

soldiers and sailors can we hope in this changing economic and social world to maintain the standards of our armed services necessary for our defense to protect our way of life.

RECESS

Mr. WHITE. I move that the Senate stand in recess until 11 o'clock tomorrow forenoon.

The motion was agreed to; and (at 6 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 19, 1947, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 18 (legislative day of December 4), 1947:

DEPARTMENT OF JUSTICE

THE ASSISTANT TO THE ATTORNEY GENERAL

Peyton Ford to be The Assistant to the Attorney General.

COMMISSIONER OF IMMIGRATION AND NATURALIZATION

Watson B. Miller to be Commissioner of Immigration and Naturalization, United States Department of Justice.

COMMISSIONER OF PATENTS

Lawrence C. Kingsland to be Commissioner of Patents.

ASSISTANT COMMISSIONER OF PATENTS

Joe E. Daniels to be Assistant Commissioner of Patents.

UNITED STATES DISTRICT JUDGES

Herbert W. Christenberry to be United States district judge for the eastern district of Louisiana.

Sylvester J. Ryan to be United States district judge for the southern district of New York.

Harry E. Pratt, of Alaska, to be United States district judge for division No. 4, district of Alaska.

UNITED STATES ATTORNEYS

George R. Humrickhouse to be United States attorney for the eastern district of Virginia.

Thomas P. Thornton to be United States attorney for the eastern district of Michigan.

UNITED STATES MARSHALS

Charles M. Eldridge to be United States marshal for the district of Rhode Island.

Arthur J. B. Cartier to be United States marshal for the district of Massachusetts.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 18, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou whose name is called Wonderful Counselor, Prince of Peace, if Thou art with us naught can prevail against us; surely in Thee there is hope to find wherever there is man to seek. The day is so numbing that we entreat Thee that men everywhere may realize that many of our difficulties come from our opposition to Thy will. Amid the clash of elements of the social order, let those peoples whose motives are inspired by hate and ignorance be chastened and

subdued by the righteous forces of a good government. As individuals, inspire us to stretch forth our hands, enriching those who mourn, blessing the merciful and the peacemakers, for the world shall yet see them as the children of God. O speak in this year of our Lord, that wickedness may lose its power, that untruth may cast aside its mask, and that man everywhere may walk in newness of life and in the bonds of brotherly love. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) entitled "An act to amend the National Housing Act, as amended."

SPECIAL ORDER GRANTED

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that I may address the House today for 10 minutes after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered.

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

There was no objection.

EXTENSION OF REMARKS

Mr. McDONOUGH (at the request of Mr. Boggs of Delaware) was given permission to extend his remarks in the RECORD on the subject of veterans' housing.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances, in one to include a petition from Judge Peter Gulau, prominent Legionnaire of Oak Harbor, Ohio, and in another to include a petition from Mrs. Amelia Stoloru, of Toledo, Ohio, and in another to include a petition from Mr. M. E. Dieringer, of Port Clinton, Ohio.

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

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Reader's Digest by Mr. Flynn. I wish to advise the Speaker that this article was inserted in the RECORD by a Member of another body and was returned to me by the Public Printer. But notwithstanding that fact, I ask unanimous consent that I may be permitted to include it with my remarks.

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

There was no objection.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include a statement of the American Legion Hempstead Post made by the American Legion commander before the Committee on Veterans' Affairs, and another statement by his assistant, Mr. Alessandrini.

THE FUEL SHORTAGE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Department has sent figures showing the very great increase in the export of oil to Canada. I wired the President when he was in Florida concerning an embargo on oil exports as he did with coal, but I have not yet had any reply to my telegram. I believe the House should take action on the embargoing of oil if the President does not act immediately. We cannot have people suffering from cold unnecessarily this winter, and that is just what they are doing today.

The SPEAKER. The time of the gentlewoman from Massachusetts [Mrs. ROGERS] has expired.

CONSIDERATION OF CONFERENCE REPORTS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time they are presented, notwithstanding the provisions of clause 2 of rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

Mr. SMITH of Ohio. Mr. Speaker, I object.

RECESSES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess at any time during the remainder of this week, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

Mr. RANKIN. Reserving the right to object, I want to ask the gentleman when it is contemplated the House will adjourn sine die.

Mr. HALLECK. As I have suggested numerous times in recent days, I think it has been generally agreed and understood on both sides of the aisle that we are seeking to adjourn tomorrow. Of course, as to definite assurance about that, I cannot make any, but I still think that is the agreed and understood intent.

