care of all the churches!"

Hunger and thirst, perils from my own nation, in the city from false brethren, many sleepless nights . . . Cardinal Mindszenty and 60 Andrássy (Stalin) Street. Will you not draw out the parallel for yourselves, my brethren?

For Cardinal Mindszenty's struggle goes on day by day. At latest report, November past, the red haters of God still would leave His Eminence little peace in his hospital-prison, my beloved. As of a few weeks ago he was reported in a much weakened physical condition; specialists advised that his health had been so much undermined by his so-called "treatment" that he should not be kept in prison.

To which you hear the Red Hungarian dictator in reply: "Everything must be done that he should not pass out in prison"—fearful was the Red ever to mention the Cardinal's name, my brethren. To the nerve specialists called in for consultation, the Red tyrant gave his threatening orders: "I will hold you responsible for his being freed in a condition in which not even the cleverest medical men can restore his health or his mental powers. If the priest (he meant the Cardinal) pretends to be out of his mind, drive him out of it, but do it for good." So the heartless war waged, my beloved . . . "in many sleepless nights". Yet the Apostle Paul lived long before distorted science knew how to rob a man of his mind and his reason; Mindszenty knows that power all too keenly.

Still His Eminence's face may well haunt you, beloved, as you saw it 2 years ago in newspapers and magazines, whites of eyes showing abnormally, lines deep that were not there at all a few days before, upright in the courtroom wihal as though he were sitting on his archiepiscopal throne at Esztergom. Can you fail to view that countenance as the modern "Ecce homo," "Behold the Man?" "A most serious outrage," asserts Pope Pius XII, "that inflicts a deep wound

. . . on every upholder of the dignity and liberty of man."

So it is with reverence and admiration that you recall today, dearly beloved, the second anniversary of the Cardinal's life-sentence to prison. "I pray for a world of truth and love," His Eminence wrote shortly before his arrest. "I pray for those who, in the words of our Lord, 'know not what they do.' I forgive them from the bottom of my heart." This in his last pastoral letter. (November 18, 1948.)

Grateful indeed you may well be for the Cardinal's battle in behalf of loving religion, real justice, human freedom, against the powers of hating atheism, tyrannical force, wordy mouthings of "democracy" that really spell out the streamlined slave state.

Who among you will not be moved to pity at the sight of his plight? Yet proud, too. For he endures as the flaming symbol of all you hold dear: right thinking, brave speaking, courageous acting, suffering unspeakable silently borne without bitterness, merciful Christ-like forgiveness. His Eminence abides indeed as a warning as well as a stirring impulse to each of us to heed his insistent words: "Now we need men at home."

As if to explain this to us he had once made his mind clear beyond all doubt: "Rome can find another bishop if I die, but . . . believers are born through martyrdom."

Kneeling as we do today before this venerable altar, sacred historic nucleus radiating Catholic life through the United States of America, we will this morning want to pray for Josef Cardinal Mindszenty, and at the same time mindful of our Saviour's will to pray for our enemies, doing good to those hating us, praying for them who persecute and calumniate us, we will want to pray for His Eminence's persecutors too. We pray that the Cardinal's strength of spirit may never falter, that his torturers may turn to the Spirit of God; that his mind may weather the devilish devices of the evil one, that their minds may come home to God; that his heart may spark off that courage which you and I both need as example in this modern world filled in our day with the same searing battle that he faced almost alone, that theirs may find love and higher courage instead of hate in Christ's Cross.

Your Eminence as a free man was the only clear voice in your country bold enough to speak up for the 600,000 slave laborers dragged from your homeland into the cruel depths of Soviet Russia. Today in gratitude we speak to God the Father, the Son, and the Holy Spirit in your behalf. We beg Our Lady to intercede for you.

Pray for us, too. Our Golgotha may almost be upon us. "Now we too need men at home."

J. W. Hanley

EXTENSION OF REMARKS

OF

HON. OTTO E. PASSMAN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. PASSMAN. Mr. Speaker, under leave granted to extend my remarks in the Record, I include the following articles:

[From the Natchitoches (La.) Times of Nov. 17, 1950]

J. W. HANLEY ON VISIT HERE

Joseph W. Hanley, of Chopin and Washington, D. C., Doorkeeper in the Senate is

visiting his relatives in the South. He timed his visit so as to be in the parish in time to cast his vote in Tuesday's election.

He is visiting relatives in Chopin, Boyce, Lena, Alexandra, and Natchitoches and stopped for a visit in Shreveport en route.

Hanley attended the National American Legion Convention in Los Angeles last month and also visited places of interest in the Pacific and Western States. This completed a visit to every State in the Union.

[From the Beaumont Enterprise of November 17, 1950]

DOORKEEPER OF SENATE CHAMBER IS VISITING RELATIVES IN AREA

Joseph W. Hanley, a doorkeeper in the United States Senate Chamber, was in Beaumont yesterday, visiting a number of relatives in the Beaumont area. A resident of Chopin, La., he recently returned from the west coast where he attended the National American Legion Convention. He will return to his job in Washington by November 17 when Congress reconvenes.

He is visiting relatives in Nederland, including his mother, Mrs. Harriett Hanley, and brothers, Floyd, Sherman, Willie V. W. L. and Carvel. A sister, Mrs. Eile Mae Beebe, lives in Orange.

Other Texas relatives include a sister, Mrs. Elle Pittman at Shiro, and a brother, Arthur, and sister, Mrs. Leona Parker, at Hondo.

Tax-Free Incomes

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. WILLIAMS. Mr. President, I ask unanimous consent that there be printed in the Appendix of the Record an article entitled "Tax Till It Hurts—Whom?" published in a recent issue of the United States News and World Report.

I also ask that immediately following the article there be printed three charts in which a comparison is given of the taxes paid by the President, Vice President, Speaker of the House of Representatives, and Members of Congress, as compared with those paid by average American citizens.

There being no objection, the article and charts were ordered to be printed in the Record, as follows:

TAX TILL IT HURTS, WHOM?—TAX-FREE INCOME HELPS PRESIDENT, CONGRESS

Truman's tax until it hurts plan hurts him less than most. Being President has become quite a job from that standpoint.

Critics point to \$50,000 expense account, tax free, on top of a \$100,000 salary, a house, a plane, yacht, servants, etc.

After taxes, he has \$105,000. Others must make \$300,000 to do as well. As taxes go up, they'll need to make even more.

President Harry S. Truman wants Congress to tax the people until it hurts. He is asking for 16 to 20 billion dollars more even if it means a drastic squeeze on the taxpayers.

Mr. Truman, however, is among those to be hurt least in such a squeeze. Thus, his demand for a crackdown on taxpayers is starting to be a bit embarrassing. The tax-

son is this: The President who asks the tax increases, the Vice President who helps put them through the Senate, the Speaker who guides them through the House, and Members of Congress who vote the increases, do not share the burden equally with the common people.

All of these public servants enjoy big, tax-free expense accounts that they granted to themselves. Congress passed the bills, and Mr. Truman signed them and made them law. The tax exemption applies to one-third of the pay of the President. It covers one-fourth of the pay of the Vice President and Speaker, and one-sixth of the pay of Congressmen.

The Presidential expense account is \$50,000 a year. It is paid to Mr. Truman as income. The President does not have to account for what he does with the money, and the whole \$50,000 is tax exempt. Congress voted the tax-free fund for the President 2 years ago, and raised his salary from \$75,000 to \$100,000 a year. In addition to the expense account and salary, totaling \$150,000, Mr. Truman has many advantages. He pays no rent. He has the use of a yacht, an airplane, and a fleet of limousines.

The Vice President and Speaker each draw a salary of \$30,000 and are given \$10,000 a year tax-free free expense accounts. Members of Congress get \$12,500 in salary plus \$2,500 for expenses.

Like Mr. Truman, most Congressmen have residences both in Washington and back home, and extra entertainment costs. As they see it, that is part of the justification for their expense accounts.

Now these officials benefit from a tax-exempt expense allowance is shown in the accompanying charts. Mr. Truman's income tax this year will be nearly \$34,000 less than that of a private citizen who makes as much but has no such tax-free expense account. The President will have about \$105,000 left after taxes. An ordinary person would have to make \$300,000 a year to have that much left over for spending or saving.

The President, therefore, has a tax advantage over other taxpayers that is substantial even at the present level of taxation. A tax increase, moreover, will make that advantage still larger. It also will point up the fact that Members of Congress are going about the business of imposing higher taxes while enjoying tax exemptions they provided for themselves.

Pressure for a change is rising in Congress as a result. There is talk of removing the tax-free privilege for these officials, thus placing them on an equal footing with other taxpayers. Bills actually have been introduced to do away with the special tax exemption for Congressmen. Some Members even now are refusing to use their tax-free allowances. Others use only a part.

But there still are Congressmen, a good many of them, who are ready to make a fight to retain special tax privileges for themselves as well as for the President, Vice President, and Speaker. One Member of Congress is proposing to double Congressmen's expense allowances from \$2,500 to \$5,000.

Your Congressmen probably will tell you, privately, if not publicly, that he is underpaid, not overpaid. Furthermore, he will insist that his \$2,500 expense allowance actually isn't big enough to cover expenses that are essential.

For example, he usually must maintain two homes, not one. He keeps a residence in Washington where he spends most of his time. Back home, even though he may not spend much time here, he must keep another residence.

He has to do a lot of entertaining. That's expected of him. And he has no expense

account other than his \$2,500 allowance to cover the cost of the lunches and dinners he buys for visitors from his district. Nor does he have any expense account to cover his campaign costs. A Member of the House has to run for reelection every 2 years. A Senator has to run every 6 years. In figuring their income taxes, they can't deduct campaign costs as business expense.

The tax advantage of a Member of Congress over an ordinary citizen with the same income amounts to about \$600 a year. Most Congressmen believe that, as a practical matter, they are not as well off as, for example, a business executive drawing \$15,000 a year. Congressmen, in fact, are not doing as well as they were a year or two ago. Living costs are up sharply. But they have not had a raise in pay since January 1947.

The Vice President and Speaker, too, face rising living costs, and they have not had a pay raise for 2 years. But, by comparison with Members of Congress, they are well off. They get \$40,000 a year, including \$10,000 tax-free.

Vice President Barkley, as the chart shows, can pay taxes on his \$40,000 pay, and still have \$32,684 left. A private citizen with \$40,000 of income, and no tax-free allowance, realizes only about \$28,500 after taxes. The Vice President and Speaker are furnished high-priced sedans for their own use, and the Government pays their chauffeurs.

A tax increase won't hit them as hard as it will hit the ordinary citizen, because one-fourth of their incomes is free of tax. But they are placed in the embarrassing situation of having to steer that tax increase through Congress.

The President is in a class all by himself. He has what amounts to the best-paying job in the United States. His \$100,000 salary and his \$50,000 tax-free expense allowance are only the beginning of what is provided for him and his family by the Government.

His job, of course, has its disadvantages. There is very little real privacy. The hours are long and irregular. The problems and the pressures are immense. There are some heavy expenses that an ordinary citizen does not have to bear. But the ordinary citizen, even one whose pay gets up into seven figures, does not have the privileges and luxuries that are provided for the President.

He lives in a mansion. At the moment, the White House is being repaired at a cost of more than \$5,000,000. So Mr. Truman and his family stay a short distance away in Blair House, normally reserved for visiting dignitaries from other lands.

His rent is free. The Government pays for heat, gas, electricity. It provides all the furnishings and trimmings. It supplies yardmen, housemen, maids, butlers, cooks, engineers, and guards.

Recreation and entertainment are his for the asking. Movies are brought into his home. Stars of the entertainment world are eager to appear at command performances. There is a fancy swimming pool in the White House where he takes a dip two or three times a week.

He can travel by special airplane, battleship, cruiser, special train, or on his yacht Williamsburg. A \$40,000 fund, separate from his expense account, finances travel on official business.

These perquisites have been added gradually over the years. But, on a cash basis, Mr. Truman is far better off than any former President. It was just 2 years ago that his salary was raised from \$75,000 to \$100,000 a year. At the same time, he got his \$50,000 tax-free allowance for expenses. In 1948, he had \$48,275 left out of his salary after paying his taxes. In 1951, despite the recent tax increase, he will have \$105,000 left out of his salary and allowance.

But that's the way Congress wanted it. Many pointed out, when the question of his pay came up 2 years ago, that executives in industry often had generous expense accounts. The Presidency was regarded as a top job that should be paid accordingly. Congress set about to give him independence and position.

The catch, however, is that now he wants to raise taxes all around. His tax-free allowances, and those of other officials, are becoming an issue when everybody else is being asked to pay taxes until it hurts.

TAX ADVANTAGE FOR PRESIDENT TRUMAN

Out of President Truman's annual pay of \$150,000 he will have left to spend after taxes, \$105,275. Out of private citizen's annual income of \$150,000 he will have left to spend after taxes, \$71,532.

Here's why. President Truman draws annual pay of \$150,000. That includes a tax-free allowance of \$50,000. So he pays income taxes on only \$100,000. His tax in 1951 will be \$44,724. Out of \$150,000, he will have left \$105,275.

The private citizen with an income of \$150,000 gets no tax-free allowance. So he must pay taxes on \$150,000. His tax on that amount in 1951 will be \$78,468. Out of \$150,000, he will have left \$71,532.

SAVINGS FOR VICE PRESIDENT BARKLEY

Out of Vice President Barkley's annual pay of \$40,000 he will have left to spend after taxes, \$32,684. Out of private citizen's annual income of \$40,000 he will have left to spend after taxes, \$28,500.

Here's why. Vice President Barkley draws annual pay of \$40,000. That includes a tax-free allowance of \$10,000. So he pays income taxes on only \$30,000. His tax in 1951 will be \$7,316. Out of \$40,000, he will have left \$32,684.

The private citizen with an income of \$40,000 gets no tax-free allowance. So he must pay taxes on \$40,000. His tax on that amount in 1951 will be \$11,500. Out of \$40,000, he will have left \$28,500.

AND FOR CONGRESSMEN TOO

Out of a Congressman's annual pay of \$15,000 he will have left to spend after taxes, \$12,787. Out of private citizen's annual income of \$15,000 he will have left to spend after taxes, \$12,190.

Here's why. A Congressman draws annual pay of \$15,000. That includes a tax-free allowance of \$2,500. So he pays income taxes on only \$12,500. His tax in 1951 will be \$2,213. Out of \$15,000, he will have left \$12,787.

The private citizen with an income of \$15,000 gets no tax-free allowance. So he must pay taxes on \$15,000. His tax on that amount in 1951 will be \$2,810. Out of \$15,000, he will have left \$12,190.

Mr. WILLIAMS. Mr. President, the question is not whether the President and Members of Congress are overpaid; it is more a question of principle. At a time when taxes are taking such a large percentage of every individual's income, and at a time when the President is telling the American people that they must expect to be taxed until it hurts, I believe the first action of the President and the Members of Congress, who are receiving the special consideration referred to in the article, should be to repeal our own tax exemptions. In America we have no room for any privileged class, and it was with this thought in mind that on January 11, 1951, I introduced Senate bill 357, the purpose of which is to repeal these unfair exemptions.

Danger Ahead

EXTENSION OF REMARKS

OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. COLMER. Mr. Speaker, in these days of national stress and uncertainty, in these days when America has undertaken, as a result of world conditions, to assume world leadership, it is well that all Americans take inventory of themselves and their country. To this end I am submitting for the perusal of my colleagues in the Congress and for Americans everywhere a sound and thought provoking sermon delivered recently by an old friend, a minister of the Gospel, the Reverend John W. Moore, pastor of the Methodist Church, at Hattiesburg, Miss. This splendid statement is as follows:

DANGER AHEAD

(By Rev. John W. Moore)

"But the children of Israel committed a trespass."—Joshua vi: 1.

Some years ago, within the memory of most of us, a great ship of the air was completing a prosperous trans-Atlantic voyage. The Zeppelin *Hindenburg* was crowded with travellers, many of whom were returning home from business or pleasure in Europe. Perhaps some of them had been a little dubious about this new mode of travel. Maybe some of them had been fearful during every hour of the voyage. But now the great ship was over solid ground once more. Behind, and all but forgotten, were the long leagues of watery wastes that for so many hours they had looked down upon. Already the lines had been connected to the mooring mast. Already the greatest airship on earth was settling down toward its place of rest and security. Greetings were already being waved through the portholes of the cabin to friends and relatives below. Already they were turning one to another and saying jubilantly, "We made it." And then there was a sudden roar followed by a searing flame that ran the length of the ship in a moment. The Zeppelin had exploded. Shrieks of agony from the dying took the places of smiles of welcome from the living. What a thing of horror. The ship and many of its crew and passengers were no more.

Such a voyage, with such an ending, is a parallel to so many of life's ventures. How often, for instance, is the denouement of the wedding festival, with all its promise of lasting bliss, unravelled in the court of law and in the broken home. Or how often do men start business careers amid most propitious circumstances only to see their ventures crash into bankruptcy and loss. Or a fond mother and a proud father may look in rapture upon the tiny face of their first-born son, seeing him perfectly formed and robust. They may say (and their neighbors and friends may agree), "He will make a mark for himself in the world. He will be a great man." Twenty years later that babe, now grown into manhood, may stand before the bar of justice and hear the State announce that he is not fit to live and so must be done to death by the law of the land.

What makes our world like that? The answer is not far to seek. I had a neighbor once who was found guilty of the crime of murder. I followed the procession when he was led into court to receive sentence of death. As we passed under the arching entrance to the court building, there was a

pause as every eye was lifted to an inscription chiseled into the facade of the courthouse. "Whatever a man soweth, that shall he also reap." In those words of the Inspired Book is the answer to our question. How many times, by how many civilizations, by how many dozens of nations, and by how many millions of individuals has that old principle of sowing and reaping been proven true in practical test? And yet how slowly men and nations learn that truth. Each new civilization, each nation, rising to the zenith of its power and greatness; each person born into the world seems impelled to put it to the test in some sort of wickedness. Sowing to the wind generation after generation needs must reap the whirlwind in bitterness of soul.

Our text finds a new nation, just trying its new found strength, reaping soon its earliest planting of bad seed in the soil of its promised land, amid the scenes of its destined greatness. Joshua had led Israel into Canaan, gaining military victories over their enemies as they went. In the enthusiasm generated by those victories, they had gone out against the small city of Ai. They had said, "We have nothing to worry about, for we are well able to overcome this insignificant people." A few hours later they were running pell-mell for dear life from those men of Ai. When they had time to be, they were dumfounded. They had a question. You would suppose, perhaps, that they asked, "What's the matter with us?" But no; their question was, "What's the matter with God?" All our lives we have asked, or heard asked, this question in one form or another. During the Second World War, I heard a man put it in the positive form. He said, "We can't be defeated. God has too much at stake in America to let us go down." (I wondered how God got along before 1776.) It seems to me that God has always managed to get along without a champion nation, or armies, or navies, or atom bombs. For God's stake in the universe is not an individual, nor a nation, nor a civilization. It is rather truth and righteousness, and He is not afraid He'll lose it.

Israel was punished for Achan's sin. Why? God also punished Achan in a fearful manner. But after all, what was so wrong with Achan's act? He stole some of the spoils of war and hid it away for private use. What difference does it make what becomes of the spoils of war? I think I know something of the philosophy behind Achan's sin. I've seen it demonstrated so often among people I know. It's the philosophy behind a black-market tax that a great state levies with one hand on a commodity which it bans with the other hand. It's the rationalization that prompts organizations to promote bingo games for charity, in spite of the fact that bingo has been ruled illegal by the Supreme Court. It is the effort to purify the means by the end. It is to say, "Oh, well, its going to happen anyway, so let's capitalize on it for good." So Achan rationalized his conduct just like a modern man might do. After the battle there was a heap of booty piled in a public place. It was intended for the common good and was a part of the public treasury. Achan saw an opportunity to enrich himself from this common fund. A godly Babylonish garment, 200 shekels of silver, and a wedge of gold would better his financial condition considerably without impoverishing the nation perceptibly. So he took it.

There are two ways to examine the morality of an act to determine whether it be right or wrong. The first is to judge it on its merits in the light of God's law. Ask the question, "Is it right?" and answer it honestly. If, from lack of strength one finds himself hesitating on that method, then let him employ the second, which is to ask and honestly answer the question, "What would be the result if this thing were generally practiced?" An

embourier may justify his dishonesty on the grounds that, whatever God's law is, his defalcation is, after all, no grievous injury to anyone in particular, since he has robbed a corporation with hundreds of stockholders. But let him realize that, should a large percent of those entrusted with other people's money prove dishonest, the whole system of trusts and faith in the business world would collapse and then the matter takes on a different aspect. Similarly, a husband or a wife may lightly break the marriage vows on the assumption that somehow he or she is exempt from the moral laws that govern others. But when it is realized that if such practice should become common the homes of the land would disappear in a whirlpool of disaster, carrying with them our culture and our greatness, that transgression becomes a matter of terrible guilt. Thus it is that individual sins become national sins, and thus, for the transgressions of its citizens, one by one, a whole nation is penalized.

Sometimes, when a nation suffers for the sins of its citizens, it repents of its sins and calls on the name of God. And sometimes that is a good thing to do, but not always. For repentance without reform does not put the Nation in position to claim the protection of Almighty Providence. After Israel's defeat at Ai, Joshua fell on his face in prayer and God didn't like it. Joshua was not in position to pray and God said to him, "Get up off your face and clean up the immoral mess that is developing among the people. Then you can pray to me."

After America's set-back in Korea there arose in this Nation a great cry for prayer and a return to God. It wells up on every hand today from military men and high Government officials as well as from the leaders of the church. The bishops of Methodism have issued a strong appeal to our denomination to appoint special days and hours for simultaneous prayers on the part of our membership. But, in the light of our text, I raise the question whether we are in position to pray effectively.

Our Nation is in mortal danger, and the fact is recognized on every hand. But it seems to me that we are not in agreement among ourselves as to the enemy that threatens us most. In some circles it seems to be the consensus that our major enemy is communism. That is a fallacy. Communism will never destroy America. Not long ago we were traveling down one of our main highways when it became necessary to stop and let a flock of buzzards fly out of the road. On the shoulder of the highway was the carcass of a sheep and these repulsive birds were feeding on the carrion. Our little boy raised the question, "How did the birds kill the sheep?" Well, they didn't. They don't. In fact they can't. It isn't in their nature to kill. Their program is to be first on the scene after the killing takes place. Communism is a political culture. It never destroyed a nation and never will. It just takes over when a nation is in its death throes. If America dies, it will die as every other great nation has died, at its own hands. Our mortal enemy is not something outside of us. It is selfishness and greed in high places and in low.

Joshua's men said they were defeated before the walls of Ai, but they were mistaken. Their defeat took place before the leveled walls of Jericho, when in the flush and enthusiasm of victory, Achan sinned. Similarly, our series of set-backs in Korea have stemmed from an attitude that developed among us during the Second World War. It is an attitude that, left unchecked, may eventually do us to death as a Nation. For, unless we mend our ways, there seems to be for us no justification for living. Our sin is the sin of Achan; the sin of selfish greed. Already in the cities and towns that are adjacent to Army camps, that greed

evidences itself in the conversations and attitudes of the citizens who are ready to capitalize on the Nation's struggle for life and turn it into personal profit without rendering any substantial service in return. On the larger scale, among some of the country's largest business corporations, the situation is appalling. Perhaps as many as 20 veterans of the North African campaign of the Second World War told me the story of the amazing exhibition of that greed then. The Allied soldiers were being mauled by Rommel's men because of allied shortages of war material and supplies. Shipping was hard to find in sufficient quantity, our leaders told us. But time after time the great ships would pull into the north African docks and unload—not munitions of war—but vast quantities of beer and other merchandise that had no relation to the dire emergency of the hour. If this actually happened, then somebody was being enriched at the cost of the Nation's life blood. But since that time I have been told that it was not true, but was only the propaganda of the prohibitionists in this country. The other day I read an article in the January 1 edition of one of the country's largest magazines; a magazine that evidently derives vast revenue from beer and liquor advertising, and therefore is not open to the suspicion of being loaned to dry propaganda. This article expresses amazement that, despite our industrial greatness, our men, fighting a losing battle in Korea, were without many of the fundamental tools of war. It cites a British observer's comment on the "why" of that shortage. The Briton said he saw tanks held up for hours while beer and refrigerator trucks rolled toward the front. Here we have a straw in the wind. It's a big straw and the wind is strong. I do not insist that supplying beer to our soldiers will destroy the Nation, though I am quite certain it is a trend in that direction. But it seems to me that any unbiased person must admit that the spirit behind that sort of thing is destructive. A nation that will consent for its citizens to sell their sons for financial gain is a dying nation, ripe for the vultures of communism or any other "ism" that happens along. Our ears still ring with the cries of our teen-aged boys on the frozen hills of Korea for military supplies. We had sent them there to fight and die while we remained in solid comfort at home. Then when they began to freeze in subzero temperatures; when they lost arms and legs from frost; when their agonized cries for relief found us sitting snugly before our blazing hearths, we sent them beer. One of old asked a rhetorical question, "Which of you, if his son asks bread, will give him a stone?" It was a thing unheard of until our day and until our Nation outgrew its sense of moral responsibility. How many of our young men died while tanks were sidetracked to let the beer trucks roll?

During the Second World War the United States banned large-scale public gatherings in order to conserve transportation for the war effort. Our church, along with all the others, called off its large conventions. Other important groups did the same. By some sort of manipulation, the race tracks of the country got themselves exempted from this order. One of the country's foremost writers, delving into this queer situation, came up with the statement that in that year the tracks were responsible for the using up of 100,000,000 miles of transportation. That means that approximately 20,000,000 gallons of gasoline were thus consumed and that the equivalent of 20,000 automobile tires were worn out. At the same time all sorts of congratulatory messages were barred from the telegraph wires of the Nation. But the tracks maintained uninterrupted 24-hour service on its leased wires, carrying the daily-racing-form report.

These are additional straws in the same strong wind. They indicate a certain basic selfishness that seems to motivate the rank and file of our citizens. For some it shows itself in active participation in the business of strangling the Nation for profit. For the rest it is shown in stolid indifference to what goes on, so long as we are let alone in our complacency. They are symptoms of a terrible disease—the disease of sin. It is a disease that, left unchecked, will inevitably end in death for the Nation as it does for the individual. Unless America mends her morals, God will not hear her prayer for peace and safety. Having occupied for so long the role of the light of the world, and now hiding her light under a bushel of gross selfishness, her light bids fair to become darkness. Having been for so many of the world's people the salt of the earth and now being in rapid process of losing her salinity, she may indeed become, "From henceforth good for nothing but to be cast out and to be trodden under foot of men."

I have been asked to pray for the Nation. Here is my prayer. "Cleanse Thou me from secret faults. Keep back thy servant also from presumptuous sins. Let them not have dominion over me. Then shall I be upright and I shall be innocent from the great transgression."