Mr. RANKIN. I thank the gentleman. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

PARLIAMENTARY INQUIRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Would it be proper at this time to insert the message that came from Mr. Horst, stating that the President would reply to my telegram regarding the embargo on coal?

The SPEAKER. The Chair will state that the lady may place it in the Appendix, but if it exceeds a certain number of words it is impossible to place it in the Record at this point.

Mrs. ROGERS of Massachusetts. Also the 385-percent increase in exports of oil to Canada.

EXTENSION OF REMARKS

Mr. JAVITS asked and was granted permission to extend his remarks in the Record and include a copy of a speech on the Federal youth-assistance bill.

Mr. KEEFE asked and was granted permission to extend his remarks in the Record and include a statement from the Under Secretary of State with respect to lease-lend shipments to Russia, and also a letter from the War Assets Administration with respect to the disposal of war assets declared surplus by the State Department.

Mr. KEEFE asked and was granted permission to extend his remarks in the Record and include an analysis of a speech delivered on the floor of the House.

THE FUEL SITUATION IN MICHIGAN

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include excerpts from a report made by the Governor's committee on the fuel situation in Michigan.

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

There was no objection.

Mr. MICHENER. Mr. Speaker, as the cold weather hovers over Michigan, the fuel-oil shortage is not only grave but it has become desperate. To argue and debate about the causes of the present distress will avail us little at the moment. The case has been diagnosed, the patient is extremely ill, and it is the prescription writer whom the people without fuel at the moment are seeking.

As soon as Gov. Kim Sigler, of Michigan, visualized this prospective shortage, he appointed a Governor's fuel committee composed of State officials to immediately make a complete study of the situation and to recommend what steps might be taken to alleviate the suffering on the part of the people of Michigan, which is bound to follow unless relief is obtained in the immediate future.

On December 8 that committee filed a comprehensive report with the Governor, whereupon the conditions were immediately relayed by the Governor to the President of the United States and the cooperation of President Truman was sought.

Mr. Speaker, this committee report is too lengthy and too detailed to present to the Congress at this time; however, the report contains a summary of the findings of the committee which are pertinent and which are vital to the early solution of the problem. That summary is as follows:

The oil situation in Michigan may be summarized as follows:

The shortage is common to the territory east of the Rockies, but Michigan is the worst affected State because it lacks pipeline facilities; transportation costs and lack of tank cars prevent bringing in ample sup-

plies available in the Southwest and the Oklahoma-Wyoming area.

Demand for oil is the highest in history, due in large measure to the installation of domestic fuel-oil burners. It is estimated that more of these burners have been installed proportionately in Michigan than in any other State.

It is estimated that Michigan's demand for fuel oils this heating season amounts to 14,100,000 barrels. The supply now in prospect is 12,150,000 barrels, an increase of 1,550,000 barrels over last year, but still leaving a deficit of 1,950,000 barrels. These figures are approximate, but as nearly correct as can be obtained.

Michigan's own oil production has declined to 45,000 barrels a day. It may be possible to increase this by 3,500 barrels which, when refined, would mean 1,000 barrels of fuel oil. The increase, however, would be against public interests if it resulted in damaging the fields and reducing their eventual maximum yield. The problem is being studied to afford whatever relief may be possible from this source.

Settlement of the Pure Oil Co. refinery strike in Toledo, Ohio, would mean an additional 2,500 to 3,000 barrels of home fuel oil delivered daily by pipe line into the Detroit area market.

If idle Federal tankers were put into use and the upper Mississippi and Ohio Rivers kept open to winter navigation, Michigan would likely benefit from this additional supply of oil, but to what extent cannot be estimated.

Retail price disparities are due to high purchase and transportation costs in importing oil from the Southwest and Oklahoma-Wyoming and to a recent increase of 50 cents a barrel in the price of crude.

Curtailment or shutting off of supplies to some dealers is due to shifts in channels of supply, reclaiming of processed petroleum products from Michigan refineries by companies owning the crude oil to meet their own increased customer demands, changes in ownership of wells and contracts for purchase of crude, and similar business relationship factors.

There is more fuel oil in home tanks than a year ago at this time, but some companies do not have as much in storage; others have more. Persons owning space heaters (stove type) are likely to be the first to feel the shortage pinch.

This was a unanimous report of this study committee after a most painstaking inquiry.