Fallacies of World Government

EXTENSION OF REMARKS

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1951

Mr. SMITH of Wisconsin. Mr. Speaker, Frank Chodorov, editor of *Analysis*, in December 1950, wrote an inspired article for his paper entitled "One Worldism." Under leave to extend my remarks, I am including the article in question:

ONE WORLDISM

Five years ago the organization of the United Nations was ushered into the world as the guarantor of peace. It has failed. Despite that obvious fact, there are many whose faith in some sort of a superstate as an instrument of peace is unshaken, and who lay the failure of the UN to the limitations put upon it by the autonomy of its members. That is to say, they believe in peace through authoritarianism, the more authoritarian the more peace.

History cannot give this faith the slightest support. The glory that was Rome did not prevent its parts from coming into conflict with one another nor from rising up against the central authority. Even our American coalition of commonwealths came near breaking up in war, and uprisings have all but disintegrated the British Empire. Centralization of power has never been a guarantor of peace. On the contrary, every such centralization has been accomplished by war and its career has been one long preoccupation with war.

The best that can be said of any coalition of states is that it can keep smoldering fires from breaking out only so long as one of its members can exercise control over the others. It can maintain an armed truce. The UN has not done even that, simply because no one state has shown sufficient strength to take control. The two most powerful members have been in contention since its beginning and are now poised for a test of arms to determine the issue. Noth-

ing is more certain than that the rivalry of these two powers will shortly reach the breaking point, that the UN shall collapse or shall be succeeded by another coalition in which one or the other will be on top.

The UN—it is moonshine to think otherwise—consists of two hostile camps, one held together by the American dollar, the other by fear of the Soviet Army. Neither law, morality, nor ideology is a cementing influence. If the American dollar is withdrawn the West will break up. Its members entering into new alignments dictated by expediency; if the Soviet power shows weakness, Titoism will splinter the Red empire.

In short, it is evident now—even as it was to any one with some familiarity with the history of alliances—that the high moral purpose written into the charter of the UN charter is but a fairy tale. World peace is not to be achieved through this monstrosity. Like the League of Nations to which it succeeded, or the Holy Roman Empire, or any of the political coalitions in the history of the world, the UN is incapable of giving the world peace simply because it rests on the unsound assumption that peace is a function of politics. The fact is that peace and politics are antithetical.

When we look into the nature and substance of peace, and make comparison with the business of politics, we see how silly is this faith in the superstate. It is as irrational as the religions of totemism, animism, or fetishism. It is another magic-religion in which the hope of man for a better life rests on the mystic powers of an inscrutable authority, which must be propitiated into seeing things as man sees them. Just as primitive man sought the answers to all his questions in the totem pole, so does modern man look to political power to solve the problems of life. In both cases we have the same flight from self-reliance, the same escape from individual responsibility, the same mother-complex. That is the only way one can explain this blind faith in the efficacy of political power. The superstate idea is the most advanced form of this religion. The psychological identity of primitivism and statism is only obscured by the ritualism of charters, constitutions, and protocol.

SOCIETY IS PEOPLE

Peace is the business of society. Society is a cooperative effort, springing spontaneously from man's urge to improve on his circumstances. It is voluntary, completely free of force. It comes because man has learned that the task of life is easier of accomplishment through the exchange of goods, services, and ideas. The greater the volume and the fluidity of such exchanges the richer and fuller the life of every member of society. That is the law of association; it is also the law of peace.

It is in the market place that man's peaceful ways are expressed. Here the individual voluntarily gives up possession of what he has in abundance to gain possession of what he lacks. It is in the market place that society flourishes, because it is in the market place that the individual flourishes. Not only does he find here the satisfactions for which he craves, but he also learns of the desires of his fellowman so that he might better serve him. More than that, he learns of and swaps ideas, hopes, and dreams, and comes away with values of greater worth to him than even those congealed in material things.

Society has no geographical limits; it is as big as its market place, its area of exchanges. The Malayan and the American are automatically enrolled in the same society by the exchange of rubber for a jukebox, and even the difficulties of language are overcome when a New Yorker confronts a Chinese menu. South American music became the idiom of the North American dance floor because auto-

mobiles are swapped for coffee and bananas. Society is the organization of people who do business with one another.

The law of association—the supreme law of society—is self-operating; it needs no enforcement agency. Its motor force is in the nature of man. His insatiable appetite for material, cultural, and spiritual desires drives him to join up. The compulsion is so strong that he makes an automobile out of an oxcart, a telephone system out of a drum, so as to overcome the handicaps of time and space; contact is of the essence in the market place technique. Society grows because the seed of it is in the human being; it is made of man, but not by men.

The only condition necessary for the growth of society into one worldism is the absence of force in the market place; which is another way of saying that politics is a hindrance to, and not an aid of, peace. Any intervention in the sphere of voluntary exchanges stunts the growth of society and tends to its disorganization. It is significant that in war, which is the ultimate of politics, every strategic move is aimed at the disorganization of the enemy's means of production and exchange—the disruption of his market place. Likewise, when the State intervenes in the business of society, which is production and exchange, a condition of war exists, even though open conflict is prevented by the superior physical force the State is able to employ. Politics in the market place is like a bull in the China shop.

POLITICS IS FRICITION

The essential characteristic of the State is force; it originates in force and exists by it. The rationale of the State is that conflict is inherent in the nature of man and he must be coerced into behaving for his own good. That is a debatable doctrine, but even if we accept it the fact remains that the coercion must be exercised by men who are, by definition, as bad as those upon whom the coercion is exercised. The State is men. To cover up that disturbing fact, the doctrine of the superpersonal State is invented; it is more than human, it exists distinct from the people who staff it. That fiction is given plausibility by clothing it with constitutions, laws and litanies, like "my country right or wrong." A religion of authoritarianism is built up around an idol.

But, ritual does not give divinity to a golden calf. The hard fact remains that the priesthood of the State are just men, and the coercion they employ reflects their human capacities and frailties. They cannot get away from those limitations. Whatever badness is in them will show up in their use of force. They are not made good by the power to impose their will on other men.

Getting down to the facts of experience, political power has never been used for the general good, as advertised, but has always been used to further the interests of those in power or those who can support them in this purpose. To do so it must intervene in the market place. The advantages that political power confers upon its priesthood and their cohorts consists of what it skims from the abundance created by society. Since it cannot make a single good, it lives and thrives by what it takes. What it takes deprives producers of the fruits of their labor, impoverishes them, and this causes a feeling of hurt. Intervention in the market place can do nothing else, then, than to create friction. Friction is incipient war.

Now, if the business of the state is to cause friction within any given segment of society, any one country, by what logic can it be shown that a world-state will prevent friction? If a small state is an evil, as the one-worlders insist, why should a big state be a good? Can an institution that is essentially antisocial be made prosocial, by enlargement? No matter how high the totem pole it is not God.

Reason and fact are at great disadvantage in confronting blind faith, and those who worship at the shrine of authoritarianism will not be shaken by argument. Yet, one cannot help asking how the superstate will employ its army; the worshippers admit that an army is necessary to its proper functioning. The army will certainly be used to suppress something, to stop some people from doing something that to them seems good. For instance, there are many people in the world who practice polygamy, some who practice polyandry and a few who go in for monogamy. Will the omniscient priesthood of the superstate use its army to enforce a uniform conjugal practice? In that case, of course, friction will result.

Or, if it is decided that the world has too much oil—the over-production theory—will the army be sent to Texas or to Iran to shut down the excess wells? When such frictional situations are brought up, the devotees of authoritarianism answer that everything will be resolved by the democratic process—a process that has never stopped war.

ONE WORLD—ONE MARKET PLACE

One worldism is not an impossible ideal; but, it is not attainable through the medium of political power. On the contrary, the organization of the world into a single society—which is what the one-worlders really want—can be accomplished only if people can rid themselves of the fetish of authoritarianism. If men could come to a belief in themselves, if they could lose faith in the golden calf of politics, if they could once reach the maturity of manhood, the law of association would do the rest. It is not necessary to plan or build a world society; it is only necessary to remove the obstructions to its growth, all of which are political and all of which stem from faith in authoritarianism.

Our own country furnishes an illustration. In the beginning, before Americans had been completely converted to this political paganism, it was stipulated that their market place shall be as large as the country; the erection of trade barriers between the component commonwealths was prohibited. As the frontiers of the country were extended the market place grew apace, and, in time, goods, men, and ideas moved without hindrance from the Atlantic to the Pacific, from Mexico to Canada. Therefore, an American society grew up. It was not planned; it grew. Several times the little separate political establishments set up blocks to trade at their respective borders, causing friction, but on the whole their efforts have been frustrated by the spirit of free trade. (It might be well to mention, in passing, that the prime cause of the Civil War was protectionism, which is a dogma of authoritarianism.)

Let us look at a contrary example. Europe, which, outside of Russia, compares in size with the United States, is cross-checked with tariff barriers, and Europe has been a battlefield for centuries. Political particularism has prevented the flowering of an European society. It is impossible for such a thing to get going in an area darkened by passports and customs regulations. Time and again the doctors of political science have prescribed some sort of political union for the ills of Europe, on the assumption that such a union will be followed by a customs union. Quite the contrary: the borders between countries lose all meaning if the peoples can do business with one another; which is another way of saying, if the states get out of the way of society. No political union can set up a society in Europe; that can only come from uninhibited higgling and haggling in a common market place.

If their senses were not dulled by their idolatry, the One Worlders could draw a sound conclusion from these two examples; namely, that the only way to a world society

is through free trade. This does not mean that free trade alone would guarantee world peace, for there are other political institutions that make for friction, but, it would go a long way. After all, if the customer is always right, how could he be an enemy?

A Letter to Mr. Truman

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record, an address entitled "A Letter to Mr. Truman," delivered by Rabbi Abba Hillel Silver, at the Temple, Cleveland, Ohio, on December 17, 1950.

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

A LETTER TO MR. TRUMAN

(By Rabbi Abba Hillel Silver)

Were I inclined to write a letter to President Truman at this time, when letter writing seems to have become a rather explosive avocation, I would dwell on two matters: First, the manner in which his choleric letter writing and emotional outbursts of recent months are affecting his own status and that of the American people in the world at a time when, to use his own words, we are the leaders of the free world, and the eyes of the world are upon us; and secondly, about the implications of the national emergency which he has proclaimed, not so much as far as the American people are concerned, but as far as he himself and his administration are concerned. Every citizen is called upon to put aside his personal interests for the good of our country. What does this spell out for the President himself and for those in whose hands are the lives and fortunes of 150,000,000 of American citizens?

The first matter, that of the letter writing, is the lesser in importance by far, except as it has revealed an overcharged and uncontrolled spirit which has greatly troubled the American people. Long ago Samuel Johnson wrote: "In a man's letters his soul lies naked." The soul exposed in Mr. Truman's letters of recent date gives very little evidence of that wisdom and calmness which he solicited of the American people in his address the other evening. This has caused many Americans to wonder apprehensively whether major decisions of the Chief Executive in far more serious realms of national and international affairs are similarly determined by temper, pique, and resentment, and are likewise made in a headlong and impetuous fashion.

Everyone realizes, I am sure, the terrible strains and burdens of the office of the President of the United States, especially in these dreadful times. No one envies Mr. Truman the heavy and high overwhelming responsibilities which are his. The American people is inclined to overlook an occasional outburst of irritability on the part of a greatly harassed public official. However, when this irritability appears to be by way of becoming chronic and expresses itself in language which is not permissible even to a private citizen, there is proper cause for disquiet and criticism. The President of the United States, for as long as he holds that exalted office—and it is the most exalted and

illustrious office in the world—is never a private citizen. He never can dissociate himself from his office. Whatever he says or writes or does has to a greater or lesser degree public significance and repercussions. What a music critic writes about Margaret, good or bad, is of little importance, of little importance, indeed, but what the President of the United States writes to a music critic, or to anyone else, and the manner of his writing, can bring a sense of shame and dismay to the entire Nation and make the office of the President of the United States the laughing stock of the world.

There is much sound counsel to be found in our Bible to which I should like to draw the attention of the President. The Bible counsels men not to give way to gusts of anger, temper, and passion. If these admonitions are applicable to ordinary citizens, how much more so are they to men who occupy high position, whose every word is freighted with consequence. Thus, we read in the Bible: "It is the discretion of a man to be slow to anger and it is his glory to pass over a grievous wrong."

One who was himself a ruler of men, Kabeleth, writes in his book: "Be not hasty to get angry, for anger rests in the bosom of fools." The wise Hillel, likewise a leader of men, frequently cautioned his fellow men: "Guard your temper." And the rabbis declared: "The speech of the wise is always a clean and decent speech."

Were I inclined to write a letter to Mr. Truman, I would in all good will and earnestness bring these matters to his attention and suggest that he do not write letters when he is angry, and that all of his letters, like all of his speeches, should be checked by a second party before they are mailed, and, above all, not to make public statements "off the cuff." His latest ad lib about the use of the atomic bomb fell upon the world almost with the destructive effect of an atomic bomb and sent Minister Schumann hurrying to London and Prime Minister Attlee flying to Washington.

Our President owes it to himself and to our country in these desperate times to avoid anything that might cause unnecessary irritation and resentment among our people, or that might lower the dignity of the high office which he sought and to which the citizens of the United States elected him. What has happened has not been good for the morale of our people and cannot serve as an inspiring example for the emulation of our youth.

I pass on to the second and more serious matter about which I should like to write to President Truman. In his address to the country the other evening, he summoned the American people to unity and self-sacrifice because of the grave danger in which our country finds itself. "Those of us who work in the Government," he stated, "will do our best, but the outcome depends, as it has always depended, on the spirit and energy of our people."

In my humble judgment there has been very little wrong with the spirit and energy of the American people. They did not fail, either in unity or in the spirit of sacrifice, either in the First World War or in the Second World War. Whatever was asked of them they performed, competently and patriotically. They gave their sons to the war, and their daughters—as many as the Government demanded. On the battlefields our fighting men gave an excellent account of themselves, and withdrew from no sacrifice in life or blood. Our ships, our mines, our mills were adequately manned. Whatever taxes our Government imposed upon our people they paid. Whatever restrictions and rationings were imposed upon them were complied with. There never was and there is not now any reason to doubt the loyalty, the patriotism and the readiness to sacrifice on the part of the American people in de-

fense of their country or their freedom. I doubt whether the proclamation of a state of national emergency was really required to make the American people aware of how serious the present situation is.

The American people is not illiterate. They read their newspapers, they listen to their radio, they know what is going on in Korea; they know what is going on in the United Nations. Their sons are even at this moment fighting and some of them dying in Korea.

But they, the American people, do not make our foreign policy. They did not send our armies unprepared into Korea. They were not consulted as to whether we should go into Korea. According to our Constitution, Congress, and Congress alone, has the power to declare war and make peace. The Congress of the United States was not consulted about sending our troops into Korea. President Truman alone decided this grave issue by the simple device of calling this intervention not a war, but a police action. This police action has already cost our people 40,000 casualties.

Our allies likewise were not consulted. In his speech last Friday evening the President said that we must work with a sense of real partnership and common purpose with the other free nations who need our help as we need theirs. These partners were ignored when President Truman ordered our troops into Korea. The question is, Why?

The United Nations, too, were not consulted. It is the prime responsibility of the United Nations, not of the United States, to resist aggression in the world. It was only after President Truman launched our military effort in Korea that the United States asked for the approval of the United Nations. This is not the procedure outlined in the Charter of the United Nations.

Why did not our Government wait for clear directives from the United Nations in the matter of Korea? Why did not our Government ascertain before we moved in who else was going along and to what extent and with how many troops? Why did we not learn of the widespread reluctance of the other free nations of the world to become involved in Korea, as was later evidenced by the rather slim and purely token participation on the part of only a few of these nations? Why did we not learn about this widespread reluctance before we committed ourselves to what has proved to be one of the most costly and disastrous enterprises in all the military history of the United States? Why?

The strong suspicion entertained by many Americans that the Korean move was inspired by domestic political considerations connected with an approaching fall election has not been satisfactorily resolved. The administration had for some time, prior to last June, been attacked and badgered, especially by the Republican opposition, with charges of Communist sympathies, with responsibility for the victory of the Communists in China and the defeat of Chiang Kai-shek, and with widespread infiltration of Communists in the State Department and other Government departments. For weeks on end, before the Tydings committee of the Senate, wild charges were made by irresponsible political gentry and by publicity seekers of the type of Senator McCarthy. The administration found itself on the defensive, with an important congressional election approaching. The invasion of South Korea by the North Koreans last June offered a tempting opportunity to demonstrate to the country that the administration was all-out anti-Communist, and that it was ready to strike at communism wherever it raised its ugly head. It must have been assumed that the undertaking would be in the nature of a small-scale police action, that it would be brief and not too costly, and that the North Koreans would take to their heels as soon as they saw the American soldiers coming.

President Truman also dispatched the Seventh Fleet to patrol the Strait of Formosa to see to it that the Chinese Communists did not take over Formosa, thereby intervening not alone in Korea, where a clear case of aggression could be established against the North Koreans, but also in the Chinese civil war, where the victorious Chinese regime had already been recognized by Great Britain, India, and other countries. Along with the intervention in China, we also promised to send aid to the French in Indochina where they were fighting to preserve French imperial interests in that country. The administration reversed its former line and permitted itself to be swayed by domestic political considerations and to be intimidated by the rantings of ex Communists, ex isolationists, pro-Fascists, and cranks of all kinds, and maneuvered itself and the American people into the disastrous Korean adventure.

Was it the American people that failed in Korea? Why was our military intelligence so faulty? Why did it underestimate so catastrophically the fighting numbers and the fighting quality of the North Korean Armies, to the point where we were almost driven into the sea at Pusan? And why did the same thing happen a second time, and more disastrously, as our soldiers were advancing so confidently toward the Manchurian border, having been assured of an easy victory and the prospect of returning home by Christmas? Was our intelligence aware of the size of the Chinese Armies on the Manchurian border waiting to strike at us? If aware, why were our men, who were so vastly outnumbered, ordered to move on to the Manchurian border? If unaware, why are the military commanders who are responsible for this shocking blunder continued in their posts to this day?

Did our State Department know that China would enter the war? If it did, what preparations did it make to meet it? Why was the American people lulled into a false sense of security by inspired spokesmen who in so many words assured them that China would not fight? If our State Department did not know whether China would enter the war, why did it take the dangerous gamble to move our forces beyond the thirty-eighth parallel? Why did it choose to ignore the clear declaration of the Chinese Foreign Minister and of Nehru of India, who warned the American people that if we crossed the thirty-eighth parallel, China would come into the war? Why did we move beyond the thirty-eighth parallel? Why are we asking for a cease fire now when the Chinese and North Korean armies are advancing across the thirty-eighth parallel? Why did we not ask for it when we had reached the thirty-eighth parallel? Why did we reject the proposal of a neutral zone between Korea and Manchuria, which was favored by our allies?

These mistakes, these blunders, these failures, military and political, are not to be charged to the American people, although the American people, of course, will in the final analysis, pay the entire cost. These are the responsibilities and failure of the Government and of the administration and of those outside the Government and in the opposition party who provoked the Government to hasty action, and of those in Government who succumbed to the provocation, who fondly believed that an easy-going victory against the Communists in Korea would be a strong political weapon in their hands against the opposition in an approaching election.

The American people is now being asked to give many more billions of dollars to our Military Establishment, to build up the military strength of our country. The House of Representatives has already voted an additional \$17,800,000,000 emergency defense bill. This will bring our total defense budget for the year to almost \$42,000,000,000. I suppose that conditions being what they are, with

the President of the United States warning us that our homes, our Nation, all the things we believe in are in great danger, the approval of such military expenditures is a foregone conclusion, and no patriotic American would wish to stand in the way. But the American people has a right to ask why we received so little in terms of fighting effectiveness for the many billions of dollars which they gave to the Military Establishment during the past few years. The American people has never been niggardly with its Armed Forces. What became of the \$50,000,000,000 which was given to the Armed Forces during the past 4 years? Why were we so unprepared in June 1950?

Before the Second World War, in 1939, we spent on our Armed Forces a billion four hundred million dollars. In the last 3 years—peace years, mind you—we spent on the average of \$13,000,000,000 annually. Yet we were unprepared!

The President said the other evening that on June 25 of this year we had less than 1,500,000 men and women in our Army, Navy, and Air Force. Thirteen billion dollars is a powerful lot of money to spend on such a small fighting force. In 1941, when our Army and Navy numbered a million and three-quarter men, we spent \$7,000,000,000. In 1950 we were spending twice that amount on a smaller Army and Navy and Air Force. Is the unpreparedness of our Armed Forces so glaringly demonstrated in the Korean affair due to the failure of the American people to provide adequately for them, or is it the failure of the men at the top to get a dollar's worth of defense for every dollar paid by the American taxpayer? Have those who work in the Government really done their best, as the President promises they will do in the future?

I cannot escape the feeling that these glaring, tragic failures have been at the top—lack of consistency, courage, and statesmanship on the part of our political leaders, and blunders, waste, and poor management on the part of our military commanders and administrators. There is the major responsibility for the plight in which the American people finds itself today.

There is always the tendency on the part of our political and military leaders, when their policies or their actions result in failure, to shift responsibility from their own shoulders to those of the American people. Somehow it is always the American people who are responsible for all that goes wrong.

It is proper to alert the American people today to the grave dangers in which they find themselves, as the President has done, but more is needed to meet the dire emergency—much more. In the first place, there must be self-examination at the top level. A sense of omniscience is not conducive to sound government, nor is impatience and irritability with suggestions and criticism, and narrow partisanship; and a desire to make political capital out of grave international situations.

There is in my judgment need for a re-examination of our entire foreign policy which has been going from bad to worse ever since President Truman, on his own responsibility announced the so-called Truman doctrine and pledged our country to resist communism all over the world, a commitment on which we are simply not able to make good and one which our allies are unwilling to back up. A re-examination of our entire foreign policy is called for. It is no loss of face for a government which has pursued a policy which has been found wanting or inadequate or dangerous to reconsider and reexamine and adopt a new policy. It is far better to change to a sounder policy than to be unchanging in catastrophic wrong-headedness. Finally, there is need for a reorganization of our Military Establishment with an eye to greater economy and efficiency.

Without leadership a people perishes. It is to leadership that we must look for our salvation, a leadership which will match words with action and which will treat the American people as mature people who know the score.

In his address the other evening the President announced four things which the American people must do and will do in this crisis. I am in perfect agreement with all these four things. First, he said, we will continue to uphold and, if necessary, to defend with arms, the principles of the United Nations, the principles of freedom and justice. Fine. But please, let the United Nations decide when the principles of freedom and justice are endangered, and what should be done about it. That is its business. Let the deliberations and decisions and actions be collective—not unilateral. Let us not act first and then get the approval of the United Nations for our actions. The United Nations has assumed the responsibility of keeping law and order in the world. Please, let us not have a private Truman doctrine of our own. Let us not do our own private policing. Let us not jump into Formosa or Indochina or Korea or elsewhere—and there are a hundred potential danger spots in the world—until the United Nations directs us, along with all other nations, to act. We must avoid not only aggression, which we are not likely to indulge in, but aggressiveness as well. Let us strengthen the United Nations. Let us channel whatever help we can give to the world through the United Nations. Let us strengthen this international organization, which is the sole hope of a stable world to come.

Secondly, the President said he would continue to work with the other nations to strengthen our combined defenses. Excellent. But let us be practical about it. Let us make sure how far the other nations are prepared to go along and how much they are prepared to pay out of their own resources to strengthen their own defenses. Of course, they will permit us to help finance their military establishments, but they may not be willing to use them every time we think they should. Let us not drain our own resources too far to equip other nations militarily. Let us think first and foremost and always of our own defenses. Again, in our eagerness to organize the world against the Soviet Union and line up the free nations of the world against Communist dictatorship, let us not undermine our moral position in the world by allying ourselves with Francos and Fascists and Tito and Nazis in Europe and reactionaries in Asia. It makes the Voice of America sound hollow in the ears of the world. In the long run that will undo everything that we are trying to do.

The President urged us further to build up our Army, Navy, and Air Force and to make more weapons for ourselves and our allies. By all means, let us build up to full strength, but let us not bankrupt ourselves by trying to arm half the world against the other half. Our resources are not limitless. Our Government is already \$257,000,000,000 in debt. It is the hope of the Soviet Union that we will destroy ourselves through bankruptcy and sink our military strength into the great Serbodian bog of Asia.

The President finally urged that we expand our economy and keep it on an even keel. Nothing is more important than that. We must guard against inflation through greater production, higher taxes, and through price and wage control. In this connection, an American has the right to ask why the President of the United States did not use up till now the powers which were clearly his to control prices and wages, and why he permitted our country to move into the dangerous inflation spiral in which we already find ourselves.

These are some of the things about which I should like to write to Mr. Truman. I should also like to draw his attention to some words which he himself uttered the other evening and suggest that in those words lies the right direction of statesmanship in these dire days. He said, "There is no conflict between the legitimate interests of the free world and those of the Soviet Union that cannot be settled by peaceful means, and we will continue to take every honorable step we can to avoid general war." This is quite different from the dogmatism, the rantings, and the war-mongering of so many others which are so frequently heard these days.

Stalin, too, has declared more than once that the Communist world and the capitalist world could live side by side in one world. Truman does not trust Stalin. Stalin does not trust Truman. Hence the impasse. But it is clear that only in the direction of courageous and continuous exploration of every avenue for reaching understandings if only piecemeal, only in the direction of negotiation, earnestly sought and welcomed, lies the hope of the world. Negotiation is not appeasement. Let not the American people be persuaded into closing their minds at the sound of the word "appeasement." It is today a tabu device to paralyze thought and wise diplomatic action. There should be urgent and continuous exploration of every opportunity for coming to an understanding with the Soviet, a nation which we cannot defeat in war any more than it can defeat us.

Our defeat in Korea is not a fatal defeat. Bataan and Dunkerque did not determine the outcome of the Second World War. We are a strong and powerful Nation. We can become stronger and even more powerful. We are faced with most grave and menacing problems, and while we should do all that is practical and necessary to build up our military strength, we should bear in mind always that the basic solution lies not on the battlefield. It will have to be found at the conference table.

Our appeal to our national leadership in Washington, which we make in all good will, for we are all involved in one common destiny, is to be courageous and unafraid, not to be swayed by partisan political consideration and not to allow itself to be stampeded by warmongers, fanatics and cranks, and by those who would push us into war for reasons which have nothing to do with love of country. There are those in our country who do not want an understanding with Russia. There are those even in high Government posts who are ardently advocating a preventive war with Russia. There are those who will try to sabotage any possibility of agreement. These are our real enemies. When our President will give the American people the kind of leadership they need and crave for, the American people will back him up 100 percent. The American people have always rallied to the defense of their country whenever it found itself challenged and endangered.

Senate Bill 349

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. ANGELL. Mr. Speaker, I am just in receipt of a letter under date of January 29, 1951, from the Honorable Douglas McKay, Governor of Oregon, advis-

ing me that at a meeting of the Natural Resources Advisory Committee of the State held on January 24, 1951, the provisions of this bill were discussed. This committee is deeply concerned over the provisions of title 1, section 215, paragraph C of the bill which would seem to authorize the bypassing of State, municipal, and other local laws and believes that for that reason the bill should be modified to obviate this undesirable feature. The following is a copy of the letter:

STATE OF OREGON,
EXECUTIVE DEPARTMENT,
Salem, January 29, 1951.
Congressman HOMER D. ANGELL,
House Office Building,
Washington, D. C.

DEAR HOMER: At the meeting of my natural resources advisory committee on January 24, 1951, certain sections of Senate bill 349, which related to the construction and operation of community facilities and community services for defense housing projects, were discussed. The committee, which consists of the executive heads of State departments concerned with the development and conservation of natural resources, was particularly concerned with the provisions of title 2, section 202, in which the Housing and Home Finance Administrator is authorized, without regard to any Federal, State, or municipal laws, ordinances, rules, or regulations, to do all things which he determines necessary or desirable in the public interests for and in the planning, acquisition, construction, and maintenance of housing or community facilities.

"Community facilities," as defined in title 2, section 215, paragraph C, include water-works, sewers, sewage-garbage and refuse disposal facilities, police and fire protection facilities, public sanitary facilities, works for treatment and purification of water, schools, hospitals and other places for the care of the sick, recreational facilities, streets and roads, and day-care centers.

The committee, by unanimous vote, objected to the provisions granted to the Housing and Home Finance Administrator in regard to public water supplies, public water supply systems, sewers, sewage treatment works, public sanitary facilities, and water treatment or purification. The State of Oregon has been endeavoring for a number of years to remedy sanitary conditions in our streams and for public places. It has been conscious of the necessity for the conservation of its natural resources and for the protection of public health and, as stated above, planned programs for the improvement of water supplies and abatement of stream pollution are now under way, and for the Government to step in and ignore these things will not only disrupt the State's program but we will lose much valuable education on that subject that we now have.

The committee feels that it is very much against the public policy for the Federal Government to disregard State or municipal laws. Also, the committee feels that if public housing is constructed along this line it might be some time before we will be able to make a clearance and thus we will continue to have a disregard of sanitary authorities.

It is the belief of the committee that public policy, as expressed by paragraph 8 of section 2, is sound. It reads as follows:

"Any department or agency performing functions hereunder shall, in carrying out such functions, consult with the appropriate State and local agencies having responsibilities in connection with the planning, provision, construction, or operation of community facilities or services, so that, insofar as practicable, community facilities assisted or provided pursuant to this act may be integrated with State and local programs for such facilities and services."

It is my earnest request that everything possible be done to change this act before it becomes a law.

Sincerely,

DOUGLAS MCKAY,
Governor.

FEPC

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 8, 1951

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD I wish to include the following editorial from the January 31, 1951, issue of the Southwest Citizen published at Lake Charles, La.:

WHY ROCK THE SHIP OF STATE?

For a number of years now, the New Deal's Fair Employment Practices Commission has been a hot political potato. The greatest opposition to it has come from the South and passage of the bill has been effectively prevented in Congress.

The ostensible purpose of the FEPC is to protect minorities in competition for jobs and to assure them a square deal. What the bill actually does, however, is to give bureaucrats virtual control of the hiring and firing in private industry.

For instance, if the member of a minority group—and there are hundreds of these groups for they consist not only of persons of certain races but also those of various political and religious complexions—applies for a job as a bookkeeper and is not hired, he may, if he thinks he did not get the job because of his minority status, take his case to the bureaucrats who could force the employer to give specific reasons why the complainant didn't get the job. And if these reasons are not satisfactory, the employer can be forced to hire the man he rejected if, in the opinion of the Government, he is qualified to hold the job.

Our own feeling is that the proprietor of a business is entitled to hire or fire his workers as he sees fit and that it is not the Government's business what his reason is. If a businessman doesn't want to employ a Negro, an Indian, a Republican, or a member of any other minority group, he should not be forced to do it or even to be required to give his reasons therefor.

The South has borne the brunt of the fight against the FEPC and has thus been saddled with the public opprobrium generated by the professional tub-thumpers who get paid in money or in votes for their noise. Yet there is no real southerner who bears any ill will toward the Negro or who will not do more than his share to educate him, to give him work for which he is qualified, to help him get started in his own business. And we note on every side that the Negroes who are making the greatest progress economically are those who are getting the help of the southern white. Precious few of them are helped by the righteous orators who would exploit their minority status for political profit.

We believe it can be said truthfully that, on the whole, the white and colored elements of our southern population get along together very well. Our Negroes have always participated enthusiastically in every local civic drive and program to improve our community. The white population has voluntarily instituted, and is largely paying for, a program for better educational and sanitation facilities for our Negro friends. The

end effect will be that colored men and women will continually improve their qualifications for better jobs. The white people know this and encourage it. And this effort will be continued.

The passage of an FEPC bill thus is an extremely controversial matter and tempers will boil if such an attempt would be made now. It would seem unwise to push such proposed legislation through Congress when our entire energies should be voted to the far more serious problems of organizing our national defenses and guiding the ship of state through the shoals of foreign threats. It would seem prudent to avoid intense wrangling over what are essentially peacetime side issues. It should be the logical purpose of everyone from President Truman down, to do all possible to promote a national unity of purpose.

Yet it is now reported that the President, who has failed to get an FEPC through Congress, will create it by executive fiat. Under the cloak of the war emergency, he is preparing to order FEPC into effect as a wartime necessity solely by means of a White House order. This may or may not be politically astute but the effect will be damaging to the Nation's effort for it would breed grave sentiments of distrust in his leadership.

We hope that the President will reconsider the matter or that those advisers around him will succeed in persuading him that now is no time to rock the ship of state.

An Irresponsible Budget

EXTENSION OF REMARKS

OF

HON. ZALES N. ECTON

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "An Irresponsible Budget," written by Henry Hazlitt, and published in Newsweek for January 29, 1951.

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

AN IRRESPONSIBLE BUDGET

(By Henry Hazlitt)

Senator BYRD was using the language of restraint when he declared that President Truman's budget of \$71,000,000,000 for the next fiscal year was "the very height of fiscal irresponsibility." Mr. Truman no longer seems to attach any meaning to figures, or even to pledges. He has repeatedly promised "rigid economy in nondefense activities." And he solemnly continues his lip-service to "strict economy" in the very budget in which, as Senator BYRD points out, proposed nondefense spending is increased "to the highest level in the history of the Nation."

Mr. Truman threw in practically the whole Fair Deal spending program—compulsory health insurance, bigger unemployment benefits, Federal subsidies to education, including nursery schools, more public power projects, including the St. Lawrence seaway, more Government housing, more handouts to foreign countries for "economic recovery," and on top of all this, the Brannan farm plan, the year-to-year cost of which is indeterminable.

It may be doubted whether Mr. Truman seriously intended this as a budget or meant it only as a campaign document—so that, in 1942, he can tell the pressure groups that

be asked for everything, and only a niggardly Congress denied it.

The response of Congress to this budget was much milder than it should have been. Senator Bryan's estimate that it could be sliced by \$7,000,000,000 was very moderate. Representative Tamm's contention that it could be cut by \$4,000,000,000 was even more so. I hazard the guess that with proper Federal policies and proper administration of spending, the whole \$16,000,000,000 difference between the proposed \$71,000,000,000 of spending and the \$55,000,000,000 of prospective tax yields could be cut, making it possible to balance the budget without increasing taxes any further. And the result could be both more production and better defense.

Mr. Truman still talks of Government expenditures as if they came out of some fourth dimension and bought more things than were bought before. All they do is to change the direction of spending. What the Government pays out to Paul it must take from Peter. What it spends on Government project X it must take away from unborn or unexpanded private projects Y and Z. For every speech Mr. Truman makes on how many "new needs" he is meeting by his \$71,000,000,000 of expenditures, millions of mute inglorious taxpayers could make a speech on how many old and new needs they will be unable to meet because these billions will be taken away from them.

It is not enough for Government to prove (though it seldom attempts even this) that every dollar it spends meets some vague "need" or other; it must show that every dollar it spends meets a greater need than it would have met if the man who earned it had been allowed to spend it on his own family or for his own projects.

Nor should we allow the magic word "defense" to save a proposed expenditure from serious scrutiny. Once Congress permits the administration to set up a sacred and untouchable category of expenditures, it will find the administration shoving every proposed expenditure possible under that category. Today "defense" covers a multitude of fiscal sins.

If there is any fiscal responsibility in Congress itself, it will return Mr. Truman's 1952 budget to him without approval and request him to submit a responsible, balanced budget with a certain specified number of billions sliced off the expenditure side. It will bind itself, in return, not to increase by its own appropriations either the total or any individual item of this revised budget. But it will not bind itself not to make any further reductions in individual items when the individual appropriation bills come before it. And its separate committees—including the Armed Services and Military Affairs Committees—will increase their technical and research staffs and make a far less perfunctory scrutiny of expenditure requests than they have in the past.

Senator Lodge's Exposé of Soviet Planning

EXTENSION OF REMARKS

OF

HON. BURNET R. MAYBANK

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Too Clever for Vishinsky," published in the

Charleston (S. C.) News and Courier of November 21, 1950. The editorial deals with one of our distinguished colleagues, the Senator from Massachusetts (Mr. Lodge).

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

TOO CLEVER FOR VISHINSKY

HENRY CASOT LODGE, United States Senator and delegate to the General Assembly of the United Nations, veteran soldier, too, who fought for the defense of Russia against the Nazis, in his statement last Sunday exposed Soviet planning, laid bare to the world the doctrine that Andrei Vishinsky, Russian Foreign Minister, is apocryphally setting forth in orations.

Senator Lodge pointed to the declaration of the "great Lenin," as the Communists call him, that "a just war is not an aggressive war but a liberating war which is designed to defend people from foreign attack and from attempts to enslave it, or the liberation of people from capitalistic slavery"—a declaration that Vishinsky had incorporated in one of his deliverances with approval, with endorsement.

Senator Lodge stripped naked, he pilloried, Vishinsky as committed to belief that a war to demolish the capitalistic or free enterprise system in the United States would be a "just war," not a "war of aggression." This Communist scheming is not new to the Americans, but Mr. Lodge pinned down Vishinsky with his own words.

Were the Russians to begin a war to free the Americans from capitalism it would sink the Russian people deeper in poverty even though the Kremlin were victorious. It would reduce the Americans and their allies to pauperism. Defense preparations are now making the Americans poorer.

In such a war, were it won by Communist nations, only the chieftains, the moguls, the masters, the overlords, would profit.

From the Russian point of view all able-bodied Americans drawing wages, whether bus drivers, weavers, doctors, preachers, or presidents of factories, are wicked capitalists, oppressors of the people. To Comrade Vishinsky the 75-cent-an-hour American is a capitalistic felon, an enslaver of the masses—and Comrade Vishinsky, Comrade Malik, Comrade Stalin, and the other whip handlers, scourgers in Moscow, are enjoying the life of princes of the blood. A czar by any other name can live as well.

Senator Lodge is too clever for a Vishinsky. One cannot hide from him.

Spies and Laws

EXTENSION OF REMARKS OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 2, 1951

Mr. KEATING. Mr. Speaker, favorable editorial comment continues to press for early action on a bill to permit the FBI and other investigative agencies to intercept communications in order to apprehend spies, traitors, saboteurs, and disloyal elements in our country.

The people are justifiably aroused over the reversal of the conviction of Judith Coplon, a former Federal employee holding a highly responsible position. Unless Congress acts promptly, we may see the release of many other against whom

the evidence of criminal acts is overwhelming, but who can evade punishment on technicalities.

Under leave to extend my remarks, I include editorials, endorsing a measure I have introduced, from the Pittsburgh (Pa.) Press, the Champaign-Urbana (Ill.) Courier, and the Rochester (N. Y.) Times-Union. The editorials follow:

[From the Pittsburgh (Pa.) Press of January 13, 1951]

SPIES AND LAWS

Congress has passed, at the Justice Department's request, a bill authorizing FBI agents to make arrests without warrants in cases involving espionage, sabotage and other felonies.

Another bill, introduced by Congressman K. B. KEATING of New York, would legalize FBI wiretapping to obtain evidence against suspected spies and saboteurs.

Both measures result from the New York Federal Appeals Court decision which voided Judith Coplon's conviction for stealing secret Government information and giving it to a Russian agent. The court held that, although her guilt was clear, Miss Coplon had been deprived of the constitutional right to due process of law because:

1. FBI agents, who arrested her without a warrant, failed to prove as present law requires that this was necessary to prevent her escape.

2. The Government failed to prove that FBI wiretaps led to none of the evidence used in obtaining her conviction.

Present Federal law makes it a crime to intercept and divulge communications. Yet the FBI does intercept—does tap wire—in its work of protecting the country from spies, saboteurs and other public enemies.

It first must get permission from the Attorney General, who acts by authority of an executive order issued by President Roosevelt in 1940. But if information the FBI obtains by wiretapping is divulged by its use as evidence in court, that can give a guilty spy basis for a successful appeal from conviction.

That is a ridiculous situation.

If FBI wiretapping was essential to national security in 1940, it is more essential now. It should be legalized. Information obtained by this method should be made admissible as evidence. And safeguards against its abuse, and for the rights of innocent persons, should be provided.

The Keating bill proposes that the FBI be required to obtain wiretap permits from Federal courts, upon showing of good reason to believe that information thus obtained is necessary to proper investigations. This would seem a much better safeguard than the present requirement for permits from the FBI's boss, the Attorney General.

[From the Champaign-Urbana (Ill.) Courier of December 24, 1950]

REVIEW WIRE-TAP BAN

Heightened concern over the national security may lead, it now appears, to a review of the use of wire taps as a means of gathering evidence against spies, traitors, and saboteurs. Representative KENNETH B. KEATING, of New York, made the first step when he introduced a bill to permit Federal Bureau of Investigation agents to obtain Federal court orders for wire tapping, if national security appears involved.

Some modification of the doctrine which bans the use of wiretap evidence clearly is needed. Representative KEATING calls the rule absurd and it certainly proved so recently when Judith Coplon's conviction for plotting to spy on this country for Russia was overruled on grounds that part of the evidence against her was gained by wire-tapping.

The proposed change now becomes a matter of practical necessity. As the law stands, it permits spies to conduct their nefarious profession over American telephones. Government agents may suspect the tenor of the conversation, but are not authorized to listen in.

Permission to tap wires should be doled out sparingly, surely, for the private rights of the citizen must be guarded. The author of the bill, however, has provided against a possible danger of too free a use of the privilege when he asks that FBI men and military intelligence agents secure court permission before using the tapping system.

Fact is, the average citizen conducts business over the telephone of less importance than is ordinarily believed. If his conversation was really important, he would protest more vigorously than he does the party-line systems in use in all rural areas and in many city systems.

[From the Rochester (N. Y.) Times-Union]

KEATING BILL SHOULD PASS

A teapot tempest is still raging on the question of allowing the FBI to tap telephone conversations of suspected foreign agents.

With thousands of American boys already lying in Korean graves, we think it's high time to start helping instead of hindering the FBI. But many well-meaning persons still raise the bloody shirt of "martyred" civil liberties at such a suggestion.

Obviously, no sane person wants to start scrapping civil liberties wholesale. From Dunker Hill to Wmju our soldiers have fought to preserve a system of government whose core is the protection of the rights of the individual.

There are inconsistencies in the objections raised to FBI wire tapping. For example, it's permissible for an FBI man to eavesdrop on a conversation in a restaurant, but he can't eavesdrop on a telephone conversation.

Police of many States can use wiretap evidence on minor crimes, but the FBI can't use it in efforts to guard our Government against enemy espionage.

Representative Keating has introduced a bill to remedy the situation. By making permission of a Federal judge necessary for such wiretapping, the bill attempts to protect the public against unwarranted invasion of its rights.

This long overdue measure should be passed quickly.

Fighting Inflation

EXTENSION OF REMARKS

OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of Monday, January 29), 1951

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record, a statement entitled "Fighting Inflation," published by the Life Insurance Association of America. The statement is dated January 1951.

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

FIGHTING INFLATION

Since the autumn of 1929 we have been experiencing a price inflation which has brought about a decline of 43 percent in the

purchasing power of the dollar, with the largest part of this decline taking place since the end of World War II. This steady depreciation in the purchasing power of our money has inflicted hardship and privation on many whose incomes are fixed or relatively constant, and it has seriously reduced the real value of accumulated savings. The inflation which we have already experienced is bad enough, but with the outbreak of war in Korea we are suffering an acceleration in the upward movement of prices.

The basic cause of this development is that the demand for goods and services by the American people and Government, supported by a record-breaking volume of money outstanding, is running far ahead of the available supply at existing price levels. With the very high employment of labor and other resources which exists in our economy today, there is little opportunity for a rapid increase in national output to meet the expanding requirements of our military program. To an important degree, therefore, it is necessary to divert current output from civilian markets to the military program. Under these circumstances, in order to prevent serious inflation we civilians must compensate for the increasing demand of the Government by restricting our demand to the supply of goods and services which can be made available at present price levels.

The \$9,000,000 life-insurance policyholders have a vital stake in urging upon the Government that a stiff program be employed to fight inflation. This arises from the fact that an erosion of the purchasing power of the dollar cuts into the value of savings which policyholders have accumulated through life insurance. As a matter of fact, of course, inflation exerts an exceedingly adverse effect upon most savers, but it must not be assumed that inflation will affect only accumulated savings. The history of past inflations demonstrates clearly that when prices rise at a rapid rate they generally outstrip increases in wages and salaries and other forms of current income.

Moreover, experience also teaches us the lesson that every inflationary boom has ultimately led to a collapse. An economic collapse would be disastrous in that it would play into the hands of the Communist world and would involve in itself a serious threat to our freedom. It is noteworthy that Nikolai Lenin, the prophet of modern communism, held that debauching the currency is the best way to destroy a country.

Alarmed at the rise in prices which got under way with the outbreak of war in Korea, Congress acted promptly in passing the Defense Production Act and in enacting an increase in personal income taxes. In addition, the Federal Reserve Board and the various Government housing agencies have acted quickly to tighten consumer and real estate credit. The measures taken so far are commendable, but they must be broadened and strengthened if we are to win the battle against inflation.

We believe that inflation can be stopped and held in check if steps along the lines outlined below are taken in time by the Federal Government. For the present, at least, inflationary pressures can be halted through the use of indirect controls without the need to resort to direct controls such as general price and wage ceilings and rationing. Indirect controls, if stern enough, have the great advantage of getting at the heart of the inflationary process which lies in the excessive effective demand for goods and services. They also have the advantage of not interfering with the freedom of choice of individuals. On the other hand, direct controls deal merely with the symptoms of inflation without getting at the basic causes, and for this reason should be employed only as a last resort. Even then, to be effective they must be accompanied by powerful indirect controls.

THE MEASURES WHICH SHOULD BE TAKEN BY GOVERNMENT

The basic reason for the inflation we have been experiencing is that our money supply has expanded faster than the supply of goods and services, so that the key to an effective fight against rising prices is a well-rounded program by Government directed toward reducing the active money supply in the hands of the public.

The volume of bank deposits and currency held by the public has risen from \$83,300,000,000 at the end of 1939 to \$173,000,000,000 at the end of October 1950 with a sharp increase of \$3,900,000,000 occurring from the end of March through October of this year. Furthermore, in recent months money has been turning over at a much faster rate. The measures adopted by Government, therefore, should restrict not only the current income of the public but also the accumulated money supply. These measures should include the following:

Increased Federal taxation: The military-preparedness program in its present dimensions and all other Government expenditures should be carried on a pay-as-you-go basis. The taxes chosen to raise additional revenue should be geared to cut directly into the mass purchasing power which has given rise to inflationary forces.

A broad extension of excise taxes, or the imposition of a general spending tax, should be given careful consideration. This form of taxation is a direct deterrent to spending and an encouragement to saving both because of the tax itself and because of the psychology of it. The tax should not be applicable to necessities such as food and clothing at the minimum level.

A further rise in personal income taxes, when required, should be levied across the board on a straight percentage increase. A sharply graduated income tax will fall short in yielding revenue and will weaken the incentive which is needed for harder and more efficient work to increase production. It should not be forgotten that over a period of time expanding production is probably the most effective way to combat inflation.

When it becomes necessary to place a heavier tax burden upon corporations, this should be done by increasing the present corporate income tax. An excess-profits tax should not be employed because it is distinctly inflationary in that it leads to unnecessary corporate expenditures and discourages efficiency and increased productivity.

Reduced Government expenditures: As all individuals and business concerns will be called upon to cut their expenditures drastically, clearly it follows that all nonmilitary expenditures by the Federal, State, and local governments likewise should be cut to the bone. This requires, particularly at the Federal level, a searching reexamination of the peacetime functions of Government and the elimination or pruning of many activities. With the additional demands of our military program the burden of Government expenditures will be crushing without continuing to carry many items which were put into the Federal budget in the postwar period. Furthermore, although our military program must be sufficiently large to play our proper role in the preservation of freedom throughout the world, at the same time rigorous steps should be exerted to insure that military expenditures are made efficiently and with a minimum of waste.

Tightened monetary and credit controls: A pay-as-you-go tax program is the cornerstone in the fight against inflation, but it is not enough to do the job. Its restrictive effects could be defeated by an expansion of credit and a resultant increase in the money supply, as well as by the spending of liquid assets which are now held in very large volume by the American people.

The action which has already been taken by the Government to curb real-estate and consumer credit is highly commendable because much of the current inflationary boom lies in the housing and durable-consumer-goods fields. While we do not like to see housing, automobiles, or any other such goods denied to anyone, it is to the best interest of all of us that the Government restrictions have been put into effect. It is imperative that the real-estate and consumer credit controls be watched carefully in order to insure that they have the desired restrictive effect, but it is not enough to rely solely on selective credit controls.

The Federal Reserve Board should have freedom to employ its general credit-control powers in order to exert its maximum influence in the fight against inflation. Steps which have already been taken by the Federal Reserve Board to raise the rediscount rate, and its efforts through open-market operations to tighten commercial bank credit and thus to bring about a rise in short-term interest rates, have been in the right direction. The same is true of the Treasury's recent decision to raise the rate on 8-year notes. The guiding principle here should be that the Federal Reserve must be permitted to restrict bank credit even though as a result interest rates must rise. Neither the Government nor the American people can afford a policy of easy money and low interest rates in a period of strong inflation.

Anti-inflationary public-debt management: Through public-debt management the Treasury can and has influenced the money supply. Much of the Federal debt issued during the war and postwar period is lodged in the commercial banks or the Federal Reserve banks with the resultant effect of a greatly expanded money supply. During the next several years the Treasury will be faced with heavy refunding of maturing debt, and its policy in managing this debt should be directed toward getting a substantial part of the debt out of the banking system into the hands of savers.

The constructive effect of this policy would be to reduce the money supply in the hands of the general public. Any new issues of Government debt should be placed outside the banking system. In order to accomplish these goals, it will be necessary for the Treasury to make its securities more attractive to all types of investors, which means essentially a higher rate on Government securities.

Strong wage-price policy: The Government, through concerted efforts by its various branches and by means of appeal to public opinion, should strive to prevent further developments of the wage-price spiral. This means not only the avoidance of wage and salary increases designed to keep up with the cost of living—it also means the avoidance by business of unwarranted price increases. The various measures of indirect control urged in this statement will fail unless at the same time the Government, with the cooperation of labor and management, succeeds in holding down the wage-price spiral. By the same token, if the controls urged herein are used fully, much of the cause for the wage-price spiral will be removed.

COOPERATION BY INDIVIDUALS AND BUSINESS

The measures outlined above can go far toward fighting further price inflation, but in the last analysis their success will depend upon a thorough understanding by individuals and business of the forces which give rise to inflation along with the measures needed to combat it. With this understanding the American public and business can be counted upon to cooperate with a determined program by Government along the lines set forth here to fight inflation.

The main elements of action by individuals and business concerns in the fight against inflation are clear. Both groups should

keep their spending for nonessentials at an absolute minimum and should bend every effort to increase their current savings. Existing savings of individuals in the form of war bonds, bank deposits, and in other liquid forms should continue to be held out of the spending stream. Business concerns, as well as individuals, must refrain from hoarding goods. Scrupulous care should be exerted by both groups to conform with rules and regulations promulgated by the Government to control such things as real estate and consumer credit.

Finally, labor and management should cooperate in stopping a further rise in the wage-price spiral. Real sacrifice by all of us is needed to wage a successful fight against inflation. The objective is so compelling that we must make that sacrifice, and it will be made only if effective controls compel it to be made.

SUMMARY

Since the autumn of 1939 we have experienced a decline of 43 percent in the purchasing power of the dollar, and with the outbreak of the Korean War we are now suffering an acceleration in the upward movement of prices. The basic cause of this development is that the demand for goods and services by the American people and Government, supported by a record-breaking money supply, is running far ahead of the available supply of goods and services at present price levels. Eighty-three million life insurance policyholders, in the interest of protecting the value of their insurance, have a vital stake in urging upon the Government that a stiff program be employed to fight inflation. The main elements of this program, which must be directed toward reducing the money supply in the hands of the public, are as follows:

1. Federal taxation should be geared to carry the military preparedness program, at least in its present dimensions, and all other Government expenditures on a pay-as-you-go basis. Taxes should be directed toward limiting civilian spending to the available supply of goods and services at existing price levels.

2. All nonmilitary expenditures by the Federal, State, and local governments should be cut to the bone and every effort should be made to insure that military expenditures are made efficiently and with a minimum of waste.

3. Selective credit controls such as these to control real estate and consumer credit should be employed as fully as necessary to restrict credit in certain boom areas, and the Federal Reserve authorities must have freedom to use their general credit control powers to curtail the money supply even though as a result interest rates must rise. Neither the Government nor the American people can afford a policy of easy money and low interest rates in a period of strong inflation.

4. In refunding the public debt, Treasury policy should be directed toward getting a substantial part of the debt out of the banking system into the hands of savers, thus reducing the money supply held by the general public. New issues should be made attractive enough to be placed outside the banking system.

5. The Government and business should pursue vigorously a policy of discouraging further rounds in the wage-price spiral.

These steps can be employed effectively by Government to halt inflation, but only if individuals and business concerns cooperate fully by cutting their spending to the bone and by increasing their savings, as well as by conforming in letter and spirit to the regulations issued by Government. It will require real economic sacrifice to combat the forces of Communist aggression successfully without incurring further inflation, but the American public, given sound leadership by Government, can be counted upon to make that sacrifice.

The Single Supply Catalog: An Essential Conservation Measure in Mobilization Planning

EXTENSION OF REMARKS

OF

HON. CLARK W. THOMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. THOMPSON of Texas. Mr. Speaker, recent editorial comments indicate the impression prevails that nothing is being done toward the preparation of the single supply catalog for the Federal Government which was recommended by the Hoover Commission as an essential conservation measure. Accordingly, I inquired into the present status of this work. It is indeed gratifying to report the results of my inquiry to the Congress.