Mr. Speaker, together with Representatives of all territory east of the Rockies and the northern part of the United States, the Michigan delegation is receiving distress calls and urgent messages asking that something be done at once to provide the essential fuel oil in the cold winter months to follow. Governor Sigler has joined our constituents in imploring the aid of the Federal administration and the Congress. I have heretofore called the attention of my colleagues to this important matter. My people are protesting strenuously against the shipping of fuel oil abroad to relieve suffering and thereby shifting that suffering from those in other countries to our own cities. The people whom I have the honor to represent want to help the distressed everywhere. At the same time, they feel that our country cannot be of the most service to others by weakening and destroying our own economy and our own morale.

The report of the Governor's committee, to which I have just called your attention, is not loose talk but is a conclu-

sion of facts based upon evidence which rises to the dignity of proof. The cold is here. The fuel oil is lacking. The people in Michigan are suffering. All possible assistance must be afforded now. Next spring will be too late. Maybe there has been too much conversion from coal to fuel oil; however, this was done in good faith and those so converting had the right, and did believe that there was adequate fuel oil, and they are still convinced that there is such supply in this country if it can only be channeled to these cold regions where it is so vitally needed.

The Congress and the committees having jurisdiction are to be commended for the efforts being made to assist in this crisis, and the State of Michigan wants to cooperate in every way to the end that no more suffering and hardship be imposed upon our cities than is absolutely essential under prevailing conditions. Certainly there can be no justification for shipping oil to Russia this winter. Why should we provide fuel and other commodities in short supply in this country, to any country, if by so doing the suffering is merely shifted from the citizens of that foreign country to our own citizens? There is a limit to American generosity. That limit is reached when we ship coal and oil abroad when our own people are suffering from cold.

HOME CONSTRUCTION AT LONG BEACH, CALIF.

Mr. BRADLEY. 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.

Mr. BRADLEY. Mr. Speaker, there has been so much talk about the high prices of newly constructed homes and so much blame placed upon the excessive profits of the builders that I believe it may greatly interest the House to know these actual figures from the records of one of the large home construction builders in Long Beach, Calif.

I went through a considerable number of these homes during recent months and I believe that they are well built and well adapted to the best standard of American living.

This particular builder is constructing four types of homes and I give you here the average figures for this construction:

Proposed selling price submitted to FHA.....	\$9,417.14
Allowed selling price by FHA.....	9,206.25
Actual selling price.....	8,987.50
Gross profit allowed by FHA per home.....	686.63
Actual apparent gross profit.....	257.44

Certainly one must appreciate that the builder found means of affecting economies under the submitted estimates in order to permit him to reduce his allowed profits so substantially, and it is apparent that he passed these savings on to the purchaser.

The pay-roll analysis of this same builder shows that labor costs, including all skills, but without supervision, were \$2.23 per hour, or \$17.84 per 8-hour day.

Including supervision these costs went to \$2.296 per hour, or \$18.37 per day.

Such figures as these should thoroughly discredit statements of the tremendous profits of reputable builders, at least in southern California.

THE GOOD ROAD

Mr. MUNDT. 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 Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, last night in Lisner Auditorium, along with a number of other Members of the House and of the other body, it was my privilege to see the dramatic revue, *The Good Road*, produced by the Moral Rearmament Group, which has come here from Switzerland for the purpose of making this dramatization available to us and other Americans.

Let me say to those who were not there last night that I hope you will arrange to go tonight and take your families. Tickets are available, without charge, from the office of the gentleman from New York [Mr. WADSWORTH]. I think *The Good Road* is a fine tonic for faint-hearted men who feel that war is inevitable, that lasting peace is impossible. They should see this program. It is something inspirational and worth while. I assure you you will find it good for what ails you. It was good for what ails me and it is good for what ails the whole wide world. I hope you and your families will avail yourselves of this rare opportunity. *The Good Road* is the highway of freedom; it is the path of Christian brotherhood; it is the straight road to peace through mutual understanding and decent, honest, reciprocal international relations.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his remarks in the Appendix of the Record and include an editorial from the *Evening Courier*.

THE PETROLEUM SHORTAGE

Mr. WOLVERTON. 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 New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, the Committee on Interstate and Foreign Commerce which has jurisdiction over petroleum matters, is aware of the unfortunate condition with respect to fuel shortage that exists in so many sections of our country. Starting last week the committee has held extensive hearings. We have had before the committee responsible representatives of the agencies of the Government that have to do with this matter, and this afternoon at 2 o'clock we are holding a session with the representatives of the several agencies of our Government together with representatives of the oil industry in the hope that some of the apparent conflicting opinions as to the cause of the shortage may be straightened out and some pro-

gram be adopted that will bring relief to the different sections of our country.