The supply catalog is now 45 percent complete. By the end of September 1951 it should be 75 to 80 percent complete, and the scheduled date of completion of the entire work is July 1, 1952. Already published in one form or other, and available for use of Government and industry, are 870,293 items.

The preparation of the catalog has necessarily included a vast program of simplification. For example, 1,000,000 gages of various types have been reduced to 188,000, of which 80,000 have been cataloged or published.

In addition to several hundred persons working on the stock catalog in Washington, there are more than 4,000 throughout the country. This staff, under the direction of the Munitions Board, is vigorously pushing to meet the scheduled dates of completion.

In view of the pending world crisis, conservation of our resources assumes a greatly increased significance in connection with mobilization. A most illuminating address on this broad subject, delivered on November 29, 1950, at the annual dinner and honors night of the American Society of Mechanical Engineers in New York by Dr. Howard Coonley, Chief Conservation Planning Specialist of the National Security Resources Board, was published in the January 1951 issue of *Mechanical Engineering*.

Dr. Coonley's paper admirably summarizes the general conservation practices as developed in World War II, especially with respect to the supply catalog, and should remove much of the confusion in the public mind as to the scope of these activities.

To make Dr. Coonley's timely contribution more readily available to the Congress, the executive branch of the Federal Government, and the Nation at large, I am extending my remarks to include the full text of the indicated address which follows:

THE ROLE OF CONSERVATION IN MOBILIZATION PLANNING

(By Howard Coonley)

Conservation is not an American characteristic. Our people have ingenuity, adaptability, and driving power, but we are not by nature accustomed to make much out of little, to see how far we can stretch the cloth

which is within easy reach. In short, we lack a spirit of thrift. It should not require a war or even a threat of war to make us aware of the necessity to save.

When I sat down to consider how I could impress upon this audience tonight their responsibility for the conservation that is essential if our country and our way of life are to survive, I realized that it would be wise to turn to our benefactor Noah Webster to define the word I am using as my text. The result of my investigation was not completely satisfying. Noah says: Conservation is, first, a process of conserving or preserving; second, official care or supervision as of a river or forest; third, keeping as of bees or domestic animals; and, fourth, making of conserves or preserves.

The conservation that I have in mind goes far deeper than these definitions. In our present crisis it is the ingredient that will expand the output of our mills and our machinery that urgently important additional amount which is needed to take care of civilian as well as military requirements, and thereby safeguard our Republic and assure the survival of the democratic nations of the world, whether our destiny be the terrors of another war or the blessings of long years of peace.

I am undertaking tonight to tell you briefly what your Government's present program is in the field of conservation and what is proposed for the future.

SIX ASPECTS OF CONSERVATION

The National Security Resources Board, to which I am giving a substantial portion of my time as chief conservation planning specialist, is not an operating agency such as was the War Production Board. Its responsibilities and its authorities are limited to the area of mobilization planning, to the coordination of Government activities, and to the inauguration and stimulation of such activities where necessary.

Conservation as practiced in World War II and as it must be considered in mobilization planning may be divided into six broad categories.

First on the list I should place standardization. Perhaps I should combine with standardization, specifications, for in Washington the two have quite different meanings. There, specifications are thought of as schedules set up for immediate production and procurement; standards are rules and regulations designed for longer-term use. They have the framework of permanency. Simplification is an important corollary of standardization. In these areas of standardization, specifications, and simplification, our ASME is deeply interested and plays a vital role.

My second category might be stated as measures to determine and safeguard supplies of critical materials. This is a subject that should have our complete backing whether or not an emergency is threatened.

Third on my list is the development of substitutes wherever necessary and possible. This should be the natural habit of prudent industrialists.

In fourth position I place a program of salvage and savings at the source.

Fifth is a cataloging of supplies under a system of standard identification to avoid duplication and waste.

And last but not least I place international cooperation in conservation measures. And I say last but not least deliberately, for it is my firm conviction that lasting world peace must be built upon an interchange of goods, services, and techniques on a basis of mutual benefit and friendly understanding.

In a brief statement of this kind I can only touch the high spots of my subject. Yet you should know and I hope you will approve and support the measures that are being taken.

USE BEING MADE OF RETIRED EXECUTIVES

The handful of specialists (I feel I can properly call them experts) that are responsible for the National Security Resources Board's conservation activities have been—with one exception—recruited from that great group of recently retired executives who are still charged with the necessary physical energy, and who have the priceless attributes of experience and knowledge to make them outstandingly valuable to our conservation planning efforts. I am letting no opportunity go by to recommend to other Government agencies that they turn to the rich field of the recently retired for the assistance they need in their expanding activities. I am further tempted to pause in my thesis long enough to say that it would be well, as it may be necessary, for our leaders of business to reappraise their theories of the mandatory retirement age for members of their organizations. One of the outstanding industrial economists attached to a great and successful corporation tells me that a recent survey indicates the useful years of life of our men and women workers are rapidly increasing due, undoubtedly, to greater understanding of proper foods and broader knowledge of preventive medicine. He predicts that within the next generation the period of efficient service will have increased by 15 years over our earlier estimate. I believe it is in a large part due to the wisdom and maturity of our little band of "minute men" that we have been so universally welcomed by all Government agencies.

FUNCTION OF THE CONSERVATION SPECIALISTS

But to return to the work being done by our small group of specialists; our main duty is to keep open the channels of contact with all Government agencies to learn what each is doing in the area of conservation; to assist wherever possible; to offer suggestions where they are sought or needed; to develop methods of coordination and stimulation.

One of the first groups with which I became associated after I came to Washington in March of this year was the Interdepartmental Standards Council. In December 1949, this Council was set up to coordinate and direct the standardizing activities of all Government agencies and to prevent duplication and discrepancy. Sixteen Federal agencies, both military and civil, are represented on this Council, of which S. J. Kaldanovsky of the General Services Administration is chairman.

The conservation planning specialists of the National Security Resources Board who have wide industrial experience and many contacts both within and outside of the Federal agencies are very active in the deliberations of the Interdepartmental Standards Council. They have been able to offer guidance on problems of international as well as national scope and to suggest important opportunities for developing standards which justify the attention of the Council. One of their chief concerns is closer cooperation between Government and industry. There is far too little known by one group about the accomplishments of the other in the field of conservation, of which standardization is a tool. A group of liaison engineers such as the conservation specialists can perform a very valuable function in bringing Government and industry closer together for the accomplishment of common objectives.

The most active participation in the Interdepartmental Standards Council on the part of the military comes from the Standards Agency of the Munitions Board of which Col. A. E. Michelsen is chief. This agency is another miniature group whose functions are similar to those of the American Standards Association in that they develop no

standards but provide the machinery through which the three divisions of the Department of Defense determine what standards are to be developed, select the members of the committees that do the actual work, and pass judgment on the standards when they are completed.

At the present time the Standards Agency of the Munitions Board is reviewing several of their standards for drawings and drafting-room practices and is planning on an expansion of these standards. In this program, we of the National Security Resources Board are giving them every encouragement. For we can conceive of no conservation measure that would prove of greater value to the mobilization effort than a unified set of industrial-military standards in this important area. Had there been available in World War II such a group of standards, millions of dollars and hundreds of thousands of skilled man-hours would have been saved. As sponsors for ASA Committee Z14, ASME has an outstandingly important position in this area. It is my deep hope that some way will be found for Committee Z14 and the Munitions Board Standards Agency to work together on this project, so that the standards may be truly representative of the best industrial as well as military thinking.

DEVELOPMENT OF A SUPPLY CATALOG

I will not attempt to speak further tonight on the need of a monthly list of critical materials, classified as to their current criticality or on the programs of substitutes for critical materials, on both of which our group is working. It is a matter which I am pursuing vigorously. But I do want to refer to the developments that are under way of a supply catalog, to which I referred as the fifth on my list of categories.

Confusion, delay, and unnecessary work were experienced during World War II because of the lack of a common language to describe the Government's supply needs. You all know the now famous story of a combat vessel turning 500 miles off its course to replace a broken bearing only to find that several bearings of the same dimensions were on board but stocked under different item numbers. At one time, 11 naval agencies and 3 Army agencies attempted to solve this exasperating problem by each developing its own system. Immediately after the war the Secretary of the Navy submitted this problem to the member bodies of the American Standards Association. As a result a standard method of testing bearings has been agreed upon. Another standard on dimensions and tolerances is about to be issued, and a numbering system is approaching completion. The antifriction-bearing incident is one of countless though less striking examples of the difficulties that have arisen because of the lack of a supply catalog.

The need for uniform Federal cataloging has long been recognized. Supply systems of Federal agencies have traditionally contained thousands of apparently different items when in reality many of them were thought to be different only because of the lack of uniform item names, descriptions, and stock numbers. As early as World War I, experience showed that the lack of a common language to identify the same item, or similar items, used by different branches of our Armed Forces, caused duplication and waste.

A Federal Standard Stock Catalog was published in a single series of volumes from 1930 to 1935. These volumes, together with the supplements that followed, contained only 350,000 items. Five million items are included in the supply lists of today. Use of this first catalog was limited to a few Government agencies that found it practicable to adopt a uniform system. By the beginning of World War II, most Federal agencies had developed separate cataloging systems thought to be best suited to their individual use.

Technological advances made during World War II flooded the various Federal supply systems with so many new items that the work of cataloging fell far behind that of procurement. As a result, identical articles were listed by separate branches of the same service under different numbers and descriptions and frequently under varying names. Out of the avalanche of demand for an adequate Federal supply catalog, facilities and appropriations for its development were ultimately provided.

The Federal catalog program is at present the joint responsibility of the Munitions Board Cataloging Agency, which represents Military Establishments, and the Federal Supply Service, which represents civilian agencies. Authority for coordination of the program has been delegated to the Munitions Board Cataloging Agency by the General Services Administration. The cooperative efforts of these agencies are expected to reduce the 3,500,000 supply items estimated to be in our military supply systems and the 1,500,000 supply items estimated to be in the supply systems of the Federal civilian agencies to approximately 3,000,000. In other words, the first goal in the cataloging program is to eliminate approximately 2,000,000 duplicate items.

IMPORTANCE OF THE CATALOG

It is obvious that the intelligent use of a uniform catalog will preclude the purchase of thousands of unnecessary items, but that is only the start of the conservation of materials that can be realized. A decrease in the number of items purchased by the Federal Government means less demand on our industrial capacity and less stress on over-worked transportation facilities. It means savings in storage space, with a consequent decrease in warehouse construction and less demand for scarce building materials. It means fewer people required to handle Federal supplies. It means tremendous savings in taxpayers' dollars. And since a uniform catalog system is designed to facilitate delivery of the right item in the right place, at the right time, it will save precious lives in time of war.

Under the impetus of the war in Korea, the then Secretary of Defense Louis Johnson called for greatly accelerated effort in cataloging items of military supply. In a memorandum addressed to the Secretaries of the Army, the Navy, and the Air Force, in September, he asked that within a year cataloging be completed in certain selected categories, that contribute most significantly to national defense under conditions of either total mobilization or partial mobilization. It is estimated that from 75 to 80 percent of the items in military supply fall within these categories.

In this work the conservation specialists of the National Security Resources Board have played an important part. Largely through our efforts technical and trade-association executives are being called upon for assistance and advice, with the result that the catalog when completed will reflect to a large degree industrial practices. When you who are active in the industries that are still to be covered are requested to participate in this important undertaking, I trust you will recognize the obligation and the opportunity, and give freely of your time and experience.

THE FIELD OF COORDINATION

Perhaps the most important activity that will be undertaken by the National Security Resources Board in the field of conservation will be the re-creation of a Conservation Coordinating Committee which proved so helpful in World War II. In September 1943, Donald Nelson asked the Undersecretaries of the Army and Navy and the chairman of the Maritime Commission to appoint representatives to meet with the director of the then Conservation Bureau of the War Pro-

duction Board to discuss ways and means of cooperating in an all-out drive for conservation. Later this small group was expanded to include Lend-Lease, Treasury Procure, the Aircraft Coordinating Committee, and the Board of Economic Warfare, and was given the name of the Conservation Coordinating Committee. The deliberations of this committee which resulted in broad unified programs of conservation were carried out with great success and with complete understanding and cooperation. Several weeks ago, Chairman Symington agreed that a similar committee should be set up under the chairmanship of the NSRB to include representation of all three divisions of the Department of Defense, the Munitions Board, the National Production Authority, and other Government departments and agencies that have a major concern with materials, facilities, manpower, and production. I have been spending my time for these several weeks visiting the heads of these departments and agencies so that the purposes and programs of the Conservation Coordinating Committee should be understood and the appropriate representatives selected when the invitations from Mr. Symington are received. Nineteen departments and agencies will be represented. I am happy to say that the plan has met with enthusiastic approval.

In this somewhat disjointed outline I hope I have given you a preview of a united effort to make the most we can out of the materials, facilities, and manpower that are available to our Nation. The results should be fully as helpful in peace as in war.

A Young German Speaks Up

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1951

Mr. HELLER. Mr. Speaker, under leave granted to extend my remarks in the Record, I include the following article appearing in the New York Times of January 31, 1951:

A YOUNG GERMAN SPEAKS UP

An 18-year-old German youth has become a hero of his people. Brought before a Communist tribunal in East Germany for distributing anti-Communist posters and injuring a policeman trying to arrest him, this young man, Josef Flade, told the court, "I love my liberty more than my life." When sentenced to the guillotine he calmly assured his judges that "thousands will avenge my death."

This act of courage has stirred all Germany as it has not been stirred since the heroic stand of Western Berlin during the Russian blockade. A wave of anger and protest not only in Germany but elsewhere in the world has now compelled the Communist regime to commute the sentence to 15 years' imprisonment. This means, of course, that Flade is likely to be shipped to Siberia to die a slower death. But his trial and conviction have made a mockery of Communist freedom and justice, and have brought home a warning which, more than the anonymous fate of millions, will, by its individual impact, make the Germans wary of Communist traps. What is more, the incident shows that even in East Germany the Russians still feel the necessity of yielding, at least on the public record, to the impact of popular opinion when it is aroused sufficiently.

Stop That Leak

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Monday, January 22 (legislative day of Monday, January 8), 1951

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record an article by the Honorable Lindsay C. Warren, Comptroller General of the United States, entitled "Stop That Leak," which appeared in the January 1951 issue of the DAR magazine.

Mr. Warren's outstanding career as a public servant in the House of Representatives and as Comptroller General is known to each and every one of us. I recommend his article for reading by every Member of Congress and by every American.

I am informed by the Public Printer that the manuscript is estimated to make approximately 2½ pages of the Record, at a cost of \$205.

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

STOP THAT LEAK—TEAMWORK IN WASHINGTON MAKES THE TAXPAYER'S DOLLAR GO FURTHER

(By Lindsay C. Warren)

The Korean conflict has rudely awakened America from any dream of life-as-usual in the immediate future. A strong national defense has never been more urgently needed. The long arm of military necessity already has reached into thousands of homes. It will reach into every home, and touch each of us in some way. It will take an even larger share of our time and our effort and our money than it has before.

Americans never have shirked their assigned tasks in any fight. They stand ready to take up their belts to back up the firing line. They do not stint where their way of life is at stake. But they have always insisted that the time and the effort and the money they give freely be well used, particularly where it can mean the lives of fighting men.

In these critical days, we should take a good look at what has gone before. Now is the time to profit from past experience—not later. The hard lesson of past mistakes must be turned to our own advantage. We must search out and eliminate waste, and find new and better ways of doing whatever needs to be done. Every weapon must be brought to bear.

One of the most powerful weapons we command is our great national wealth. It is unmatched in world history. But, great as it is, it is by no means inexhaustible. Properly harnessed, it immeasurably strengthens the sinews of war. Wasted or misdirected, it can cost terrible hardship and even thousands of lives. It must be conserved, and carefully applied.

These are the watchwords of our leaders today. The whole Government is enlisted in the cause. The Congress worked day and night to enact wise legislation to provide the wherewithal to meet the emergency situation. The President has asked extraordinary powers to lead us in the crisis. Sweeping powers already have been given him to reorganize the executive branch, to consolidate functions and cut off those which are unnecessary, and to replace outmoded methods with modern ones. Vigorous action al-

ready has been taken, but much remains to be done. It is being done under forced draft, to be ready for whatever the future brings.

Mr. and Mrs. Citizen Taxpayer, and all the little Taxpayers, have a very special interest in all this. Already barely able to lift groaning heads under the assault of record peacetime spending, they face even heavier going. They look to their Government to see that it is not in vain.

As Comptroller General of the United States and the agent of the Congress, that is my vital concern. The General Accounting Office which I head is the Congress' own agency to check on the financial dealings of the Government. It is the great bulwark erected by the Congress against illegal and improper spending. Its task, and mine, is to see to it that the public moneys are utilized effectively, as directed by the Congress which controls the purse strings.

It has been said, also, that the Comptroller General is the personal Washington representative of every taxpayer. That is an apt expression of my feeling of responsibility. The fight against waste of the taxpayers' hard-earned dollars is never ending. I intend to stay in the thick of it. Hardly less than the actual firing line, it is one for our children and our children's children. They will be called upon to pay for any weakening on our part now. That is why readers of this article have a very real and personal place in the fight.

Now, let's take a look at some of the things that have been and are being done with the public moneys. One bogeyman should be dispatched at the start. It is the popular misconception that fiscal matters are at best, a dry subject to be avoided at all cost. It is, unfortunately, a mental block to full understanding of how our money is used. At the risk of oversimplification, much of it can be easily dispelled.

The General Accounting Office—GAO in the Government vernacular—is one of the three central fiscal agencies of the Government. It is a part of the legislative branch. The other two are the Treasury Department and the Bureau of the Budget. They are in the executive branch. These three central fiscal agencies together do for the United States just about the same job every housewife does for her home.

The money to run the Government is kept in the Treasury. It can be paid out of the Treasury only as Congress directs, by appropriations. It is spent, or disbursed, by disbursing officers.

The Bureau of the Budget prepares and presents the plan for use of the money to carry on the business of the Government. The plan, approved and financed by the Congress, is executed under direction of the President.

The General Accounting Office checks up for the Congress on receipts and expenditures. It watches where the money goes, to see that it is spent legally. More than \$40,000,000,000 being paid out annually, involving 2,000,000 Government officers and employees, is subject to audit by the General Accounting Office.

Obviously, no household budget would be worth while without definite knowledge of what household income and expenses are. The operation would soon collapse. That is equally true of Government finances. Yet, during my 16 years as a Member of Congress before accepting the office of Comptroller General in 1940, I was forcibly struck by the lack of such essential information. No one could tell exactly how much was coming in from where, or how much was being spent for what.

Finding the answer to this perplexing problem was one of my first concerns as Comptroller General. The vast expenditures of World War II emphasized the need for

prompt and vigorous action. With untold future demands facing us, solution of the problem is of paramount importance to every American.

The trouble was readily diagnosed. It was deep-seated in the hybrid structure of Federal accounting and financial reporting. That structure had been built, layer on layer and tier on tier, without any coordinated plan or supervision. No single agency or office had authority to enforce any corrective measures. It had just "grewed like Topsy."

With the trouble isolated, the next and biggest step was to bring order out of chaos in the accounting and financial reporting. Simply stated, this means that those who receive and spend the money must be shown how to set down in their books of account clear and accurate records of how much money comes from what sources, and how much of it is spent for what purposes. Then their transactions can be verified by an independent audit. They can be held responsible for any illegality. The audit is made by the General Accounting Office which, being in the legislative branch, is entirely free of any dominance or influence from the executive branch where the bulk of the spending is done. Also, with proper accounting the public business can be more effectively planned and carried on, and the President, the Congress, and the taxpayers can be reliably informed of the state of the country's finances.

The Secretary of the Treasury and the Director of the Bureau of the Budget came forward to join me in a concerted attack on this great task. Together we set up and nearly 3 years ago put into actual operation a joint program to improve and modernize accounting and financial reporting throughout the Government. All of the agencies were invited to participate as partners in the program, and have responded enthusiastically.

A special staff of highly skilled technicians was set up in the General Accounting Office to spearhead the program. They are working right in the agencies, in cooperation with their people. They are furnishing advice and all possible assistance to modernize and streamline accounts there and tie them in with others and with over-all Government accounting.

Tremendous progress already has been made under this joint accounting program. Each day brings substantial savings to the taxpayers and the promise of even greater ones in the future. The program is widely regarded as one of the most significant contributions in many years to economy and efficiency in government.

Although the joint accounting program already has yielded valuable returns, the work done has pointed up, also, weaknesses in the laws on the subject. New legislation has been badly needed to achieve maximum results. As the designated agency of the Congress on these matters, and one of the three central fiscal agencies, the General Accounting Office proposed such legislation in this session of Congress. The Treasury Department and the Bureau of the Budget, as the other two central fiscal agencies, participated in the drafting and strongly supported the measure.

The Congress enacted a new Budget and Accounting Procedures Act of 1950. It provides additional means to bring about the complete revamping and modernization of Federal budgeting, accounting, and financial reporting. It is particularly timely as a new and potent weapon to strengthen our hands against the waste of public funds.

Some idea of the benefits which will come from the improvement and modernization of accounting and financial controls throughout the Government can be gained from what has been accomplished, in a smaller field, with Government corporations. World War I

spawned a number of them, and many others were created in the ensuing years. They operated at public expense, but were not subject to financial control by the Congress. Some stayed in existence long after their work was completed. For example, one of them set up to requisition material for 1917-18 airplanes, still was being liquidated 30 years later.

In 1945 there were 101 of these corporations in what I told Congress was "an unsegregated, sprawling crop of Government functions and functionaries." Often their charters were wide enough to drive a team of horses through. Some of the largest of questionable expenditures had been made by corporations. What was needed was to bring them under financial control of the Congress.

Congress passed the Government Corporation Control Act in 1948. It made the corporations subject to a commercial-type audit by the General Accounting Office and provisions of law relating to the Federal budget. Annual reports of audits are sent to the Congress. They have helped reduce the number of corporations by more than one-third, and to persuade them to pay millions upon millions in dividends into the Treasury.

It is not to be thought that the General Accounting Office itself has been overlooked in the program for greater economy and efficiency. It is not an office of professional do-gooders holding itself sacrosanct from panaceas proscribed for others. Quite to the contrary, it is the first place we look to see if new and better ways of doing our own job can't be worked out and passed on for the benefit of other agencies.

This inward turning of our scrutiny has wrought amazing changes. A Rip Van Winkle, waking today, would not recognize the General Accounting Office of old. Hide-bound, antiquated procedures have been junked, and modern practices are replacing them. It is a continuing process, directed always toward greater efficiency and economy in our own operations so that we may help others achieve the same goals.

Each day the Office strives to do more and more of its growing duties, with less and less expense to the taxpayers. War-swollen payrolls stood at nearly 15,000 early in 1946. That figure now has been reduced by about one-half. Yet, at the same time far greater and more effective services are being rendered to the Congress, to other Government agencies, and to the taxpayers. By setting our sights higher, we are using our ammunition in more telling ways.

The best evidence of the accomplished results of this streamlining is the ever-increasing number of requests and calls for reports, advice, and assistance of the General Accounting Office. In 1 year, more reports are sent to Congress than in all of the years together before I came to the Office. Close cooperation and a helpful approach with the agencies in the executive branch have brought a similar response from that source.

Several other laws recently passed are scarcely less important, from the standpoint of potential economies and increased efficiency, than the Budget and Accounting Procedures Act mentioned previously. These, too, are parts fitting into the over-all pattern of coordinating and sensibly placing various Government functions which greatly affect the Public Treasury.

One of the new laws is the Post Office Financial Control Act. Under an old law, the accounting for the Post Office Department has been done in the General Accounting Office. One of the basic principles of the joint accounting program is that the agencies are responsible for the keeping of their own accounts. Consistent with that principle, this new law provides for the Department to keep its own accounts on a businesslike basis, subject to audit verification by the General Accounting Office.

Another one of these new laws is the Federal Records Management Act. It imposes on the Administrator of General Services the responsibility of leadership in an assault on the mountainous stacks and tomes of Federal records that threaten to engulf us.

The very size and volume of the piles of records, papers, documents, letters, reports, and the like is likely to completely defeat any value they may have had when made. Some idea of the magnitude of the problem and of the task undertaken may be gleaned from testimony given before a congressional committee by an expert. He showed that if just one page were added to each veteran's file in the Veterans' Administration, the total thickness of the files would be increased by one and a quarter miles. And that is the only one of hundreds of agencies.

This law will provide the means to scale and reduce the veritable mountain of Government records. Its aims are threefold. First, what is called the birth rate of records will be controlled. Only useful and necessary ones will be created, and those will be in proper form. Second, records now in being but not serving any useful purpose will be eliminated. Third, more effective use will be made of those in existence or created hereafter which actually are necessary.

The approach to the records management problem in this act has been likened to that which is working so well under the joint accounting program. Although primary authority to guide and coordinate the program is vested in the Administrator of General Services, all of the agencies also have been assigned their own special responsibilities and will participate as full partners. The General Accounting Office has given and will continue to give its full cooperation to get this program under way and make it a complete success.

So much for some of the work being done to realize on past experience in handling public funds. All of these activities are calculated to lighten the load on the taxpayers. They will pay handsome dividends in the form of real economies of operation and reduced waste, red tape, and duplication and overlapping of functions.

A great many other lessons, learned the hard way, should be kept fresh in our minds. They are the waste, extravagance, weaknesses, and ineptitude which plagued us in two world wars. If continued or repeated, they can seriously impede our defense efforts, and might end in defeat. With such practices rampant, the risks are multiplied. They must be rooted up and stamped out at all costs.

The great majority of World War II expenditures were for perfectly reasonable and proper purposes. But some were poorly conceived and executed; some were wasteful or wildly extravagant; some were so utterly ridiculous as to indicate a reckless disinterest in the national welfare; and some were actually criminal.

The scandalous waste was so shocking that even in the press of wartime business my sense of duty forced me to report to Congress how certain officers and employees were dishing out and giving away the property and money of the United States with reckless abandon. Contracting officers were obligating the Government for payment of hundreds of billions of dollars. Many of them, of course, were capable and efficient. However, some were highly inept and inefficient. Some showed unmistakable disposition or habit to ignore the taxpayers' rights. And some were downright thieves and crooks!

Our auditors found these officers allowing payments under cost-plus contracts for such extraordinary items as vitamin pills, juke boxes, and a \$225 set of false teeth. These were not isolated instances; only the locale and things involved varied.

One aircraft manufacturer used some parts to make planes charging the Government \$10,000,000 for them under a cost-plus contract. The money was paid out, and everyone was happy—particularly the contractor. That is, until the General Accounting Office auditors came along and discovered that the parts actually had been bought and paid for by the Government from a different contractor. Every cent was collected back.

Another manufacturer charged the Government more than \$1,000,000 as costs incurred under a cost-plus war contract. We found that he had been reimbursed for the identical costs long before, under previous contracts. This money was promptly recovered.

Three files are in my office, pulled at random from many records of war contract overpayments. In the first case a single bill was overpaid by \$135,500. In the second the same thing happened, to the tune of \$222,000. In the third a bill for \$20,000 was paid twice. The General Accounting Office got back every cent in these and thousands of other like cases.

Small wonder that I strongly disapproved of the cost-plus type of contract and the way it was handled. Everyone was taken care of but the Government and the taxpayer. It was enough to make the blood boil. I told the Congress from my seat it looked as though everybody and his brother were out to get the Government during the lush war years.

These few examples are not intended to imply that we condone or countenance pleasure obstruction. I see no economy in spending \$100 to audit a \$25 item. Nor should the purpose and the objectives of necessary audit controls be distorted so as to hamper an all-out war effort. General Accounting Office activities during World War II were geared to the war effort. I think it can be said with full justification that they in no way hindered that effort, but, in fact, were a real contribution.

For instance, every cent spent on the Manhattan Project was carefully audited. Highest commendations were given by the military on the way it was done. The auditors didn't ask, and didn't care to know, what was being produced. That project and many others of highest military priority involved billions upon billions of expenditures passing the watchful scrutiny of our auditors. Every conceivable type of payment and every kind of purchase and cost flowed by in an endless stream. Not once was the trust violated.

While on the subject of collection of illegal and erroneous payments, the General Accounting Office is one Government agency which pays its own way. It has caused the recovery and replacement in the Treasury of more than \$700,000,000 just in the 10 years since I became Comptroller General. That is more than two and one-half times the cost of running the Office for the same period. But even this stupendous amount recovered in cash is relatively small beside the untold sums saved because the very existence of the Office prevents many more excesses. The sure knowledge that this independent congressional agency will examine into financial dealings is one of the most powerful of all deterrents to improper ones.

One of the most unfortunate schemes ever contrived to short change the taxpayer was the method adopted to settle terminated war contracts. Long before the end of hostilities some people urged that broad concessions must be granted to aid in reconversion to peacetime production. Cries of impending chaos if war contractors were not assured of all they might ask for terminated contracts led to legislation on the subject that was full of holes. Those who propagated it, viewing the profligacy of wartime contracting, seemed to think we had best "let the tail go with the hide."

I appeared before every congressional committee having jurisdiction and warned that an independent audit of these proposed billion-dollar termination settlements was essential to prevent tremendous losses. But the Contract Settlement Act of 1944 left such an audit completely out of the scheme of things. It directed that terminated contracts be settled by the very contracting officers who, as a class, had clearly demonstrated their incapacity for such an important assignment. Worse, it made the settlements final and conclusive.

The act wrote the General Accounting Office out of the picture, to all intents and purposes. The Office could not even look for or question or collect back excessive payments. It could step in only where there was fraud, and then only after the settlement was consummated. The limitations imposed made it virtually impossible to prove it even where it was reasonably certain that settlements were induced by fraud.

All that I warned of came about when terminated war contracts were settled under this act. Practically forbidden by law to rectify any of the damage, nevertheless the General Accounting Office found out enough to show by overwhelming evidence that the finality provision in the law was a whopping big mistake that was costing the taxpayers hundreds of millions of dollars. The percentage of excessive payments and fraud reached an unprecedented high in the experience of the Office.

Contract termination settlements for World War II are about wound up. It is hoped that there will never be a recurrence of the costly results of this piece of hasty legislation. Such a law never again should be put on the statute books.

There was one unexpected, though perhaps small, bonus from the experience with World War II contracts. It was the actual knowledge gained of the unbelievably low moral standards of some officers and employees entrusted with the conduct of official business in a great emergency.

During the war I informed Congress of the dangerous habit of many officers and employees who accepted, or even themselves sought and solicited, wining and dining and expensive entertainment and all kinds of favors from war contractors. Such familiarity gives rise to a feeling of obligation, at the very least, and has a strong tendency to improperly influence those officers in the performance of their official duties for the Government. Heads of agencies issued directives strongly condemning it. But it persisted among the small fringe which is always ready to turn even national peril to personal profit.

Instance after instance has been found of former Government officers going to work for the very firms whose contracts they had handled while with the Government. The dealings in these cases are, of course, closely scrutinized, but obviously if any illegal or improper motive is present the guilty one generally has been clever enough and had ample opportunity to cover his tracks.

Existing statutes on the subject have had a salutary effect. Unfortunately, they are not broad enough to cover the present situation, and there has been a recent tendency to weaken them, particularly in wartime when they are most needed. Of course, no one would urge a law to penalize perfectly legal and ethical steps of Government employees to obtain private employment, or of private industry to obtain qualified employees. What should be guarded against are set-ups of the kind which are contrived at the expense of or risk of loss to the taxpayers.

After careful consideration of all phases of this matter, upon the special request of a United States Senator, I recently submitted suggestions for legislation designed to strengthen the law in this respect, while

at the same time not in any way hampering normal and legal business activities.

These are a few of the more important things I have learned in over a quarter of a century in Washington. They are facts, pure and simple. They are not offered or intended to imply any undue criticism, or any pride of accomplishment. They will have served their purpose, and more, if from them we have gained the knowledge to save each of our taxpayers just a few dollars on his or her yearly tax bill.

Price Fixing Is An Economic Narcotic— The Record Proves It

EXTENSION OF REMARKS

OF

HON. HOWARD H. BUFFETT

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 29, 1951

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am enclosing a letter that appeared recently in the Washington (D. C.) Times-Herald.

In six paragraphs the writer has summed up the high lights of price-fixing attempts over 4,000 years of history.

As he indicates, price fixing has never worked. As a hot war economic narcotic, it may have merit. Under current conditions, it is at best a pious humbug; at worst, a cunning betrayal of trusting and patriotic citizens.

VOICE OF THE PEOPLE CONTROLS

The history of controls is a record of 4,000 years of enslavement. Hammurabi (2335-2342 B. C.) had wage controls for boatmen, reapers, shepherds, laborers, artisans, bricklayers, tillers, stone cutters, milkmen, and carpenters. He regulated builders' fees and warehousing, and rentals of cows in milk, calves, oxen, wagons, freight and passenger boats. He brought nothing but poverty, destitution, and high taxes to the land between the two rivers.

The Hittite code (1340 B. C.) attempted to establish wage and price control but they had to be abolished. Henry III and George II tampered with the prices of grain and bread until an indignant Parliament kicked the royal edicts out the window. Edward II tried to control the production of seafood with the result that all fish disappeared from the markets of the British Isles.

France tried to put under iron control 30 necessities of life through the Committee of Public Safety. The law had under national compulsion "all who help handle, transport, and retail products of prime necessity." The people resisted these compulsions. Finally the battle became so violent that a counter-revolution took place, and on July 23, 1794, Robespierre, Saint-Just and Couthon were beheaded as enemies of the people.

The Roman Emperor Diocletian tried the same game. His words read like Truman talks. Diocletian's system was based on the highest motives of making the whole nation participate "in the blessings of that peace for which we have laboriously striven." It was necessary for the rulers like watchful parents of the whole human race to help the people from above. Finally on May 1, 305 A. D., the Romans gave Diocletian a swift kick in the pants. The previous partial controls of Tiberius, Commodus, and Alexander Severus also ended in failure.

A little perusal of American history shows we tried controls as far back as the Rev-

olutionary War. On April 8, 1778, the Continental Congress record states: "It hath been found by experience that limitation on the prices of commodities is not only ineffective for the purpose proposed, but likewise productive of very evil consequences to the great detriment of the public service and grievous oppression of individuals."

There must be some other answer besides regimentation.

RUSSELL KIMMINGHAM,
Richmond, Va.

An Outstanding Job

EXTENSION OF REMARKS

OF

HON. WALT HORAN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. HORAN. Mr. Speaker, under leave to extend my own remarks in the Appendix of the Record, I am pleased to include three short articles from the annual progress edition of the Spokane Spokesman Review.

This year's progress edition is truly journalistic and printing art. All of the stories are short and very comprehensive. Each page is richly illustrated in full color.

The three articles included are short subjects with which, by their nature, Members of Congress are familiar and should prove interesting.

World's Most Useful River

Key to the economic development of the Pacific Northwest, including its inland empire, is Columbia River.

This stream and its tributaries drain 269,000 square miles, of which 220,000 square miles are within the United States. The other portion constitutes the southeastern corner of British Columbia.

That part of the Columbia Basin east of the Cascade Mountains comprises about 240,000 square miles, depending on the exact spot between Bonneville Dam and The Dalles where the line is drawn.

Waters of this basin were used to turn gristmill and sawmill wheels more than a century ago. Hydroelectric development came in the late 1880s, first on Spokane River.

Spokane, less than 15 years old at the time, was one of the first really electrified cities in the United States, and the first in the West.

Waters were used for irrigation early in the last half of the nineteenth century, the Walla Walla Valley being the cradle of this development.

Mormon settlers from Utah also introduced irrigation into the Salmon River country.

Steamboats plied the rivers and many of the lakes long before railroads penetrated this part of the country.

First surveys of the Army engineers, looking toward development of the Columbia's main stream as far up as the international boundary, had navigation as the primary consideration, power as a secondary objective, and irrigation only as an incidental issue.

But in the last 35 years a program for comprehensive development of the basin has been shaping up, finally coming into official recognition as a joint project of the several States, the Army engineers and the Interior Department's Bureau of Reclamation.

It embraces power, irrigation, navigation, flood control, and fisheries.

Several ideas have been advanced as to how this over-all objective may best be accomplished. They include an improved voluntary association of interests such as now exists, an interstate and international compact under congressional sponsorship, a Federal authority or administration, and a superdistrict similar to the hundreds of districts that have already reclaimed 3,700,000 acres between the Cascades and the Rockies.

The number of separate projects grows from year to year as new possibilities are recognized, so that any estimate of the potential irrigated acreage or the possible power development is subject to change with every scientific advance.

A few years ago, for instance, the ultimate goal was 8,500,000 irrigated acres, and 30,000,000 kilowatts of electrical energy.

But both figures may be revised upward by a few simple devices such as sprinklers for irrigation (see page 24, part 4), and arrangements by which water already used for irrigation may be dropped through numerous small plants to produce still more juice.

These possibilities involve another controversial question—to what extent revenues of power may be used to subsidize reclamation projects in which the farmers could hardly charge enough for their products to make the irrigation installations profitable by themselves.

That also brings in a question as to uniform power rates.

More than 130 big and little dams now pour juice into a power pool that extends from central Utah to the British Columbia coast.

The Federal and municipal systems, public utilities and private industrial plants already joined into that Northwest power grid aid each other by displacements of electrical energy rather than by transmission over long distances.

The installations, including several steam plants, extend far beyond the Columbia Basin itself—into the Missouri Basin in Montana, into the Salt Lake Basin in Utah, and to the swift-flowing short rivers of the Washington and British Columbia coasts.

Power hook-ups with California hydroelectric systems are considered probable within the next 5 years.

Even before that, the independent systems on Kootenay River in British Columbia are likely to be added to the grid.

Existing power plants in the Northwest grid develop a total of 5,300,000 kilowatts, of which more than 3,000,000 kilowatts are within the basin.

Plants now under construction or authorized—including a few that have hard sledding because of objections by fisheries or other interests—will add about 3,750,000 kilowatts.

That includes a Washington Water Power Co. proposal at Cabinet Gorge, on Clark fork of the Columbia (Pend Oreille River), just below the Idaho-Montana State line.

Idaho Power Co. and Montana Power Co. are also building new plants in their respective areas, mostly on the upper Snake River, a tributary of the Columbia, and on the upper Missouri.

ONE DOZEN INTERNATIONAL RIVERS

Twelve rivers cross the international boundary between the Rockies and the Cascades—three of them more than once. Farthest west is the Similkameen, which rises in Washington, flows north, across the line and returns after receiving the waters of the American-sourced Pasayten and Ashnola. The Okanogan, which rises more than 100 miles north of the border, receives the Similkameen at Oroville, Wash. Kettle River, rising at Mount Monashee, 60 miles above the border, crosses the line thrice—at Ferry, Danville, and Laurier. The main Columbia crosses the line between Wapata, B. C., and Boundary, Wash., just below the mouth of the Pend Oreille, which has crossed into

Canada some 1 mile east. Kootenay rises in Canada, enters the States at Gateway, Mont., and leaves at Porthill, Idaho. Two of its tributaries, the Yak and Moyle, rise in the Dominion and enter the States. Another, Wigwam River, rises in the States and flows into Canada. Finally, Flathead River rises in the Canadian Rockies and enters the United States, and as it is the principal branch of the Pend Oreille, it might be said to cross the border twice. Creeks and minor forks would make the list even longer.

ONE HUNDRED AND EIGHTY BILLION BOARD FEET GROWING

Thirteen billion board feet of Idaho white pine extend from the eastern suburbs of Spokane, across Idaho into Montana and southward about to Kootenai, Idaho.

Washington has about a billion feet, Montana half as much again. The rest is in Idaho. It is the greatest stand of white pine on earth.

Yet this is only about 8 percent of the standing timber of the inland empire, estimated by forest and lumber company experts as 180,000,000 board feet of potential houses, bridge timbers, pole lines, furniture, apple boxes, packing cases, ships and toothpicks—not to mention paper such as that on which these words are printed.

Taking the region as a whole, new timber is being grown as fast as ripe timber is cut. Literally, these forests are eternal. Trees are cut, but the forests under intelligent logging practices and the expanding sustained yield program will reseed themselves and last forever.

"Boxing the compass" from the gorge where the Columbia breaks through the Cascades, you find the Ponderosa pine dividing the landscape with the Douglas fir. The latter is predominantly a coast tree, but grows also on the east side of the Cascades, up through the Okanogan and across the Canadian line.

Larch becomes an important factor in Okanogan County. Ponderosa continues eastward almost to the Idaho line, mixed in with cedar, hemlock, and the true fir. Typical operation is Columbia Lumber Co. at Kettle Falls, Wash., which cuts 80 percent Ponderosa, 20 percent larch and fir.

Yakima county has better than 9,000,000,000 feet of standing softwood, Okanogan about the same.

In Montana, Flathead and Lincoln in the northwest corner have better than 20,000,000,000 feet together.

Idaho's leading timber counties are Clearwater and Idaho, with about 25,000,000,000 board feet between them.

Swinging west into Oregon, you find about 90,000,000,000 board feet in the Blue Mountains, where Ponderosa pine predominates, and some of the area's largest mills are situated.

The California Tie

EXTENSION OF REMARKS OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, February 2, 1951

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks, I wish to include the following editorial by Gus Norwood, executive secretary of the Pacific Northwest Public Power Association, together with a letter to Mr. Ford Northrop from the Secre-

tary of the Interior, and Mr. Northrop's reply:

[From the Pacific Northwest Public Power Bulletin]

WHAT WILL BE THE PRICE?

The Bureau of Reclamation's proposed California intertie appears to have appreciable economic, engineering and national defense merit. However, the Bureau uses these reasons merely as camouflage to hide the real purpose of exacting a large toll gate profit which will subsidize the Central Valley project at the Northwest power user's expense.

The Bureau now sells Shasta power to Pacific Gas & Electric at 5.2 mills average and that company is a fairly willing customer in order to insure that no other customer steps in.

The 138-mile, 230,000-volt Klamath Falls-Shasta intertie would cost \$5,000,000 on which operating expense, interest, amortization and line losses might run 8 percent or \$480,000 per year. If the line carries 600,000,000 kilowatt-hours southward each year, the Bureau's cost would be only .8 mills per kilowatt-hour or at most 1.0 mill. Since California rivers are low or dry in summer when irrigation pumping peaks demand the most power, the Bureau would be able to sell all Northwest summer dump as firm power and obtain at least 5.2 mills, and by taking off 1.00 mill for its costs, the Bureau could pay Bonneville Power Administration 4.2 mills for each kilowatt-hour at the California boundary. In light of these facts the Bureau's offer to pay the Northwest only 1.55 mills is ridiculous and outrageous.

But that is not all. Last year the Bureau's powerful lobby killed the authorization of Hells Canyon dam as a Corps of Engineers project. And furthermore the Bureau intends to kill the authorization of Hells Canyon dam unless a huge subsidy is provided from power for the Mountain Home irrigation project. The Bureau's plan is to have the Northwest absorb the artificially high priced Hells Canyon power by increasing the \$17.50 (the Bureau never did like this low rate) wholesale rate. Then the Northwest is expected to transmit Hells Canyon power 400 miles, absorb line losses and down-price the power at the California boundary to 1.55 mills thereby enabling the Bureau to clean up a net profit of 36.5 percent annually on the \$5,000,000 intertie in addition to a similar profit at the dam. No private power company has ever made such outrageous toll gate charge proposals.

The Pacific Northwest needs the revenue from the California intertie or from an equivalent summer industrial load in order to keep wholesale BPA rates from jumping at least 20 percent in 1954.

But the Northwest should insist on at least 2.3 mills per kilowatt-hour at the California boundary for another reason, namely, as a partial safeguard against developing in the Bureau or in the Interior Department (in which the Bureau is the dominating force) any notion of squatter's rights on Northwest power. It is still our power and the Bureau can take it or leave it at the price desired by Northwest people.

This whole situation, particularly as it illustrates the Bureau's domination over the Interior Department, suggests the need for asking Congress to amend the Bonneville Act to make the Bonneville Power Administration a business-type, power wholesaling corporation independent of the Interior Department.

We also think the Army should build Hells Canyon Dam.

MY DEAR MR. NORTHROP: I have recommended to the President that the Federal budget for fiscal year 1952 include a request for authority and funds for construction by the Bureau of Reclamation of a 230,000-volt

electric transmission line, which will connect the Bureau's Shasta project in California with the Columbia River Power System.

I call this matter to your attention pursuant to my conversations with you in Everett, Wash., on March 26, 1950. You will recall on that occasion we discussed the matter of this interconnection in some detail. At that time I told you that it was not my intention to seek authority for this intertie in the immediate future, and that I would communicate to you promptly any change of policy in this regard.

During the past few months international developments have made it necessary to reconsider this matter in the light of our rapidly developing defense requirements. Accordingly, the Defense Power Administration, which has been established within the Interior Department, has made a careful study of the Oregon-California interconnection, and has certified it as essential to the defense power program. The President is recommending authorization by the Congress as a defense measure.

The Oregon-California interconnection will provide relief to the serious power shortage that exists, and will continue for some time to exist, in the Pacific Northwest. This area will have important defense industries dependent, to the extent of approximately 300,000 kilowatts, upon interruptible power. In order to advance the production of aluminum, magnesium, and other metals and chemicals, including additional aluminum plant capacity scheduled for the region, the interruptible power supplies should be made firm as rapidly as possible, and additional firm power supplies should be provided. The Oregon-California interconnection will make substantial contributions to these objectives.

Specifically, the Northwest power pool will gain 200,000,000 to 400,000,000 kilowatt-hours for a 6 months' low-water period through the flow of steam energy from California, to be delivered over the Oregon-California interconnection. On a 12 months' basis, the kilowatt capacity to the Northwest will be increased on the order of 100,000 kilowatts. There will be gains of similar magnitude in the California area through the displacement of oil-fired steam generation by unusable excess hydro from the Columbia River system. There will be a still further gain in revenues accruing to the Federal Government from the sale of energy which otherwise would be unsold.

These are benefits which cannot be overlooked from a defense standpoint. Without them possible curtailment of power deliveries in the Pacific Northwest could be much more drastic than otherwise would be necessary.

As you know, I have been fully conscious of the concern which some interests in the Northwest have felt relative to the policy implications arising from the construction of this line. However, I believe pending defense power-load developments in the region should provide a basis for considerable reassurance.

I shall be pleased to have any comments or suggestions you may have to offer on this matter.

Sincerely,

OSCAR L. CHAPMAN,
Secretary of the Interior.

PRESIDENT NORTHROP DRAFTS NWPPA REPLY ON INTERTIE

MY DEAR SECRETARY CHAPMAN: I very much appreciate your January 4 letter, in which you indicate that the Defense Power Administration and the President have made a determination that a 230,000-volt intertie between the Columbia River Power System and the Shasta project is essential to the national defense.

On this subject I have noted (1) the Federal Power Commission report dated February 1950; (2) the address of Mr. William Dittmer, of the Bonneville Power Administration at the Eugene meeting of the BPA Advisory Council on April 29, 1948; (3) the address of Mr. Ben Creim, then Regional Power Manager, United States Bureau of Reclamation, Sacramento, at the Port Angeles convention of the Northwest Public Power Association on August 12, 1946; and (4) the address of Mr. Holland H. Houston, engineer for the Public Service Commission of the State of Washington, at that same convention and as later published in the November 1948 issue of *Electrical West*.

On the basis of this information there would appear to be an appreciable hydrological and electrical load diversity between the central California power system and the Northwest power pool. However, it is also appreciated that the load centers of the two power systems are separated by great distances, and that these diversities, appreciable as they appear today, will be considerably less in the future as there is a leveling off of the differences between power resources and loads within each power system.

Four factors appear to be in operation to reduce the present diversities: (1) As the central California system becomes more dependent on steam generation, the hazard of a dry year will diminish; (2) It is apparent the winter peak and energy loads in central California are rapidly overtaking the traditional summer peak caused by irrigation pumping; (3) as the Pacific Northwest adds upstream reservoir storage, the seriousness of a low-water year will lessen; and (4) the growth of Northwest irrigation loads and interruptible industrial loads will reduce summer surplus energy. I am not in the best position to fully evaluate the effects of these factors in reducing the diversities between the two regions on the economic feasibility of an intertie or on what might be the proper period for amortizing the cost of the new facilities.

In thinking how best to define the relationships which would be involved in inter-regional power transfers, I would like to submit the following principle as a premise: Just as there have developed in each river basin certain riparian rights and a right to the consumptive use of water, and just as such use of water within each region has become recognized as being the best use in the national interest, so also the rights of each region to prior use of its power must be regarded as the proper index of how such power can best be used in the national interest. Thus, the regional and national interests are identical.

In order to provide reasonable protection to the Pacific Northwest in regard to its greatest resource, namely, low-cost power, I trust that those who draft the necessary enabling legislation will give consideration to the following:

1. That this line shall not be authorized without prior establishment of at least the governing principles and policies which will apply to power transactions and financial accounting for benefits and obligations.
2. That no power shall be exported from either region if that power can be used within the region in which it was generated, and in any case that no prime power be exported.
3. That power scheduling shall be on a day to day basis only, and that any contracts entered into which may depend on imported power shall provide that the power is interruptible.
4. That exported Northwest power shall be priced at the California boundary on the basis of the market value at the point of consumption in California less allowance for line losses and carrying charges on the facilities in California. Under present power marketing conditions, Northwest power shall

be considered worth not less than two and one-half (2.5) mills per kilowatt-hour at the California boundary.

In stating the position of the Bureau of Reclamation, Mr. Ben Creim, in his August 12, 1948, Port Angeles address, gave as one of the purposes of the Oregon-California intertie "an improvement in the basic feasibility of the very necessary Central Valley Project (the repayment schedule for which was predicated on oil at a dollar a barrel)."

I would like to state as a matter of record that the Northwest Public Power Association, through resolution of its Board of Trustees, does not subscribe to the use of power revenues for subsidizing irrigation. Rather our view, like that of the President's Water Resources Policy Commission, is that the full benefits from the power resources of a region shall accrue to the power users of that region.

The Federal Power Commission report on the intertie states: "Under normal conditions, the transfer of firm power from California to the Pacific Northwest would not be economic, owing to the relative high cost of hydro power with its steam support in California. It was concluded, therefore, that only secondary or steam-replacement power should be considered in this study." From this statement it would appear that instead of delivering steam generated energy from California to the Northwest as you propose it would be more advantageous to build a steam plant near the Northwest load center, which could be assumed to be the lower Columbia River area. Thus there would be saved the higher costs due to transmission capital outlay and large energy losses, and the use of critical materials required in the construction of transmission facilities. A steam plant near a load center is a valuable factor in furnishing continuity of service as well as eliminating much of the cost of transmission. It is my belief that a steam plant can be built in approximately the same length of time that is required to construct an industrial plant which would be engaged in the production of materials and equipment needed for war purposes.

Before making final plans for construction of the intertie, which would use scarce materials and manpower, there should be full explanation of how delivery of energy and payment for the same will be handled. The Bureau of Reclamation has no steam generation plants, therefore it must be assumed that the Pacific Gas and Electric Co. will furnish energy to a California power pool. The company must first state that it can and will supply energy, and second that the price will be equal or less than the cost of steam energy at the Northwest load center.

I understand that the Shasta Dam reservoir has never been full. This would indicate the Bureau does not have any, or at least very little, hydro which it could spare.

In considering the possibility of sending 200,000,000 to 400,000,000 kilowatt-hours over a 6-month low-water period to the Northwest from California, I am reminded, for comparison, that our small electric system of Eugene sold in 1950 to its general retail customers the total of 303,000,000 kilowatt-hours.

Mr. Holland H. Houston points out in his address, that, at the historical rate of increase in use of power the optimistic hydro potential of the Northwest will be exhausted by the year 1972. When it is considered that two decades is a short time in the life of the Northwest, and that it takes from 4 to 6 years' time to build a major hydro plant, it is not to be wondered that the people of the Northwest are concerned about their most important resource. Long before the year 1972, consideration must be given to preparing for dry years through the building of steam plants. Should not now be the time to build a steam plant in a Northwest load center?

If the full benefit of the intertie could be secured to the power users of the respective regions on a fair and understanding basis, there would undoubtedly be greater support for the advantage which this interconnection might give, and there would be less opposition because of fears in the minds of Northwest people that some of their most valuable resource, low-cost power, would be lost to the region.

I thank you for the opportunity of commenting on your proposals and explanations.

Respectfully yours,

F. FORD NORTROP,

President, Northwest Public Power Association.

JANUARY 19, 1951.

The American Stake Inside Europe

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 2, 1951

Mr. JAVITS. Mr. Speaker, the appended article from the February 1 New York Herald Tribune, by the distinguished correspondent John Gunther, is a thorough appraisal of the importance of continental Europe to the security and economic well-being of the free peoples. It testifies eloquently to the dangers inherent in Communist domination of the material and human resources of Western Europe which must in the very nature of things be the Communists' No. 1 objective:

THE AMERICAN STAKE INSIDE EUROPE—RUSSIAN CONTROL OF THE CONTINENT AND ITS DEPENDENT AREAS WOULD CRIPPLE STEEL INDUSTRY OF UNITED STATES AND MEAN LOSS OF ATOMIC SUPREMACY

(By John Gunther)

The grand abstraction "Europe" means more than Chartres or Shakespeare; it means steel, the fabric of modern man. Europe and its copious dependent areas do not merely connote richness in history and culture akin to ours; they connote strategic—and explosive—raw materials like uranium.