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

Mr. WOLVERTON. I yield.

Mr. McCORMACK. I think the House is indebted to the gentleman for the efforts he has made and for the statement he brings us today. We know he will do everything he can; but may I ask the gentleman if he will look into the power of any agency of the Government to allocate; I mean in case of an emergency, to see that fuel oil or kerosene is brought to the danger spots, no matter where they may be, the acute danger spots; and particularly whether or not the Maritime Commission has any authority in the sale of tankers to direct the use of those tankers in domestic trade or direct the use of the tankers to meet a particularly acute situation or emergency situation, but even acute within an emergency.

Mr. WOLVERTON. Mr. Speaker, I can assure the gentleman that the committee has already inquired into that matter. We are not satisfied with the answers that have been given. It would seem as if each department has a different explanation of the situation. Some individuals in the oil industry, on the other hand, claim there is plenty of oil. To such it therefore seems to be only a question of distribution. It is because of that fact and because there may be some lack of authority to do what the gentleman has suggested that we are holding this session this afternoon with all the interested parties in the hope that some plan can be worked out that will relieve the situation such as exists in the gentleman's State of Massachusetts, in New England, in the Midwest, and elsewhere.

Mr. MacKINNON. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended for 1 minute.

The SPEAKER. That request cannot be entertained.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. WOLVERTON. I yield.

Mr. HOFFMAN. As I understand it, the practical objective the committee has in mind is to get this oil out to the people of this country.

Mr. WOLVERTON. That is our endeavor.

Mr. HOFFMAN. Would that interfere in any way with our foreign-aid program?

Mr. WOLVERTON. Several situations have been presented to us which would indicate that careful consideration must be given to our domestic demands preliminary to embarking upon any extensive exportation to foreign countries. By way of illustration, the country to the north of us is receiving an extremely large additional amount of oil above what was previously the case. In matter of fuel oils I think I am correct in saying that during the first 9 months of this year more than 4,000,000 barrels have been exported to Canada as against a little over 1,000,000 barrels for the same period of 1946. That and also other instances are being looked into very carefully by your Committee on Interstate and Foreign Commerce.

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

Mr. WOLVERTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Can the gentleman tell me when he is going to report back on two resolutions I have introduced, one regarding coal cars on the Great Lakes and the other regarding information concerning the movement of oil and coal from the United States to Canada and other countries?

Mr. WOLVERTON. I may say to the gentlewoman from Massachusetts that the information with respect to coal and oil shipments and the distribution of tankers and cars for such purpose has been the subject of a hearing before our committee. The committee has not completed its study. It is endeavoring to do so at the earliest possible date. We appreciate the interest that has been displayed by the gentlewoman from Massachusetts.

The subject of her other resolutions, House Resolution 380 and House Resolution 395, is the basis of the hearings that have been held this past week and are being held at the present time.

Mrs. ROGERS of Massachusetts. The gentleman knows that after seven legislative days I have the right to bring those bills up in the House. It was for the information of the entire House that I introduced the resolutions because I felt that the coal and oil situation was a matter for consideration by the House.

Mr. WOLVERTON. Under the rules, the gentlewoman from Massachusetts could move to discharge the committee. What she would gain by such procedure is hard for me to see. I think credit should be given to the committee in that it is seeking by hearings, that are being held every day, to obtain the information that the gentlewoman from Massachusetts is interested in, and if she was aware of the testimony that was taken she would find it covers the situation. The committee will be glad to submit to the lady and any other Members of the House who are interested in the subject, all the testimony it has taken whenever desired.

As previously said, the Interstate and Foreign Commerce Committee has held hearings for several days in the course of which it has received testimony from representatives of Government as well as industry with respect to petroleum shortages. These hearings have been held in an attempt to develop a constructive plan to alleviate or at least minimize existing petroleum shortages.

The witnesses have addressed themselves both to the immediate situation and to the longer range problems affecting the adequacy of petroleum supplies.

A number of things stand out as far as the shortages are concerned.

The Government witnesses contend that the present shortages are due primarily to a basic inadequacy of petroleum products. The industry spokesmen who have appeared before this committee, on the other hand, deny the existence of a products shortage and place primary emphasis on transportation shortages. The committee feels emphatically that this basic disagreement must be resolved before a constructive plan can be de-

veloped to meet the existing shortages. It, therefore, must insist that all those who can contribute to the plan sought after by the committee be utterly candid as to the facts in the situation. In order to secure the needed degree of candidness, the committee has decided to call before it today, as I have already mentioned, a selected group of industry leaders and Government representatives concerned with various phases of petroleum production, distribution, and transportation. The group will meet with members of the committee in a round-table conference designed to bring out the correct facts and to devise a constructive plan to minimize the existing shortages.