The price of the loss of Europe would be grievous to America and the Americans. If Russia becomes Europe, if Europe becomes part of a Communist master state, the point can fairly be argued that the United States as it exists today could not survive.

Emotion and one of its illegitimate children, fear, dominate so much of our discussion of foreign policy that issues become milky. Even those who speak in the name of strict American self-interest are sometimes tempted to forget what that self-interest is. It is time to bring forward some statistics—statistics of the crispest.

But first—

Most statesmen, advocating isolationist policies today deny vehemently that they are isolationists. This has a certain quaint significance. The very word has become so tainted that even arch-isolationists want to avoid being blackened with it. In actual fact, millions upon millions of perfectly good, patriotic and reputable Americans would like to be isolationists—if only isolationism could be made to work. The chief reason that it is impossible these days as a practical policy is the obvious one of history—the world has changed.

It is extraordinarily interesting that several American leaders, who seem to be living in the age of Beowulf, are still isolationists

about Europe, though interventionist about the Far East. They are willing to fight communism in Asia, with American forces, but not in Europe. This is as if a man should, let us say, take out fire insurance for one wall of his house and not the other.

But let us proceed to consideration of what Europe means to us in blunt, specific, economic fields, in terms of bread and butter. The conception that the United States, in peace or war, could be self-contained, self-sufficient, is as mischievous as measles. What would we lose if we lost Europe? What would Russia gain?

First, steel. Production of steel in the United States in 1950 was 56,700,000 tons; in the Soviet Union and its European satellites, roughly 31,000,000 tons; in Western Europe (including West Germany), 45,600,000 tons. The Ruhr-Saar area is, as everybody knows, a crucible in which the fate of whole nations may be forged. Adding American to Western European steel, we get 143,300,000 tons, as against a Russian figure of 31,000,000—a comfortable superiority. But suppose the Soviet Union makes war; suppose Western Europe should be lost. That would transfer the Western European steel production to the Russian column, and we would have only 56,700,000 tons as against 77,600,000—not so comfortable.

Closely allied to the question of steel is manganese. Steel without a component of manganese is, for most important uses, about as valuable as a compass without a needle. Practically no manganese deposits exist in the United States—nature is capricious—and though some could be developed in northern Minnesota and the Gun Flint Range in Canada, this would take some years. Our chief sources of supply for manganese, Russia itself excluded, are the Gold Coast, Morocco, and India. Whether, if Europe were lost and seaways imperilled, we could continue to import substantial amounts of manganese from these areas is uncertain in the extreme. But, I have heard it said by experts, if the United States should lose its accessibility to manganese, 60 percent of our steel industry would have to close down. This would mean, since steel is an octopus, that 60 percent of automobiles would close down, 60 percent of machine tool production, 60 percent of coal, and a formidable lot else. The consequent unemployment in the United States might rise to 30,000,000.

Second, uranium, on which the production of atomic energy depends. Now it happens that most of the uranium in the world available to us lies in the Belgian Congo. Suppose the Russians should march into Western Europe, suppose that we were not in a position to beat them back, and suppose that Brussels became overnight the capital of a Belgian satrapate of the Soviet. This would certainly seek to deny us its uranium. We would have to jump all the way to the Congo with strong armed force and jump there fast. Maybe we would get there in time; but maybe not.

If we did not seize the Congo deposits it would be impossible for us to continue for long production of atomic bombs. Conversely, and perhaps more importantly, Russia would suddenly gain all the uranium she so hungrily lacks and desperately wants.

Third, returning to the strictly European scene, it is instructive to compare the present production of some other massive and critical commodities. Take coal. American production of coal is roughly 650,000,000 tons a year; that of Western Europe roughly 500,000,000 tons; that of the Soviet Union and its satellites 250,000,000 tons. Suppose Russia takes Europe. That will give Russia a coal production, according to these figures, superior to our own. Or take electricity. The United States has the capacity to produce roughly 400,000,000,000 kilowatt-hours of electric power annually; Western Europe, 225,000,000,000; the Soviet Union, 125,000,000,000.

000,000. Add Western Europe to Russia, and she will be running us neck and neck.

Again in this field, oil. Western Europe itself does not produce oil. But geography is the most implacable of masters; if we lose Europe, or if Europe loses itself, the Middle East and the Mediterranean will almost certainly be lost too. At the best, our gateway to oil in the Persia-Arabia area will be impeded; at the worst, we will lose the solid billion of barrels this Gokonda produced every year.

The United States, even in peacetime, is not self-sufficient as to oil; we have to import large quantities. If the Middle East were lost, there would still be sources in Venezuela and the Caribbean. But even this route might be endangered in a global war.

A modern society can no more exist without the bone and calories provided by steel, coal, electricity, and oil than a puppy can exist without water. If Europe were removed from us our position in these elemental commodities would be severely prejudiced. From an opposite point of view shortages in steel, oil, and uranium are a principal reason why Russia does not make positive war. The chief deterrent to war by the Soviets is not merely our possession of the atomic bomb; it is the American industrial potential as a whole. Stalin knows that what won both World War I and World War II was, in the last analysis, the productive capacity of the United States. But, today, if we cripple this capacity by permitting Europe to be lost, we might find it more difficult to win.

Fourth, stockpiling of strategic raw materials. The story of this is little known, partly because of security reasons. But some details are still publishable. The United States has begun to store up reserves of strategic and critical materials—69 to 70 commodities in which we are either totally deficient or very largely dependent on foreign sources. The list includes items from newsprint to the cobalt essential to the manufacture of much electrical equipment; from asbestos to mercury, without which detonators cannot be made.

It comes as a shock to learn that the United States is 100 percent dependent on external sources for tin, chrome, and cordage fibers; 27 percent for zinc and copper; 92 percent for both manganese and cobalt; 73 percent for tungsten; 34 percent for lead; 51 percent for rubber. Then there are multifarious items like platinum, silk, mica, graphite, cinchona bark, industrial diamonds, and jewel bearings, in which we are wholly or in large part dependent on imports from abroad.

Now Europe itself, the Continent does not supply us with all these materials. Its role is, however, substantial. Most of our imports of mercury come from Italy; platinum from Switzerland; chromite from Turkey; sperm oil from Norway. As to tin and rubber they arrive predominantly from Malaya. Malaya is not in Europe, but it is in European hands, and if we should lose Europe we would have to take on the job of defending it ourselves.

The total value of our stockpile is approximately \$1,500,000,000 as of the moment; our objective is to reach \$4,000,000,000. So our objective is to reach \$4,000,000,000. So our objective is to reach \$4,000,000,000. So our objective is to reach \$4,000,000,000.

ECA has bought and stockpiled enough rubber for 7,000,000 automobile tires so far. Recently it bought in London and Amsterdam \$3,300,000 worth of industrial diamonds, \$6,700,000 worth of sisal, more than a ton of platinum from England, \$800,000 worth of sperm oil from Great Britain, \$500,000 worth of quinidine from the Netherlands, 19,800 tons of Madagascar graphite, \$500,000 worth of Danish cryolite—used in the electrolysis of aluminum—and quantities of fluorspar—a flux for steel—from Italy.

Another field little-known is that of development projects put forward by ECA. American teams are prospecting for copper, manganese, lead, and zinc in the Sahara. We are working hard to restore the ancient lead and silver mines in Greece. Recently a converted zinc plant in Italy was put into operation. We are working on cobalt in Rhodesia, industrial diamonds elsewhere in Africa, chrome in Turkey, and miscellaneous mining developments in places so far afield as New Caledonia, Sierra Leone, and Tanganyika.

Fifth, shipping. The fleets of our allies in Western Europe comprise not less than 35 percent of the world's total merchant tonnage. Some of it, if Russia takes Europe, might manage to get away to our shores. Some might not.

Sixth, trade. One does not even need to mention that if Europe were lost, Americans would have to go begging for British wooden goods, Scotch whisky, Belgian lace, Swiss watches, Italian olive oil, French wine and perfumes. As to our export trade, roughly 30 percent of the total—almost a third—goes to Western Europe. The margin this represents means, as is well known, success or failure to many American industries, like the movies.

Above and beyond this, the loss of Europe would be almost certain to disrupt our commerce on a world level. And consider what it might mean to Latin America, which would presumably be our only hinterland if Europe disappeared. Latin America has commercial ties to Europe of the closest. Several things might happen in connection with, let us say, Argentina's prodigious crop of beef.

Seventh, manpower. I do not mean merely that Western Europe has what is probably, next to our own, the most numerous and best trained reservoir of skilled labor in the world. One may likewise skip over the fact that the experienced civil service, the bureaucracy, of Western Europe would, if it could be made to work, be of immense X value to Soviet conquerors. Nor need we mention the over-all fact that, if the population of the 10 Atlantic Pact countries in Western Europe were shifted from our side to the Russian column, the Soviet constellation would be augmented by the terrific bulk of 178,010,000 people—more than the total population of the United States.

But consider brains. Consider leadership in scientific know-how, in industrial research. Think of the work that was done in Norway on heavy water. The sulfa drugs were discovered in Western Germany, and penicillin in the United Kingdom. British research gave us the jet airplane engine; similarly British ingenuity gave us radar. Where would our defenses be today, without radar and jet propulsion? Similarly British inventors did the pioneer work on magnetic mines and anti-mine devices. As of today the Belgians are working hard on small arms and automatic weapons and the French on infrared photography amongst much else.

Now it is striking that, whereas the Russians have signal capacity to adapt scientific procedures and to put quickly into mass production items that somebody else has invented, they do not do so well in pure research. The intellectual climate in Moscow is not good for that. They are copyists, not innovators. Hence it behooves us to guard well the manpower trained in the great European tradition of faith in science and independent, individualist research.

Eighth, one might go into all manner of strategical and political implications. But they are hardly part of our specific story. One might at least mention, however, the pertinent fact that, when continental Europe was overrun by the Nazis, the Europeans awaited and welcomed us as liberators. But, this time, few Europeans have much desire to go through the onerous process of which liberation may or may not be the triumphant

phant end. They largely and emphatically prefer not to be occupied in the first place. There is no glamor to the idea of liberation any more. Moreover it will be much more difficult to organize resistance movements in Europe now than in 1941-45, if only because a Russian occupation will be even more severe than was the German.

Also in the field one might mention Latin America again. The pull of a Communist Europe on several South American countries could be magnetically strong, even though than rank and file of Latin Americans detest communism.

Finally, one should have a word on what Western Europe has done for itself in the last year or so. It has become a kind of parlor game to malign the Europeans, but all things considered they have made a substantial contribution to their own survival. Take one figure only—that during the second quarter of 1950, the industrial output of 10 Western European countries was at an all-time high—24 percent above the prewar level.

All things considered it might be wise for Americans to turn their criticism inward, instead of across the narrow belt of ocean to the European bastion. Much that a sound European would find incomprehensible goes on in Washington—muddle, greed, panic, and confusion.

The world will be a safer place for all when we recognize a fundamental truth: Europe needs us—but we need Europe too.

Veterans' Administration Hospital at Deshon, Pa.

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, February 5 (legislative day of
Monday, January 29), 1951

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Our Deshon Hospital Takes It on the Chin," published in the Butler Eagle of February 2.

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

OUR DESHON HOSPITAL TAKES IT ON THE CHIN

Senator EDWARD MARTIN, in filing a protest with General Gray, VA Administrator, against closing the medical and surgical portions of Butler's Deshon Hospital, takes the position that this hospital facility is needed now more than ever.

He has asked for a complete report, inquiring how the action can be justified.

Senator MARTIN recalled that when the State sought to acquire the hospital, the Veterans' Administration resisted at every step.

Deshon, under present orders, is to be reduced from an 825-bed hospital to 500-bed capacity for tuberculosis patients only.

Butler's Deshon Hospital is the only hospital operated by the Veterans' Administration for the treatment of tuberculosis in the three States of Pennsylvania, New Jersey, and Delaware.

Within 90 days, more than 200 patients must be transferred to Aspinwall and Erie, with a 50-percent reduction in the hospital staff.

It is difficult to understand the reason for the unexpected ruling.

Why was it necessary to launch construction of two huge VA hospitals in Pittsburgh to cost many millions of dollars when Deshon could easily have been enlarged?

Could this be politics?

Everywhere, you are told, veteran hospitals are crowded to capacity, but it turns out that 100 beds are vacant at Butler and 200 beds are unused at Aspinwall.

We understand Butler's Deshon never was filled to capacity since it was taken over by the Veterans' Administration a number of years ago.

"It seems absurd to be spending millions of dollars for additional bed capacity when the Butler hospital is available," Senator MARTIN said.

What Senator MARTIN said makes sense to us.

Ever since Butler's institution was built at a cost of several millions, it has been kicked around, first by the State, then by the Army, and finally by the Veterans' Administration.

There Should Be One Basic Policy

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 5, 1951

Mr. MERROW. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include therein the following editorial from the Carroll County Independent, published in Center Ossipee, N. H., Friday, February 2, 1951, entitled "There Should Be One Basic Policy":

THERE SHOULD BE ONE BASIC POLICY

There is more argument and uncertainty about the present draft laws and status of men subject or not subject to draft than perhaps any one phase of our current rearmament program.

Students in high schools and colleges do not know whether to wait to be called, or to volunteer now and pick the branch of the service they want. Brilliant students headed for medical, dental or scientific schools do not know if they can secure deferment. Educators say that 18-year-olds should or should not be drafted. Farmers want exemption for their sons and manufacturers want exemptions for certain skilled men.

Before there is any talk about exemptions there should be one basic policy, that a man on becoming 18 years of age, or graduating from high school or academy, whichever comes last, owes 18, 21 months, or 2 years service to his nation. No man should be allowed to spend more than 5 years in high school or academy, to complete the work, the reason being obvious.

With the basic principle accepted, then it will be time enough to talk about exemptions. It might be well to exempt the top 5 percent, or top 10 percent of men of high mental capacity who are going to medical, dental, and scientific schools. The Nation can allow no gap in the classes of men coming from these schools. They are absolutely necessary for national defense. Obviously such men would be subject to a 2-year draft as soon as they receive their diplomas and be assigned to such duties where they will make their talents most valuable.

We cannot hope to meet the Russians or the Chinese on a man to man basis. There are just too many of them. Even if our

men could meet and defeat them when outnumbered 3 to 1, they would still win, for they can feed riflemen into the lines indefinitely.

To hold the Russians and the Chinese by power politics, or by actual combat, we must overmatch them with technical ability. That is, our superior machines and fewer men must hold their ordinary machine and greater number of men.

One swift way to national suicide is to take young men who promise to be outstanding physicists, mathematicians, chemists, and electricians and put them into the ranks.

Some may see that this is class legislation. It is not. Brains just do not care where they are born, or in what class of society or in what race. Handsome is as handsome does. It is impossible to take a student and say to him, you are going to be a specialist in electronics. The man has to be born with certain mathematical ability and a natural liking for figures and formulas.

But before anything else is done, the Nation should accept a basic draft policy. In every war we have been handicapped by drafting and attempting to train men by hurry-up methods.

There is no substitute for slow thorough steady training, done in an unhurried manner.

If we had had such a policy of universal military training, begun in 1912 and carried through to date, it is almost certain the First and Second World Wars would never have been fought. Now it is quite possible that we are headed straight for the third world war, all because of lack of such a policy, carried through on a long time, permanent basis.

Jesus, Prince of Peace

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1951

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I am inserting the sermon of Rev. James W. Fifield, Jr., minister of the First Congregational Church, of Los Angeles, which he delivered on December 3, 1950:

JESUS, PRINCE OF PEACE

This sermon has been ranking within me for a long time. Last Friday a widow whose 19-year-old son has presumably been killed in Korea, telephoned me expressing shock, sadness, and also bitterness. When she said, "There is nothing much that I can do but bear my sorrow, for no one will listen to anything I can say," I resolved to be her spokesman. I think her bitterness is justified. Our casualties in Korea already are the third largest of any war in our history.

The day in which Jesus walked the earth as the Prince of Peace was not unlike our own. He indicated people must live together in order to live at all. Palestine had actually been fertilized by its best blood. The Assyrians and Babylonians had recurrently come from the north, the Egyptians from the south, and finally the Romans had made their conquest of Palestine. For generations there had been armistice after armistice but no peace.

Americans have been stunned by the developments within our country and the world during these past years. A friend of mine said two wrestlers banged their heads

together so hard that they fell down senseless. The first one to come to and get up, jumped on the other, and won the bout. Our people, like those wrestlers, have been stunned. We hope that they will wake up before our mortal enemy pounces upon them.

We have not wanted to believe that there was betrayal in high places for we have always kept a halo around certain offices in our country. Even when we disliked things that were happening and were suspicious of thing we saw, we were unwilling to "throw mud" because of patriotic devotion.

Here's a letter from a man who has just gone back into the Army after 3 years of civilian life. He comments that it is an "unrecognizable Army." He says that they have nothing to fight a war with and no will to fight one anyway. In my contacts with personnel at Army installations, I have heard young lads inquire, "What are we going to fight for?" They feel it is unfair to send them out to fight without adequate preparation to win another victory when the splendid victory so heroically won in World War II has been literally thrown away. Their question, "What would we fight for?" is not easy to answer. If there were clear and righteous issues and honorable, competent leadership, all would be ready to make whatever sacrifices were required and eagerly.

There is deepening anxiety everywhere and especially among more thoughtful people. War budgets are expanding. Materiel and personnel are being drafted. New appropriations are being rushed. The use of atom bombs is being considered. The crisis comes nearer each passing day and our Nation, having been unprincipled in its policies, must now reap as it sowed, according to the teachings of Jesus and the laws of God.

We encouraged Russia's dream of world-domination. At Yalta and other conferences, our leaders betrayed us sold us out, insisted that Stalin take even more than he had dared request, incredulous as that seems. We do not yet know the extent of our commitments because our State Department has resorted to secret diplomacy. We implemented Russia's vision with money and materiel, as well as by the betrayal of our allies in her behalf. Our betrayal of China and of European nations now behind the Iron Curtain is one of the blackest pages in American history. In South America, Europe, and the Orient, we have tried to purchase power, friendship, and good will with money, ignoring the Christian precept that spiritual values cannot be bought with money. Trading power, we have made commitments which we cannot possibly keep. "The chickens are just beginning to come home to roost." Korea is only the first of our pledges calling for redemption. Other commitments made by our officials represent betrayals of a rank and desperate sort.

We have used the United Nations as a screen, just as England and France used the old League of Nations. The League was conceived by idealists with the finest of motives but, alas, it was doomed through misuse. No doubt, the originators of the United Nations included many noble idealists. But Alger Hiss and others, who are at least suspect, implemented the vision in ways which caused the United Nations to hamstring the free world. It is not right for those guilty of treason or suspect to be out on bail when our boys are being killed in Korea.

Some of you still believe in the United Nations. I respect the sincerity of your belief but do not share it. Use your own judgment concerning the United Nations. We dare not be unrealistic or impractically idealistic in such matters when our boys are dying in Korea.

There are only two real powers in the world today—the United States and Russia. The other allies do not really count in determi-

nation of major issues. The United Nations is what America wills it to be. It is certainly true that the United Nations would not move contrary to America's will, because America's withdrawal would mean its total collapse. In practical effect it is the United States and Russia that are fighting in Korea.

While we have been engaged in this international debacle the moral and spiritual altitude in our Nation has dropped to a new low, in part because of the example of the Federal Government. The mass corruption of the population is the fault of pressure groups, unscrupulous politicians, and boss rule. Many in this congregation today stoop to things they would not have done a year or two years ago. Business ethics, social ethics, personal ethics are often gutter level, as reflected by comic sheets, gangster movies, radio programs, magazine articles, etc. It is probable that American morals are at the lowest level in our Nation's history, including the carpetbagger era at the close of the Civil War.

Many of the things which I am saying you have been thinking but have not said, because, stunned, like the wrestlers, you hoped they were not true or because you did not wish to offend. Perhaps you trusted our leaders because you or your relatives are on Government payrolls or receiving subsidies. Many have become unspeakably beholden to our Government.

This situation is so serious that there is no easy solution. However, the situation is not hopeless, and with courageous action and God's help, our Nation and our civilization can yet be redeemed. The pattern for redemption and for effective, practical action is as follows:

(1) First, repentance for past sins and errors. The starting point for forgiveness and redemption is repentance. There is no other starting point. This is no time for arrogance in high places or low. We need to admit the folly of our ways, and to repudiate leaders who have betrayed us and our Allies, whether knowingly or in ignorance. We cannot have too much sentiment about leaders in Washington when our youth are being killed in Korea.

(2) We must clean out our own fifth column. In Government this means that every person, either guilty or even suspect, should be summarily and immediately eliminated. This includes those who profess a so-called socialism which is veiled communism. But we must, also, eliminate those guilty and suspect of communism in our trade unions, our schools, our colleges, our newspapers, our magazines, our business organizations and even our church officials. We must ready ourselves for a finish fight—the stake being survival.

(3) We must aid every responsible nation that fights communism regardless of whether there is any other point of agreement in culture or religion or politics. We need every ally on which we can count in this great moral struggle.

(4) We must find ways and means to enlist anti-Communists behind the iron curtain and make them effective as rebels, arming them and directing them. This may be one of the most important steps which can be taken.

(5) We must break relations with Russia. We should never have recognized her present regime. We must, also, break relations with her satellites and drive out all Russian agents and agents of all satellite nations from our country. We must stop shipping materiel to Russia or to any satellite nation or to any other nation which will not give solemn assurance that it will not reach Russia or a satellite of Russia.

(6) We must eliminate Russia from the United Nations. If that cannot be done, then the United States must withdraw from the United Nations, and promptly. We must stop the daily insults and intrigue which

emerge from hostile, plotting, scheming, dangerous delegates and hangers-on at the United Nations.

(7) We must require all our allies to take the same steps, terminating their associations with those whom we plainly label as our enemies. The resources of the United States cannot continue to support enemies or even neutrals. They must be used only for ourselves or for our allies in this great conflict.

It is not easy to speak thus of the United Nations. Sufficient to say that if those who set up this organization conspired to make it a handicap for world peace, they have succeeded too well.

Our so-called bipartisan foreign policy has been no foreign policy at all. Stalin is the foulest dictator and anti-Christ of all recorded history. He has been responsible for the murder of more than 15,000,000 persons. It is asserted on presumably responsible authority, that the Communists, who are now mopping up in China, are murdering ten thousand a day, so that Mao Tse tung, although second to Stalin as a murderer, is daily increasing his score. Until recently our Government's official position was that the Communists in China were not Communists at all; that they had no relationship to the Kremlin in Russia, and that they were only agrarian reformers. During the last 18 months, the policy of our State Department has been to let the dust settle, and it has settled all over us. It is the Chinese Communists, directed by Moscow, that are killing American soldiers in Korea.

If, as Gen. Omar Bradley states, all our Armed Forces are presently engaged in Korea where we are suffering serious reverses, then it is fair to say that the victory of World War II, achieved by the devotion of our fighting men, has been utterly thrown away. The billions spent for armament, etc., have been wasted and our huge debt has bought only destruction of American honor and ideals plus concentration of power in unworthy bureaus and persons. This is betrayal. Critical and extreme as the words sound, it is fair to say that this Nation which, under God, had a special place of privilege and responsibility in the sun, has sold its glorious birthright for a mess of pottage and the pottage smells.

This crisis has been as much, or more, our making as Russia's. Indeed, Russia could not have done what she has to develop it without our active cooperation and even our leaders' prodding. There have not only been international blunders, but immoral sins against God which call for penitence and contrition. We must entreat God to forgive us for failing to meet our great responsibilities and opportunities as a Nation and must remember that we, individually, constitute our Nation. All the blame for its mistakes cannot be put on its leaders. The process of redemption, therefore, must start in us with positive and affirmative action. Each of us must vow to do and think and say only that which is wholly true and honorable without any compromise or any exception. We need to listen again to the voice of conscience illuminated by the teachings of Jesus concerning the laws of God. The time for wishful thinking is past. There must be an end to all shades of gray. Things must be black and white—not right or left but right or wrong.

We must respiritualize our family life and our home relationships. After that we must realize our relationships with individuals and organizations, revitalizing our devotion to the good and severing all other relations. What I am proposing is a herculean task, but it might save civilization. Nothing less will. Unless courageous, moral, and spiritual action of a sort which will secure the help of God is taken, we shall drift on and on along the road to Communist world domination in

which life will become mere existence, in which God will be banished, or damned, and in which dark ages will again be the lot of humanity. By next May a billion two hundred million souls, more than half the people of this planet, will probably be within the orbit of Communist control. This need not be. We should not be defeatist. We cannot give up the future of our children and grandchildren to such a despicable outlook. God forbid—no, not God forbid. We must not put the responsibility for this upon God. Rather, let us, with God's help forbid and prevent this terrible tragedy.

It is time for the American people who, like the wrestlers have been stunned beyond expression, who have felt the very things they were seeing couldn't be true, who have been betrayed; to wake up, get right with God, and, realistically, face the situation. However well we have been doing, it has not been well enough for the forces of good and of God are losing ground daily in the world. Each of you must do better and at once. I shall endeavor to do better, too. This sermon is an earnest effort to help sound the alarm. I hope you will quote it widely, but accurately.

"If this be treason, then make the most of it." Let us pray.

LAWS AND RULES FOR PUBLICATION OF THE CONGRESSIONAL RECORD

CODE OF LAWS OF THE UNITED STATES

TITLE 44, SECTION 181. CONGRESSIONAL RECORD; ARRANGEMENT, STYLE, CONTENTS, AND INDEXES.—The Joint Committee on Printing shall have control of the arrangement and style of the Congressional Record, and while providing that it shall be substantially a verbatim report of proceedings shall take all needed action for the reduction of unnecessary bulk, and shall provide for the publication of an index of the Congressional Record semi-monthly during the sessions of Congress and at the close thereof. (Jan. 12, 1895, c. 23, § 13, 28 Stat. 603.)

TITLE 44, SECTION 182b. SAME; ILLUSTRATIONS, MAPS, DIAGRAMS.—No maps, diagrams, or illustrations may be inserted in the Record without the approval of the Joint Committee on Printing. (June 20, 1936, c. 630, § 2, 49 Stat. 1546.)

Pursuant to the foregoing statute and in order to provide for the prompt publication and delivery of the Congressional Record the Joint Committee on Printing has adopted the following rules, to which the attention of Senators, Representatives, and Delegates is respectfully invited:

1. *Arrangement of the daily Record.*—The Public Printer will arrange the contents of the daily Record as follows: First, the Senate proceedings; second, the House proceedings; third, the Appendix: *Provided*, That when the proceedings of the Senate are not received in time to follow this arrangement, the Public Printer may begin the Record with the House proceedings. The proceedings of each House and the Appendix shall each begin a new page, with appropriate headings centered thereon.