The committee, in the course of its round-table conference will seek to secure answers to all the pertinent questions affecting the shortage of fuel oil in an attempt to make certain that nothing will be left undone to accomplish a fair and equitable distribution of available petroleum supplies. If it should appear that the industry is unable to handle these problems fairly and equitably, it may be up to the committee to seek by legislation ways and means of protecting the American people in this emergency situation.

The SPEAKER. The time of the gentleman from New Jersey has expired.

THE PETROLEUM SHORTAGE

Mr. MACKINNON. 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 Minnesota?

There was no objection.

Mr. MACKINNON. Mr. Speaker, I take this time to ask the gentleman from New Jersey [Mr. WOLVERTON], chairman of the Committee on Interstate and Foreign Commerce, if he will inform the House of the status of the present law insofar as it authorizes or does not authorize the Federal Government to allocate tank cars? Does the Federal Government presently have that authority or does it not?

Mr. WOLVERTON. It is my opinion it does have that authority.

Mr. MACKINNON. I thank the gentleman.

THE SO-CALLED MARSHALL PLAN

Mr. SCRIVNER. 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 Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, we are advised that tomorrow we will receive a rather voluminous message from the President of the United States on the so-called Marshall plan. I assume that it will then be known as the Truman foreign policy. I say "so-called Marshall plan" for the reason I have in my hand a copy of a letter, dated July 29, from the Secretary of State, in which he says: "These suggestions constitute neither a doctrine nor a plan." This statement confirmed the conclusion many of us had reached. I sincerely hope, Mr. Speaker, that the message will

disclose to us whether or not the nations of Europe have fulfilled the condition precedent to receiving our aid under the suggestion, namely, that they bring forth plans that will help them help themselves, not merely a list of gifts they desire to receive from us.

I also hope that the urgent needs of China as disclosed by General Wedemeyer and others will be fully discussed and brought to our attention. I trust that we may learn during the discussion the source of these suggestions that were brought to Secretary Marshall's desk by some person unknown and formed the basis of his remarks in his Harvard speech on June 5, which was thereafter called the Marshall plan.

THE PETROLEUM SHORTAGE

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

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

There was no objection.

Mr. POTTS. Mr. Speaker, the gentleman from Michigan [Mr. MICHENER] and the gentleman from New Jersey [Mr. WOLVERTON] have expressed justifiable concern over the fuel oil shortage in America this coming winter. In this connection I would like to say that the House Committee on Merchant Marine and Fisheries held extensive hearings early in 1947 as a result of a request of the administration to extend the authority of the Maritime Commission to charter tankers because of an expected fuel shortage this winter.

These hearings showed that a tremendous shortage of fuel oil could be expected in America this winter if something were not done about it. As a result of the President's request, the powers of the Maritime Commission were extended by Congress for the purpose of easing the situation, and in the closing days of July this House passed a resolution to require the Secretary of Commerce to certify that on any exports of petroleum products they were not required for the defense of the United States, or for the needs of the citizens of America, but despite that, shipments are still going to Russia.

FINANCING GERMAN OCCUPATION

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

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

There was no objection.

Mr. RICH. Mr. Speaker and Members of the House, I read from one of the morning papers:

UNITED STATES TO SHARE BRITISH ZONE RULE COST

After months of negotiation the United States finally agreed yesterday to take over most of the British dollar burdens in the combined zones of western Germany until the end of 1948.

The agreement as signed by Acting Secretary of State Lovett for the United States and Sir William Strang for Great Britain, calls for additional expenditure of about

\$400,000,000 by the United States in the coming year—\$800,000,000 for United States, \$115,000,000 for Great Britain.

Now, I want to say that it is about time that we find out why the State Department has the right to obligate us for everything that Great Britain wants. Great Britain is just taking us for a bunch of suckers, and we have a lot of suckers in the State Department that are just gullible enough to give them everything they want. It is about time that we clean house of these New Dealers in the State Department. They have been so used in the last 10 or 15 years to give the British what they want, and give everything we have away, there will be nothing left for our own people at home. You look at the Treasury Department statement, and you will find that we are \$1,045,000,000 in the red up to the 15th of this month for this year since July 1. Why, you cannot stand this terrible exorbitant drain on the United States. It is time to clean House, men in the State Department and General Marshall should have seen this before this time. The only way to stop up this drain is to elect a new President who will see that our State Department and every other department of Government is free from the New Deal squanderers—the ones who are giving us away to foreigners. You men will find that your house will fall upon you if you do not get wise and economize. You are wreckers of freedom to permit it.