2. *Type and style.*—The Public Printer shall print the report of the proceedings and debates of the Senate and House of Representatives, as furnished by the official reporters of the Congressional Record in 7½-point type; and all matter included in the remarks or speeches of Members of Congress, other than their own words, and all reports, documents, and other matter authorized to be inserted in the Record shall be printed in 6½-point type; and all roll calls shall be printed in 6-point type. No italic or black type nor words in capitals or small capitals shall be used for emphasis or prominence; nor will unusual indentions be permitted. These re-

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3. *Return of manuscript.*—When manuscript is submitted to Members for revision it should be returned to the Government Printing Office not later than 9 o'clock p. m., in order to insure publication in the Record issued on the following morning; and if all of said manuscript is not furnished at the time specified, the Public Printer is authorized to withhold it from the Record for 1 day. In no case will a speech be printed in the Record of the day of its delivery if the manuscript is furnished later than 12 o'clock midnight.

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6. *Notation of withheld remarks.*—If manuscript or proofs have not been returned in time for publication in the proceedings, the Public Printer will insert the words "Mr. _____ addressed the Senate (House or Committee). His remarks will appear hereafter in the Appendix," and proceed with the printing of the Record.

7. *Thirty-day limit.*—The Public Printer shall not publish in the Congressional Record any speech or extension of remarks which has been withheld for a period exceeding 30 calendar days from the date when its printing was authorized: *Provided*, That at the expiration of each session of Congress the time limit herein fixed shall be 10 days, unless otherwise ordered by the committee.

8. *Appendix to daily Record.*—When either House has granted leave to print (1) a speech not delivered in either House, (2) a newspaper or magazine article, or (3) any other matter not germane to the proceedings, the same shall be published in the Appendix, but this rule shall not apply to quotations which form part of a speech of a Member, or to an authorized extension of his own remarks: *Provided*, That no address, speech, or article delivered or released subsequently to the final adjournment of a session of Congress may be printed in the Congressional Record.

9. *Official reporters.*—The official reporters of each House shall indicate on the manuscript and prepare headings for all matter to be printed in the Appendix, and shall make suitable reference thereto at the proper place in the proceedings.

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12. *Corrections.*—The permanent Record is made up for printing and binding 30 days after each daily publication is issued; therefore all corrections must be sent to the Public Printer within that time: *Provided*, That upon the final adjournment of each session of Congress the time limit shall be 10 days, unless otherwise ordered by the committee: *Provided further*, That no Member of Congress shall be entitled to make more than one revision. Any revision shall consist only of corrections of the original copy and shall not include deletions of correct material, substitutions for correct material, or additions of new subject matter.

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Either House may order the printing of a document not already provided for by law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof. Any executive department, bureau, board, or independent office of the Government submitting reports or documents in response to inquiries from Congress shall submit therewith an estimate of the probable cost of printing the usual number. Nothing in this section relating to estimates shall apply to reports or documents not exceeding 50 pages (U. S. Code, title 44, sec. 140, p. 1938).

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 Ayres, William H., Ohio.
 Bailey, Cleveland M., W. Va.
 Baker, Howard H., Tenn.
 Barden, Graham A., N. C., The Hamilton.
 Baring, Walter S., Nev.
 Barrett, William A., Pa.
 Bates, Joe B., Ky.
 Bates, William H., Mass.
 Battle, Laurie C., Ala., 3947 Pa. Ave. SE.
 Beall, J. Glenn, Md.
 Beamer, John V., Ind.
 Beckworth, Lindley, Tex., The Fairington, Alexandria, Va.
 Belcher, Page, Okla.
 Bender, George H., Ohio., The Mayflower.
 Bennett, Charles E., Fla.
 Bennett, John B., Mich., The Wardman Pk.
 Benison, Lloyd M., Jr., Tex.
 Berry, E. Y., S. Dak.
 Betts, Jackson E., Ohio.
 Bishop, C. W. (Runt), Ill., 1833 41st Pl. SE.
 Blackney, Wm. W., Mich., The Congressional.
 Blatnik, John A., Minn.
 Boggs, Hale, La.
 Boggs, J. Caleb, Del.
 Bolling, Richard, Mo.
 Bolton, Frances P., Ohio., 2301 Wyo. Ave.
 Bonner, Herbert C., N. C., The Roosevelt.
 Bosone, Reva Beck, Utah., 3504 Martha Custis Drive, Alexandria, Va.
 Bow, Frank T., Ohio., The Windsor Park.
 Boykin, Frank W., Ala., The Washington.
 Bramblett, Ernest K., Calif.
 Bray, William G., Ind.
 Breen, Edward, Ohio.
 Brehm, Walter E., Ohio.
 Brooks, Overton, La., Sedgwick Gardens.
 Brown, Clarence J., Ohio., Alban Towers.
 Brown, Paul, Ga., Alban Towers.
 Brownson, Charles B., Ind., The Congressional.
 Bryson, Joseph R., S. C., 40 Independence Ave.
 Buchanan, Frank, Pa.
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 Budge, Hamer H., Idaho.
 Bultett, Howard H., Neb.
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 Burnside, M. O., W. Va., 800 Crescent Dr., Alexandria, Va.
 Burton, Clarence G., Va.
 Busbey, Fred E., Ill.
 Bush, Alvin R., Pa.
 Butler, John C., N. Y.
 Byrne, William T., N. Y.
 Byrnes, John W., Wis., 1826 Newton St.
 Camp, A. Sidney, Ga., The Washington House.
 Canfield, Gordon, N. J.
 Cannon, Clarence, Mo., 416 N. J. Ave. SE.

Carlyle, F. Eitel, N. C., The Wardman Pk.
 Carnahan, A. S. J., Mo.
 Case, Clifford P., N. J.
 Celler, Emanuel, N. Y., The Mayflower.
 Chatham, Thurmond, N. C.
 Chelf, Frank L., Ky.
 Chenoweth, J. Edgar, Colo.
 Chipperfield, Robert B., Ill., 1 Raymond St., Chevy Chase, Md.
 Chudoff, Earl, Pa.
 Church, Marguerite Stitt, Ill.
 Clemente, L. Gary, N. Y.
 Clevenger, Cliff, Ohio., The Jefferson.
 Cole, Albert M., Kans., 2301 Q St.
 Cole, W. Sterling, N. Y., 1610 44th St.
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 Combs, J. M., Tex., 360 N. Glebe Rd., Arlington, Va.
 Cooley, Harold D., N. C., The Dorchester.
 Cooper, Jere, Tenn., The Washington.
 Corbett, Robert J., Pa.
 Cotton, Norris, N. H.
 Coudert, F. R., Jr., N. Y.
 Cox, E. E., Ga.
 Crawford, Fred L., Mich.
 Crosser, Robert, Ohio., 5418 Edgemoor Lane, Bethesda, Md.
 Crumpacker, Shepard J., Jr., Ind.
 Cunningham, Paul, Iowa.
 Curtis, Carl T., Neb.
 Cuyler, Thomas B., Mo.
 Dague, Paul B., Pa.
 Davis, Clifford, Tenn., 4611 Butterworth Pl.
 Davis, Glenn R., Wis., 1214 Ridge Pl., SE.
 Davis, James C., Ga.
 Dawson, William L., Ill.
 Deane, Charles B., N. C.
 deGraffenried, E., Ala.
 Delaney, James J., N. Y.
 Dempsey, John J., N. Mex.
 Denny, Harman D., Jr., Pa.
 Denton, Winfield K., Ind.
 Devereaux, James P. S., Md.
 D'Ewart, Wesley A., Mont.
 Dingell, John D., Mich.
 Dollinger, Isidore, N. Y.
 Dolliver, James I., Iowa., 3753 Jocelyn St.
 Dondero, George A., Mich., The Continental.
 Donohue, Harold D., Mass.
 Donovan, James G., N. Y.
 Dorn, W. J. Bryan, S. C.
 Doughton, Robert L., N. C., The Willard.
 Doyle, Clyde, Calif.
 Durham, Carl T., N. C., The Sheraton.
 Eaton, Charles A., N. J.
 Eberharter, Herman P., Pa., 3101 4th St. N., Arlington, Va.
 Elliott, Carl, Ala.
 Ellsworth, Harris, Oreg., 2135 Tunlaw Rd.
 Elston, Charles H., Ohio., The Congressional.
 Engle, Clair, Calif.
 Evans, Joe L., Tenn., 5044 Klinge St.
 Fallon, George H., Md.
 Felghan, Michael A., Ohio.
 Fellows, Frank, Maine., The Wardman Pk.
 Fenton, Ivor D., Pa., 3725 Macomb St.
 Fernandez, A. M., N. Mex., The Congressional.
 Fine, Sidney A., N. Y.
 Fisher, O. C., Tex., The Skyland.
 Flood, Daniel J., Pa., The Mayflower.
 Fogarty, John E., R. I., The Shoreham.
 Forand, Alms J., R. I., 24 Dresden St., Chevy Chase View, Kensington, Md.
 Ford, Gerald R., Jr., Mich.
 Forrester, E. L., Ga.
 Frazier, Jas. B., Jr., Tenn.
 Fugate, Tom B., Va.
 Fulton, James O., Pa.
 Furcolo, Foster, Mass.
 Gambia, Ralph A., N. Y.
 Garmatz, Edward A., Md.
 Gary, J. Vaughan, Va.
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 Gavin, Leon H., Pa.
 George, Myron V., Kans., The Washington.
 Gillette, Wilson D., Pa.

Golden, James S., Ky.
 Goodwin, Angler L., Mass., The Congressional.
 Gordon, Thomas S., Ill.
 Gore, Albert, Tenn., Arlington Village, Arlington, Va.
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 Graham, Louis E., Pa., The Dodge.
 Granahan, William T., Pa., 3200 16th St.
 Granger, Walter K., Utah., 4801 Conn. Ave.
 Grant, George M., Ala.
 Green, William J., Jr., Pa.
 Greenwood, Ernest, N. Y.
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 Gross, H. R., Iowa.
 Gwinn, Ralph W., N. Y.
 Hagen, Harold C., Minn., 4012 Southern Ave. SE.
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 Halleck, Charles A., Ind., 4929 Upton St.
 Hand, T. Millet, N. J.
 Harden, Cecil M., Ind.
 Hardy, Porter, Jr., Va.
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 Hart, Edward J., N. J.
 Harvey, Ralph, Ind., The Congressional.
 Havenner, Frank R., Calif., The Wardman Pk.
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 Hays, Wayne L., Ohio., The Congressional.
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 Heffernan, James J., N. Y.
 Heller, Louis B., N. Y.
 Herlong, A. S., Jr., Fla.
 Herter, Christian A., Mass.
 Heseltun, John W., Mass.
 Hess, William E., Ohio.
 Hill, William S., Colo., 110 Maryland Ave. NE.
 Hillings, Patrick J., Calif.
 Hinshaw, Carl, Calif.
 Hoeven, Charles B., Iowa., 2108 Suttland Terrace SE.
 Hoffman, Clare E., Mich., Methodist Bldg.
 Hoffman, Richard W., Ill.
 Hollifield, Chet, Calif.
 Holmes, Hal, Wash.
 Hope, Clifford R., Kans., 3541 Brandywine St.
 Horan, Walt, Wash.
 Howell, Charles R., N. J.
 Hull, Martin, Wis., 3808 Garrison St.
 Hunter, Allan, Calif.
 Irving, Leonard, Mo., 2015 Branch Ave. SE.
 Jackson, Donald L., Calif.
 Jackson, Henry M., Wash.
 James, Benjamin F., Pa., The Wardman Pk.
 Jarman, John, Okla.
 Javits, Jacob K., N. Y.
 Jenkins, Edward H., Ill.
 Jenkins, Thomas A., Ohio., The Mayflower.
 Jensen, Ben P., Iowa., The Washington House.
 Johnson, Leroy, Calif., 2852 Ontario Rd., Apt. 1.
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 Jones, Hamilton C., N. C.
 Jones, Paul C., Mo., 3813 Greenway Place, Alexandria, Va.
 Jones, Robert E., Jr., Ala.
 Jones, Woodrow W., N. C.
 Judd, Walter H., Minn., 3083 Ordway St.
 Karsten, Frank M., Mo.
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 Kearney, B. W. (Pat), N. Y., The Dorchester.
 Kearns, Carroll D., Pa., The Wardman Pk.
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 Kee, John, W. Va., Geo. Washington Inn.
 Keeley, Augustine B., Pa.
 Kelly, Edna F., N. Y.
 Kennedy, John P., Mass.

CONGRESSIONAL RECORD

Keogh, Eugene J., N. Y. The Mayflower.
Kerr, John H., N. C. The Willard.
Kersten, Charles J., Wis. The Gen. Scott.
Kilburn, Clarence E., N. Y. 3507 Albemarle St.
Kilday, Paul J., Tex. 3507 Albemarle St.
King, Cecil R., Calif. 3507 Albemarle St.
Kirwan, Michael J., Ohio. 3507 Albemarle St.
Klein, Arthur G., N. Y. 3507 Albemarle St.
Kluczynski, John C., Ill. 3507 Albemarle St.
Lane, Thomas J., Mass. 3507 Albemarle St.
Lanham, Henderson, Ga. 3507 Albemarle St.
Lantaff, William C., Fla. 3507 Albemarle St.
Larade, Henry D., Jr., La. The Shoreham.
Latham, Henry J., N. Y. The Wardman Pk.
LeCompte, Karl M., Iowa. The Wardman Pk.
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Lowe, Harold O., S. Dak. 3507 Albemarle St.
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McConnell, Sam'l K., Jr., Pa. 3507 Albemarle St.
McCormack, John W., Mass. The Washington.
McCulloch, Wm. M., Ohio. Westchester Apts.
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McGrath, C. C., N. Y. 3507 Albemarle St.
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McGuire, John A., Conn. The Congressional.
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Arlington, Va.
McMullen, Chester B., Fla. 3507 Albemarle St.
McVey, William E., Ill. 3507 Albemarle St.
Machrowicz, Thaddeus M.,
Mich. 3507 Albemarle St.
Mack, Peter F., Jr., Ill. 3507 Albemarle St.
Mack, Russell V., Wash. 3507 Albemarle St.
Madden, Ray J., Ind. The Continental.
Magee, Clare, Mo. 3507 Albemarle St.
Mahon, George H., Tex. Alban Towers.
Mansfield, Mike, Mont. 2137 Suitland
Terrace SE.
Marshall, Fred, Miss. 3507 Albemarle St.
Martin, Jos. W., Jr., Mass. The Hay-Adams.
Martin, Thomas E., Iowa. The Kennedy-
Warren.
Mason, Noah M., Ill. The Baronet.
Meader, George, Mich. Frontenac Apts.
Marrow, Chester E., N. H. 3507 Albemarle St.
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Morano, Albert P., Conn. 3507 Albemarle St.
Morgan, Thomas E., Pa. 3507 Albemarle St.
Morris, Toby, Okla. 2030 New Hamp-
shire Ave.
Morrison, James H., La. The Chesapeake.
Morton, Thurston B., Ky. 3507 Albemarle St.
Moulder, Morgan M., Mo. 3507 Albemarle St.
Muller, Abraham J., N. Y. The Miramar.
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Nelson, Charles P., Maine. 3507 Albemarle St.
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Norblad, Walter, Oreg. 3507 Albemarle St.
Norrell, W. F., Ark. 3106 34th St.
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O'Brien, Thomas J., Ill. The Hamilton.
O'Hara, Joseph P., Miss. 3813 31st St.
O'Konski, Alvin E., Wis. 3801 Pa. Ave. SE.
O'Neill, Harry P., Pa. 3507 Albemarle St.
Ostertag, Harold C., N. Y. 3507 Albemarle St.
O'Toole, Donald L., N. Y. 3222 I St.
Passafium, Otto E., La. 3507 Albemarle St.
Patman, Wright, Tex. The Cavalier.
Patten, Harold A., Ariz. 4830 Butterworth.
Patterson, James T., Conn. 3507 Albemarle St.
Perkins, Carl D., Ky. 3507 Albemarle St.
Phillips, Philip J., Mass. 3507 Albemarle St.
Phillips, John, Calif. 3507 Albemarle St.
Pickett, Tom, Tex. 3507 Albemarle St.
Poage, W. R., Tex. 2309 Skyland
Pl. SE.

Polk, James G., Ohio. 3507 Albemarle St.
Potter, Charles E., Mich. The Congressional.
Poulson, Norris, Calif. The Berkshire.
Powell, Adam C., Jr., N. Y. 1829 16th St.
Preston, Prince H., Jr., Ga. 3507 Albemarle St.
Price, Melvin, Ill. 3507 Albemarle St.
Priest, J. Percy, Tenn. The Fairfax.
Prouty, Winston L., Va. 3507 Albemarle St.
Quinn, T. Vincent, N. H. 3507 Albemarle St.
Rabaut, Louis C., Mich. 3507 Albemarle St.
Radwan, Edmund P., N. Y. 3507 Albemarle St.
Rains, Albert, Ala. 3507 Albemarle St.
Ramsey, Robert L., W. Va. 3507 Albemarle St.
Rankin, John E., Miss. 100 Md. Ave. NE.
Reama, Frazier, Ohio. 3507 Albemarle St.
Redden, Monroe M., N. C. The Wardman Pk.
Reece, B. Carroll, Tenn. 3507 Albemarle St.
Reed, Chauncey W., Ill. 2009 Glen Ross
Rd., Silver Spring,
Md.
Reed, Daniel A., N. Y. The Roosevelt.
Rees, Edward H., Kans. 1801 16th St.
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Pl., Chevy Chase.
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Richards, James P., S. C. 3507 Albemarle St.
Richman, R. Walter, J. Y. 2700 Wis. Ave.
Riley, John J., S. C. 3507 Albemarle St.
Rivers, L. Mendel, S. C. 3507 Albemarle St.
Roberts, Kenneth A., Ill. 3507 Albemarle St.
Robeson, Edward J., Jr., Va. 3507 Albemarle St.
Rodino, Peter W., Jr., N. J. 3507 Albemarle St.
Rogers, Byron G., Colo. 3507 Albemarle St.
Rogers, Dwight L., Fla. The Wardman Pk.
Rogers, Edith Nourse, Mass. The Shoreham.
Rogers, Walter E., Tex. 3507 Albemarle St.
Rooney, John J., N. Y. 3507 Albemarle St.
Roosevelt, P. D., Jr., N. Y. 3507 Albemarle St.
Sabath, Adolph J., Ill. The Mayflower.
Sadlak, Antoni N., Conn. 3507 Albemarle St.
St. George, Katharine, N. Y. 3507 Albemarle St.
Sasser, Leland G., Md. 3507 Albemarle St.
Saylor, John P., Pa. 3507 Albemarle St.
Schwabe, George B., Okla. 3507 Albemarle St.
Scott, Hardie, Pa. 3507 Albemarle St.
Scott, Hugh D., Jr., Pa. 3507 Albemarle St.
Scrivner, Everett P., Kans. 2331 Cathedral
Ave.
Scudder, Hubert B., Calif. 3507 Albemarle St.
Secret, Robert T., Ohio. 3507 Albemarle St.
Seely-Brown, Horace, Jr.,
Conn. 3507 Albemarle St.
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Sheehan, Timothy P., Ill. 3507 Albemarle St.
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Short, Dewey, Mo. 2301 Conn. Ave.
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Sikes, Robert L. P., Fla. 3507 Albemarle St.
Simpson, Richard M., Pa. The Dorchester.
Simpson, Sid, Ill. The Shoreham.
Sitler, Edward L., Jr., Pa. 3507 Albemarle St.
Smith, Frank E., Miss. 3507 Albemarle St.
Smith, Howard W., Va. Alexandria, Va.
Smith, Lawrence H., Wis. The Dorchester.
Smith, Wint, Kans. 3507 Albemarle St.
Spence, Brent, Ky. The Roosevelt.
Springer, William L., Ill. 3507 Albemarle St.
Staggers, Harley O., W. Va. The Mayflower.
Stanley, Thomas B., Va. The Mayflower.
Steed, Tom, Okla. The Mayflower.
Stefan, Karl, Neb. The Mayflower.
Stigler, William O., Okla. 3507 Albemarle St.
Stockman, Lowell, Oreg. 3507 Albemarle St.
Sutton, Pat, Tenn. 3507 Albemarle St.
Taber, John, N. Y. 3507 Albemarle St.
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Thomas, Albert, Tex. The Wardman Pk.
Thompson, Clark W., Tex. The Wardman Pk.
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Thorberry, Homer, Tex. 3507 Albemarle St.
Tolleson, Thor C., Wash. 3507 Albemarle St.
Tows, Harry L., N. J. The Dorchester.
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Underwood, Thomas R., Ky. The Congressional.

Vall, Richard B., Ill. 3507 Albemarle St.
Van Pelt, William K., Wis. 3507 Albemarle St.
Van Zandt, James E., Pa. The Congressional.
Vaughn, Albert C., Pa. 3507 Albemarle St.
Velde, Harold H., Ill. 3507 Albemarle St.
Vinson, Carl, Ga. 4 Primrose St.,
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Vorys, John M., Ohio. 2702 Wis. Ave.
Vursell, Charles W., Ill. The Congressional.
Walter, Francis E., Pa. 3507 Albemarle St.
Weichel, Alvin F., Ohio. The Raleigh.
Welch, Phil J., Mo. 3507 Albemarle St.
Werdel, Thomas H., Calif. University Club.
Wharton, J. Ernest, N. Y. The Chastleton.
Wheeler, W. M. (Don), Ga. 3507 Albemarle St.
Whitaker, John Albert, Ky. The Congressional.
Whitten, Jamie L., Miss. 5804 Nebraska
Ave.
Wickersham, Victor, Okla. 3507 Albemarle St.
Widnall, William B., N. J. 3507 Albemarle St.
Wier, Roy W., Miss. 3507 Albemarle St.
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Williams, John Bell, Miss. 2045 38th St. SE.
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Willis, Edwin E., La. 3507 Albemarle St.
Wilson, Earl, Ind. 3507 Albemarle St.
Wilson, J. Frank, Tex. 3507 Albemarle St.
Winstead, Arthur, Miss. 3507 Albemarle St.
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St., Chevy Chase.
Wolverton, Charles A., N. J. Winthrop House.
Wood, John S., Ga. 3507 Albemarle St.
Wood, John T., Idaho. 3507 Albemarle St.
Woodruff, Roy O., Mich. Geo. Washington
Inn.
Yates, Sidney R., Ill. 3507 Albemarle St.
Yorty, Samuel W., Calif. 3507 Albemarle St.
Zablocki, Clement J., Wis. 3507 Albemarle St.

DELEGATES

Bartlett, E. L., Alaska. 1718 33d Pl. SE.
Parrington, Jos. R., Hawaii. 82 Kalorama
Circle.

RESIDENT COMMISSIONER

Fernós-Isern, A., P. R. 2713 Woodley Pl.

OFFICERS OF THE HOUSE

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Sergeant at Arms—Joseph H. Callahan.
Doorkeeper—William M. Miller, 1732 S St. SE.
Chaplain—Rev. Bernard Braskamp, D. D., 1421
Montague St.
Chaplain Emeritus—Rev. James Shera Mont-
gomery, D. D., 100 Maryland Ave. NE.
Postmaster—Finis E. Scott.

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Herbert N. Budlong, 5032 Glenbrook Terrace.
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Charles J. Drescher, 1228 South Taylor St.,
Arlington, Va.
Robert C. Brooks (assistant), 2018 Luzerne
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HOUSE

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E. B. Clark, 604 Bennington Dr., Silver
Spring, Md.
Frank E. Battaglia, 414 Ethan Allen Dr.
Claude S. Scheckel, 6 E. Blackthorne St.,
Chevy Chase, Md.
Charles H. Parkman (clerk), 1003 Taylor St.
NE.
Paul L. Miller (assistant clerk), Shadyide, Md.

Daily Digest

HIGHLIGHTS

Senate passed bills on Government reorganization, and Philippine burial allowances.

Senate committee voted to investigate banking and credit legislation, small business, and economic stabilization.

Tax-revision hearings opened by House Ways and Means Committee.

Senate

Chamber Action

Routine Proceedings, pages 946-951

Bills Introduced: Thirty-six bills and four resolutions were introduced, as follows: S. 772 to S. 807; S. J. Res. 29 to S. J. Res. 30; and S. Res. 63 to S. Res. 64.

Pages 948, 989

Bills Reported: Reports were made as follows:

Interim report of Banking and Currency Committee pursuant to S. Res. 219 of Eighty-first Congress (study of RFC) relating to favoritism and influence (S. Rept. 76);

Report of Select Committee on Small Business on Material Shortages (S. Rept. 77);

S. 508, to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs (S. Rept. 78);

S. Res. 64, to investigate problems relating to banking and credit legislation, small business, and economic stabilization (S. Rept. 79); and

S. Res. 55, extending time for investigation of problems relating to airline industry, U. S. merchant marine, domestic land and water transportation, and radio, telegraph, and telephone communications, with amendment (no written report)—referred to Committee on Rules and Administration.

Page 948

President's Message: Senate received President's message on subject of taxation, which was referred to Committee on Finance.

Page 945

Washington's Farewell Address: Senator Flanders was designated to read George Washington's Farewell Address on February 22.

Page 945

Philippine Burial Allowance: Without amendment, Senate passed and sent to the House S. 82, to reimburse for burial expenses of certain Philippine soldiers in service of U. S.

Pages 965-967

Government Reorganization: Senate passed, with amendments, S. 101, to amend Reorganization Act of 1949 by adding a new title III, entitled "Defense Reorganization Act of 1951," after adopting the following amendments: Committee amendments as amended by Bricker amendment, respecting time of taking effect of reorganization plans; and Bricker amendment preserving right of Senate as to confirmation of certain officers under reorganization plans.

Pages 965, 970-971, 978-988

Communications: S. 658, to amend the Communications Act of 1934 (amending organizational, procedural, and appellate sections) was passed after adoption of four Case amendments, as follows: (1) Barring from practice before Commission for 1 year after cessation of employment of chief of each integrated division and his assistant; (2) entitling each Commissioner to present his own, or minority views, or supplementary reports; (3) allowing each Commissioner to fix within maximum of \$10,000 the salary of his legal assistant; and (4) permitting certain broadcasting during national emergency without filing of formal application.

Pages 999-1009

Treaty Received: North American Regional Broadcasting Agreement and final protocol thereto, signed at Washington on November 15, 1950, was received and referred to Committee on Foreign Relations (Exec. A, 82d Cong., 1st sess.).

Page 965

Confirmations: The nomination of Joseph P. Adams, of Washington, to be a member of the Civil Aeronautics Board was confirmed, along with 39 Coast Guard and 3 Coast and Geodetic Survey nominations.

Page 1023

Nominations: The nomination of Ellsworth Bunker, of New York, to be Ambassador to Argentina was received, along with two Marine Corps nominations.

Page 1023

Program for Thursday: Senate recessed at 6:48 p. m. until noon Thursday, February 8.

Committee Meetings

(Committees not listed did not meet)

SUBCOMMITTEES, AND HEARINGS ON DEFENSE PRODUCTION AND DEFENSE HOUSING

Committee on Banking and Currency: In executive session, the committee set up seven standing subcommittees, with the following membership:

(1) Subcommittee on Federal Reserve Matters, consisting of Senators Robertson, chairman, Maybank, Douglas, Capehart, and Bricker;

(2) Subcommittee on Banking, Securities, and Insurance, consisting of Senators Frear, chairman, Maybank, Sparkman, Schoeppel, and Dirksen;

(3) Subcommittee on Small Business, consisting of Senators Maybank, chairman, Fulbright, Sparkman, Frear, Long, Capehart, Ives, Schoeppel, and Dirksen;

(4) Subcommittee on Housing and Rents, consisting of Senators Sparkman, chairman, Maybank, Frear, Douglas, Long, Capehart, Ives, Dirksen, and Bennett;

(5) Subcommittee on Currency and Coinage, consisting of Senators Long, chairman, Douglas, and Bennett;

(6) Subcommittee on RFC, consisting of Senators Fulbright, chairman, Maybank, Frear, Douglas, Capehart, Bricker, and Bennett; and

(7) Subcommittee on Economic Stabilization, consisting of Senators Douglas, chairman, Maybank, Robertson, Sparkman, Frear, Bricker, Ives, Schoeppel, and Bennett.

Following the meeting, it was announced that the Joint Committee on Defense Production would meet in executive session on Wednesday, Thursday, and Friday to hear Charles E. Wilson, Director of ODM; Michael V. DiSalle, Director of Price Stabilization; Eric A. Johnston, Director of Economic Stabilization; and Cyrus Ching, Director of Federal Mediation and Conciliation Service.

The committee also agreed to hold hearings most of next week on S. 349, the defense-housing bill.

Committee voted to introduce and report a resolution (S. Res. 64) to investigate problems relating to banking

and credit legislation, small business, and economic stabilization.

SPECIAL STUDIES ON REORGANIZATION

Committee on Expenditures in the Executive Departments: Subcommittee on Reorganization outlined programs to be undertaken and appointed the following subcommittees to undertake special studies, as follows:

Subcommittee on Evaluation of Operations and Submission of Recommendations for Perfecting Amendments to Legislative Reorganization Act of 1946, consisting of Senators Monroney and Smith of Maine;

Subcommittee To Examine Into the Administration of and Revisions of Reorganizations in the Executive Branch, consisting of Senators Benton and Schoeppel;

Subcommittee To Study Intergovernmental Relations, consisting of Senators Robertson and Dworshak.

Senator O'Connor will serve as ex officio member on each of these subcommittees.

SENATE ELECTIONS

Committee on Rules and Administration: In executive session on Saturday, February 3, the Subcommittee on Privileges and Elections agreed to investigate the charges growing out of the Maryland senatorial campaign between Senators Butler and Tydings. The hearings are to begin as soon as possible, and will be conducted by a subcommittee consisting of Senators Monroney, chairman, Hennings, Hendrickson, and Smith of Maine.

Subcommittee also voted to ask Republican senatorial candidate Hanley, of New York, for a statement on the so-called Hanley letter, with the understanding that should he fail to give a statement, the subcommittee might want to issue a subpoena.

Subcommittee agreed to hold hearings on charges that public funds, appropriated for election expenses, were turned over to Republican candidate in Lucerne County, Pa.

It agreed to give its list of alleged illegal voters and registrants to the Philadelphia Registration Commission and the city Democratic and Republican committees.

House of Representatives

Chamber Action

Bills Introduced: Twenty-nine public bills, H. R. 2374-2402; thirteen private bills, H. R. 2403-2415; and seven resolutions, H. J. Res. 152-153, and H. Res. 116-120, were introduced.

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Bills Reported: Reports were made as follows:

H. Res. 95, authorizing the Committee on the Judiciary to conduct studies and investigations relating to matters within its jurisdiction (H. Rept. 24);

H. R. 2268, to authorize the payment of interest on series E savings bonds retained after maturity (H. Rept. 25);

H. R. 2141, extending for 2 years the existing privilege of free importation of gifts from members of the U. S. Armed Forces on duty abroad, amended (H. Rept. 26); and

H. R. 2195, extending to flaxseed and linseed and flaxseed and linseed oil the privilege of substitution for draw-back of duties (H. Rept. 27).

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Commission Appointment: The Speaker today appointed Representative Karsten of Missouri to serve on the United States Territorial Expansion Memorial Commission.

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Program for Tuesday: Adjourned at 3 p. m. until Tuesday, February 6, at 12 o'clock noon, when the House will consider H. E. 2268, to authorize the payment of interest on series E savings bonds retained after maturity.

Committee Meetings

NATIONAL SECURITY AND MANPOWER

Committee on Armed Services: Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, resumed his testimony at today's public hearings on H. R. 1752, to permit the more effective utilization of manpower resources of the United States by authorizing universal military service and training. He has been scheduled to appear before the committee tomorrow morning when it continues consideration of this subject.

DEFENSE HOUSING, EDUCATION

Committee on Education and Labor: Approved an amendment which is to be offered to title II of H. R. 1272, the defense housing bill, which is under consideration by the House Committee on Banking and Currency. Title II contains the provision of defense housing and community facilities and services, and the committee discussed the school building and other educational features which may be contained in this section of the legislation. This amendment, which was considered today in executive session, was reported by the Barden subcommittee which has recently been studying the effects of the pending defense housing bill on Public Law 815 (81st Cong.) relative to school construction in areas affected by Federal activities; and Public Law 874 (81st Cong.) to provide financial assistance for maintenance and operation of schools located in districts affected by Federal activities.

ALUMINUM, MONOPOLY

Committee on the Judiciary: The Celler Subcommittee on the Study of Monopoly Power resumed hearings to

investigate the present and proposed expansion of facilities in the aluminum industry. Witnesses heard today were Dr. James Boyd, Defense Minerals Administration, Bureau of Mines; Delegate Bartlett, of Alaska; H. D. McBride, manager, oxide division, Monolith-Portland Midwest Co., Los Angeles, Calif.; and Carl H. Burton, secretary, Aluminum Institute of America, Chicago, Ill. Hearings will be continued on Wednesday.

IMMIGRATION

Committee on the Judiciary: Subcommittee No. 1 approved for reporting to the full committee H. R. 2339, to clarify the immigration status of certain aliens; S. Con. Res. 6 and 7, relating to suspension of deportation proceedings against certain aliens; and 10 private immigration bills (9 of the House and 1 of the Senate). Three private House immigration bills were reported adversely.

FEDERAL AGENCY DISPERSAL

Committee on Public Works: The Trimble subcommittee opened hearings on H. R. 1728, authorizing appropriation for construction of Federal buildings outside of, but in vicinity of and accessible to, the District of Columbia. Witnesses testifying today were Ramsay D. Potts, Jr., special assistant to Chairman W. Stuart Symington, of the National Security Resources Board; Roger W. Jones, Assistant Director, Bureau of the Budget; W. E. Reynolds, Public Buildings Commissioner; and Maj. Gen. W. R. Schmidt, Chairman of the Joint Decentralization Board, Office of the Secretary of Defense. Hearings will be continued tomorrow, following an executive meeting of the committee which starts at 10 a. m.

TAX REVISIONS

Committee on Ways and Means: Opened hearings on the subject of tax revisions, with Secretary of the Treasury John W. Snyder appearing as its first witness in a day-long meeting. He was accompanied by officials of the Department. Hearings will be continued tomorrow, at which time other departmental witnesses are again scheduled to be heard. There will be no meeting on the subject Wednesday, but the committee will resume Thursday and Friday in order to hear public witnesses.

COMMITTEE MEETINGS FOR TUESDAY, FEBRUARY 6

(All meetings are open unless otherwise designated)

Senate

Committee on the District of Columbia, Subcommittee on Fiscal Affairs, on various D. C. fiscal bills, 10 a. m., room P-38, Capitol.

Committee on Interior and Insular Affairs, executive, on S. 49, Hawaii statehood, and S. 50, Alaska statehood, and on committee calendar, 10 a. m., 224 Senate Office Building.

Committee on Post Office and Civil Service, executive, on calendar business, 10 a. m., 135 Senate Office Building.

House

Committee on Agriculture, to meet with representatives of the National Council of Churches and members of the Farmers Union from North Dakota and South Dakota, 2 p. m., 1310 New House Office Building.

Committee on Armed Services, on H. R. 1752, to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, 10 a. m., 313-A Old House Office Building.

Committee on Banking and Currency, to conclude public hearings on H. R. 1272, to assist the provision of housing and community facilities and services required in connection with national defense, to hear Representatives Riley and Johnson, 10:30 a. m., 1301 New House Office Building.

Committee on Foreign Affairs, to permit authors of pending bills to speak on behalf of their proposed legislation, 10 a. m., room G-3, Capitol.

Committee on House Administration, executive meeting at 10 a. m., room G-53, Capitol.

Committee on Interior and Insular Affairs, executive meeting of the Redden Subcommittee on Territories, to hear the Governor of Samoa, 10 a. m., 1324 New House Office Building.

Committee on Interstate and Foreign Commerce, February 6, executive meeting to hear Charles Sawyer, Secretary of Commerce, on any important emergency legislation which the Department feels should warrant prompt consideration by the committee, 10 a. m., 1334 New House Office Building.

February 7 and 8, public hearings to consider the newspaper publishing situation. Representatives from the American Newspaper Pub-

lishing Association, National Editorial Association, and Newspaper Service Bureau have been invited to testify.

Committee on the Judiciary, executive meeting of full committee, 10:30 a. m., 346 Old House Office Building.

Committee on Public Works, Trimble subcommittee, on H. R. 1728, to authorize a program to provide for the construction of Federal buildings outside of, but in the vicinity of and accessible to, the District of Columbia, 10 a. m., 1302 New House Office Building.

Committee on Ways and Means, on revenue revision, 10 a. m., 1102 New House Office Building.

Joint Committee

Joint Committee on Atomic Energy, executive, Subcommittee on Reactor Development, 2 p. m., room F-39, Capitol.



A Letter to Mr. Truman

Address delivered by

Rabbi Abba Hillel Silver

at The Temple

WERE I INCLINED TO WRITE A LETTER TO PRESIDENT TRUMAN at this time, when letter-writing seems to have become a rather explosive avocation, I would dwell on two matters: First, the manner in which his choleric letter-writing and emotional outbursts of recent months are affecting his own status and that of the American people in the world at a time when, to use his own words, "we are the leaders of the free world" and the eyes of the world are upon us; and secondly, about the implications of the national emergency which he has proclaimed, not so much as far as the American people are concerned, but as far as he himself and his administration are concerned. Every citizen is called upon to put aside his personal interests for the good of our country. What does this spell out for the President himself and for those in whose hands are the lives and fortunes of 150 million of American citizens?

The first matter, that of the letter-writing, is the lesser in importance by far, except as it has revealed an over-charged and uncontrolled spirit which has greatly troubled the American people. Long ago Samuel Johnson wrote: "In a man's letters his soul lies naked." The soul exposed in Mr. Truman's letters of recent date gives very little evidence of that wisdom and calmness which he solicited of the American people in his address the other evening. This has caused many Americans to wonder apprehensively whether major decisions of the Chief Executive in far more serious realms of national and international affairs are similarly determined by temper, pique and resentment, and are likewise made in a headlong and impetuous fashion.

Everyone realizes, I am sure, the terrible strains and burdens of the office of the President of the United States, especially in these dreadful times. No one envies Mr. Truman the heavy and high overwhelming responsibilities which are his. The American people is inclined to overlook an occasional outburst of irritability on the part of a greatly harassed public official. However, when this

irritability appears to be by way of becoming chronic and expresses itself in language which is not permissible even to a private citizen, there is proper cause for disquiet and criticism. The President of the United States, for as long as he holds that exalted office—and it is the most exalted and illustrious office in the world—is never a private citizen. He never can dissociate himself from his office. Whatever he says or writes or does, has to a greater or lesser degree public significance and repercussions. What a music critic writes about Margaret, good or bad, is of little importance, of little importance indeed, but what the President of the United States writes to a music critic or to anyone else, and the manner of his writing can bring a sense of shame and dismay to the entire nation and make the office of the President of the United States the laughing stock of the world.

There is much sound counsel to be found in our Bible to which I should like to draw the attention of the President. The Bible counsels men not to give way to gusts of anger, temper and passion. If these admonitions are applicable to ordinary citizens, how much more so are they to men who occupy high position, whose every word is freighted with consequence. Thus, we read in the Bible, "It is the discretion of a man to be slow to anger and it is his glory to pass over a grievous wrong."

One who was himself a ruler of men, Koheleth, writes in his book, "Be not hasty to get angry, for anger rests in the bosom of fools." The wise Hillel, likewise a leader of men, frequently cautioned his fellow men, "Guard your temper." And the rabbis declared, "The speech of the wise is always a clean and decent speech."

Were I inclined to write a letter to Mr. Truman, I would in all good will and earnestness bring these matters to his attention and suggest that he do not write letters when he is angry, and that all of his letters, like all of his speeches, should be checked by a second party before they are mailed, and above all, not to make public statements "off the cuff." His latest *ad lib* about the use of the atomic bomb fell upon the world almost with the destructive effect of an atomic bomb and sent Minister Schumann hurrying to London and Prime Minister Attlee flying to Washington.

Our President owes it to himself and to our country in these desperate times to avoid anything that might cause unnecessary irritation and resentment among our people, or that might lower

the dignity of the high office which he sought and to which the citizens of the United States elected him. What has happened has not been good for the morale of our people and cannot serve as an inspiring example for the emulation of our youth.

I pass on to the second and more serious matter about which I should like to write to President Truman. In his address to the country the other evening, he summoned the American people to unity and self-sacrifice because of the grave danger in which our country finds itself. "Those of us who work in the government," he stated, "will do our best, but the outcome depends, as it has always depended, on the spirit and energy of our people."

In my humble judgment there has been very little wrong with the spirit and energy of the American people. They did not fail, either in unity or in the spirit of sacrifice, either in the first World War or in the second World War. Whatever was asked of them they performed, competently and patriotically. They gave their sons to the war, and their daughters—as many as the government demanded. On the battlefields our fighting men gave an excellent account of themselves, and withdrew from no sacrifice in life or blood. Our shops, our mines, our mills were adequately manned. Whatever taxes our government imposed upon our people they paid. Whatever restrictions and rationings were imposed upon them were complied with. There never was and there is not now any reason to doubt the loyalty, the patriotism and the readiness to sacrifice on the part of the American people in defense of their country or their freedom. I doubt whether the proclamation of a state of national emergency was really required to make the American people aware of how serious the present situation is.

The American people is not illiterate. They read their newspapers, they listen to their radio, they know what is going on in Korea; they know what is going on in the United Nations. Their sons are even at this moment fighting and some of them dying in Korea.

But *they*, the American people, do not make our foreign policy. *They* did not send our armies unprepared into Korea. *They* were not consulted as to whether we should go into Korea. According to our Constitution, Congress, and Congress alone, has the power to declare war and make peace. The Congress of the United States was not consulted about sending our troops into Korea. President

Truman alone decided this grave issue by the simple device of calling this intervention not a war, but a police action. This police action has already cost our people 40,000 casualties.

Our allies likewise were not consulted. In his speech last Friday evening, the President said that we must work with a sense of real partnership and common purpose with the other free nations who need our help as we need theirs. These partners were ignored when President Truman ordered our troops into Korea. The question is, why?

The United Nations, too, were not consulted. It is the prime responsibility of the United Nations, not of the United States, to resist aggression in the world. It was only *after* President Truman launched our military effort in Korea that the United States asked for the approval of the United Nations. This is not the procedure outlined in the Charter of the United Nations.

Why did not our government wait for clear directives from the United Nations in the matter of Korea? Why did not our government ascertain *before* we moved in who else was going along and to what extent and with how many troops? Why did we not learn of the widespread reluctance of the other free nations of the world to become involved in Korea, as was later evidenced by the rather slim and purely token participation on the part of only a few of these nations? Why did we not learn about this widespread reluctance *before* we committed ourselves to what has proved to be one of the most costly and disastrous enterprises in all the military history of the United States? Why?

The strong suspicion entertained by many Americans that the Korean move was inspired by domestic political considerations connected with an approaching fall election has not been satisfactorily resolved. The administration had for some time, prior to last June, been attacked and badgered, especially by the Republican opposition, with charges of Communist sympathies, with responsibility for the victory of the Communists in China and the defeat of Chiang-Kai-Shek, and with widespread infiltration of Communists in the State Department and other government departments. For weeks on end, before the Tydings Committee of the Senate, wild charges were made by irresponsible political gentry and by publicity seekers of the type of Senator McCarthy. The administration found itself on the defensive, with an important Congress-

sional election approaching. The invasion of South Korea by the North Koreans last June offered a tempting opportunity to demonstrate to the country that the administration was all-out anti-Communist, and that it was ready to strike at Communism wherever it raised its ugly head. It must have been assumed that the undertaking would be in the nature of a small-scale police action, that it would be brief and not too costly, and that the North Koreans would take to their heels as soon as they saw the American soldiers coming. President Truman also dispatched the Seventh Fleet to patrol the Strait of Formosa to see to it that the Chinese Communists did not take over Formosa, thereby intervening not alone in Korea, where a clear case of aggression could be established against the North Koreans, but also in the Chinese civil war, where the victorious Chinese regime had already been recognized by Great Britain, India and other countries. Along with the intervention in China, we also promised to send aid to the French in Indo-China where they were fighting to preserve French imperial interests in that country. The administration reversed its former line and permitted itself to be swayed by domestic political considerations and to be intimidated by the rantings of ex-Communists, ex-isolationists, pro-Fascists, and cranks of all kinds, and maneuvered itself and the American people into the disastrous Korean adventure.

Was it the American people that failed in Korea? Why was our military intelligence so faulty? Why did it underestimate so catastrophically the fighting numbers and the fighting quality of the North Korean armies, to the point where we were almost driven into the sea at Pusan? And why did the same thing happen a second time, and more disastrously, as our soldiers were advancing so confidently towards the Manchurian border, having been assured of an easy victory and the prospect of returning home by Christmas? Was our intelligence aware of the size of the Chinese armies on the Manchurian border waiting to strike at us? If aware, why were our men, who were so vastly outnumbered, ordered to move on to the Manchurian border? If unaware, why are the military commanders who are responsible for this shocking blunder continued in their posts to this day?

Did our State Department know that China would enter the war? If it did, what preparations did it make to meet it? Why was the American people lulled into a false sense of security by inspired spokesmen who in so many words assured them that China would

not fight? If our State Department did not know whether China would enter the war, why did it take the dangerous gamble to move our forces beyond the 38th Parallel? Why did it choose to ignore the clear declaration of the Chinese Foreign Minister and of Nehru of India, who warned the American people that if we crossed the 38th Parallel, China would come into the war? Why did we move beyond the 38th Parallel? Why are we asking for a cease fire now when the Chinese and North Korean armies are advancing across the 38th Parallel? Why did we not ask for it when we had reached the 38th Parallel? Why did we reject the proposal of a neutral zone between Korea and Manchuria, which was favored by our allies?

These mistakes, these blunders, these failures, military and political, are not to be charged to the American people, although the American people, of course, will in the final analysis, pay the entire cost. These are the responsibilities and failures of the government and of the administration and of those outside the government and in the opposition party who provoked the government to hasty action, and of those in government who succumbed to the provocation, who fondly believed that an easy-going victory against the Communists in Korea would be a strong political weapon in their hands against the opposition in an approaching election.

The American people is now being asked to give many more billions of dollars to our military establishment, to build up the military strength of our country. The House of Representatives has already voted an additional 17 billion, 800 million dollars emergency defense bill. This will bring our total defense budget for the year to almost 42 billion dollars. I suppose that conditions being what they are, with the President of the United States warning us that our homes, our nation, all the things we believe in are in great danger, the approval of such military expenditures is a foregone conclusion, and no patriotic American would wish to stand in the way. But the American people has a right to ask why we received so little in terms of fighting effectiveness for the many billions of dollars which they gave to the military establishment during the past few years. The American people has never been niggardly with its armed forces. What became of the 50 thousand million dollars which was given to the armed forces during the past four years? Why were we so-unprepared in June, 1950?

Before the second World War, in 1939, we spent on our armed forces a billion, four hundred million dollars. In the last three years—peace years, mind you—we spent on the average of 13 billion dollars annually. Yet we were unprepared.

The President said the other evening that on June 25th of this year we had less than 1½ million men and women in our army, navy and air force. Thirteen billion dollars is a powerful lot of money to spend on such a small fighting force. In 1941, when our army and navy numbered a million and three-quarter men, we spent seven billion dollars. In 1950 we were spending twice that amount on a smaller army and navy and air force. Is the unpreparedness of our armed forces so glaringly demonstrated in the Korean affair due to the failure of the American people to provide adequately for them, or is it the failure of the men at the top to get a dollar's worth of defense for every dollar paid by the American taxpayer? Have those who work in the government really done their best, as the President promises they will do in the future?

I cannot escape the feeling that these glaring, tragic failures have been at the top—lack of consistency, courage and statesmanship on the part of our political leaders, and blunders, waste, and poor management on the part of our military commanders and administrators. *Theirs* is the major responsibility for the plight in which the American people finds itself today.

There is always the tendency on the part of our political and military leaders, when their policies or their actions result in failure, to shift responsibility from their own shoulders to those of the American people. Somehow it is always the American people who are responsible for all that goes wrong.

It is proper to alert the American people to-day to the grave dangers in which they find themselves, as the President has done, but more is needed to meet the dire emergency—much more. In the first place, there must be self-examination at the top level. A sense of omniscience is not conducive to sound government, nor is impatience and irritability with suggestions and criticism, and narrow partisanship and a desire to make political capital out of grave international situations.

There is in my judgment need for a re-examination of our entire foreign policy which has been going from bad to worse ever since President Truman, on his own responsibility, announced the so-called Truman Doctrine and pledged our country to resist Commu-

nism all over the world, a commitment on which we are simply not able to make good and one which our allies are unwilling to back up. A re-examination of our entire foreign policy is called for. It is no loss of face for a government which has pursued a policy which has been found wanting or inadequate or dangerous to reconsider and re-examine and adopt a new policy. It is far better to change to a sounder policy than to be unchanging in catastrophic wrong-headedness. Finally, there is need for a reorganization of our military establishment with an eye to greater economy and efficiency.

Without leadership a people perishes. It is to leadership that we must look for our salvation, a leadership which will match words with action and which will treat the American people as mature people who know the score.

In his address the other evening the President announced four things which the American people must do and will do in this crisis. I am in perfect agreement with all these four things. First, he said, we will continue to uphold and, if necessary, to defend with arms, the principles of the United Nations, the principles of freedom and justice. Fine! But please, let the *United Nations* decide when the principles of freedom and justice are endangered, and what should be done about it! That is *its* business. Let the deliberations and decisions and actions be collective—not unilateral! Let us not act first and then get the approval of the United Nations for our actions. The United Nations has assumed the responsibility of keeping law and order in the world. Please, let us not have a private Truman Doctrine of our own. Let us not do our own private policing. Let us not jump into Formosa or Indo-China or Korea or elsewhere—and there are a hundred potential danger spots in the world—until the United Nations directs us, along with all other nations, to act. We must avoid not only aggression, which we are not likely to indulge in, but aggressiveness as well. Let us strengthen the United Nations. Let us channel whatever help we can give to the world through the United Nations. Let us strengthen this international organization, which is the sole hope of a stable world to come.

Secondly, the President said he would continue to work with the other nations to strengthen our combined defenses. Excellent! But let us be practical about it! Let us make sure how far the other nations are prepared to go along, and how much they are prepared to pay out of their own resources to strengthen their own defenses. Of course, they will permit us to help finance their military estab-

ishments, but they may not be willing to use them every time we think they should. Let us not drain our own resources too far to equip other nations militarily. Let us think first and foremost and always of our own defenses. Again, in our eagerness to organize the world against the Soviet Union and line up the free nations of the world against Communistic dictatorship, let us not undermine our moral position in the world by allying ourselves with Francos and Fascists and Titos and Nazis in Europe and reactionaries in Asia. It makes the Voice of America sound hollow in the ears of the world. In the long run that will undo everything that we are trying to do.

The President urged us further to build up our army, navy and air force and to make more weapons for ourselves and our allies. By all means, let us build up to full strength, but let us not bankrupt ourselves by trying to arm half the world against the other half. Our resources are not limitless. Our government is already 257 billion dollars in debt. It is the hope of the Soviet Union that we will destroy ourselves through bankruptcy and sink our military strength into the great Serbonian bog of Asia.

The President finally urged that we expand our economy and keep it on an even keel. Nothing is more important than that. We must guard against inflation through greater production, higher taxes and through price and wage control. In this connection, an American has the right to ask why the President of the United States did not use up till now the powers which were clearly his to control prices and wages, and why he permitted our country to move into the dangerous inflation spiral in which we already find ourselves.

These are some of the things about which I should like to write to Mr. Truman. I should also like to draw his attention to some words which he himself uttered the other evening, and suggest that in those words, lies the right direction of statesmanship in these dire days. He said, "There is no conflict between the legitimate interests of the free world and those of the Soviet Union that cannot be settled by peaceful means, and we will continue to take every honorable step we can to avoid general war." This is quite different from the dogmatism, the rantings and the war-mongering of so many others, which are so frequently heard these days.

Stalin, too, has declared more than once that the communist world and the capitalist world could live side by side in one world. Truman does not trust Stalin. Stalin does not trust Truman. Hence

the impasse. But it is clear that only in the direction of courageous and continuous exploration of every avenue for reaching understandings, if only piece-meal, only in the direction of negotiation, earnestly sought and welcomed, lies the hope of the world. Negotiation is not appeasement. Let not the American people be persuaded into closing their minds at the sound of the word appeasement. It is today a tabu device to paralyze thought and wise diplomatic action. There should be urgent and continuous exploration of every opportunity for coming to an understanding with the Soviet, a nation which we cannot defeat in war any more than it can defeat us.

Our defeat in Korea is not a fatal defeat. Bataan and Dunkirk did not determine the outcome of the second World War. We are a strong and powerful nation. We can become stronger and even more powerful. We are faced with most grave and menacing problems, and while we should do all that is practical and necessary to build up our military strength, we should bear in mind always that the basic solution lies not on the battlefield. It will have to be found at the conference table.

Our appeal to our national leadership in Washington, which we make in all good will, for we are all involved in one common destiny, is to be courageous and unafraid, not to be swayed by partisan political considerations and not to allow itself to be stampeded by war-mongers, fanatics and cranks, and by those who would push us into war for reasons which have nothing to do with love of country. There are those in our country who do not want an understanding with Russia. There are those even in high government posts who are ardently advocating a preventive war with Russia. There are those who will try to sabotage any possibility of agreement. These are our real enemies. When our President will give the American people the kind of leadership they need and crave for, the American people will back him up 100 per cent. The American people have always rallied to the defense of their country whenever it found itself challenged and endangered.