PERMISSION TO EXTEND REMARKS AT THIS POINT

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

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

There was no objection.

Mr. CORBETT. Mr. Speaker, as many of the Members know I frequently conduct polls of public opinion in my congressional district. I have completed another such poll covering 12 vital questions. The answers received are extremely interesting and I recommend them as well worth the attention of everyone.

The method employed to secure these percentage answers is important. Questionnaires are sent out to a fixed number of registered voters in each of the 207 voting precincts of my district. The addresses are selected arithmetically and the Republicans and Democrats separately handled.

The basic idea of the poll is to secure sufficient answers to reduce the possibility of error to a minimum. We invariably find during the tabulations a point where additional answers do not affect the percentage answers. When that point is reached we feel that we have secured a satisfactory reading of the public's point of view on a given issue at a given time.

For your further information it should be noted that the Thirtieth Congressional District of Pennsylvania in which this poll is taken includes all of northern Allegheny County and four wards of the city of Pittsburgh. The registered voters of

the district are fairly evenly divided between Republicans and Democrats. The area includes many steel mills, coal mines, and some glass factories. It has large residential communities and an important number of small farms. As such and with a very heterogeneous population it provides a fairly good cross section of the United States.

The questions and percentage replies follow:

REPUBLICANS			
	Yes	No	
	Pct.	Pct.	
1. Should price ceilings be reestablished on selected commodities?.....	39	61	
2. Should rent controls be extended and strengthened?.....	66	34	
3. Should rationing of materials in short supply be restored?.....	33	67	
4. In the event that price ceilings are renewed, should a ceiling be placed on wages?.....	77	23	
5. Do you believe that it is possible to have wage and price ceilings in some selected industries and not in others?.....	14	86	
6. Do you believe that ceilings on wages and prices will slow up production?.....	55	45	
7. Do you believe that if wage and price ceilings are avoided that full production will restore reasonable prices on most commodities within 12 to 18 months?.....	61	39	
8. High prices are primarily the result of: (a) Presidential policies, (b) congressional policies, (c) economic factors. (Name the most important cause; underline the second most important.).....	(a) 42 (b) 15 (c) 43		
9. Do you favor the Marshall plan even if it sustains or increases the cost of living here?.....	57	43	
10. On the whole, do you approve of the work of the Committee on Un-American Activities?.....	87	13	
11. Do you regard the Taft-Hartley law as unfair to the average workingman?.....	12	88	
12. Do you favor a reduction of income taxes at all income levels for the coming calendar year?.....	69	31	
DEMOCRATS			
1. Should price ceilings be reestablished on selected commodities?.....	62	38	
2. Should rent controls be extended and strengthened?.....	75	25	
3. Should rationing of materials in short supply be restored?.....	53	47	
4. In the event that price ceilings are renewed, should a ceiling be placed on wages?.....	70	30	
5. Do you believe that it is possible to have wage and price ceilings in some selected industries and not in others?.....	24	76	
6. Do you believe that ceilings on wages and prices will slow up production?.....	38	62	
7. Do you believe that if wage and price ceilings are avoided that full production will restore reasonable prices on most commodities within 12 to 18 months?.....	41	59	
8. High prices are primarily the result of: (a) Presidential policies, (b) congressional policies, (c) economic factors. (Name the most important cause; underline the second most important.).....	(a) 18 (b) 32 (c) 50		
9. Do you favor the Marshall plan even if it sustains or increases the cost of living here?.....	60	40	
10. On the whole, do you approve of the work of the Committee on Un-American Activities?.....	76	24	
11. Do you regard the Taft-Hartley law as unfair to the average workingman?.....	40	60	
12. Do you favor a reduction of income taxes at all income levels for the coming calendar year?.....	59	41	

EXTENSION OF REMARKS

Mr. SARBACHER (at the request of Mr. GRAHAM) was given permission to extend his remarks in the RECORD and include an editorial.

INFLATION LEGISLATION

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

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

There was no objection.

Mr. BUCK. Mr. Speaker, the appropriation for European aid which we voted yesterday is a further force toward inflation and high living cost. I will oppose adjournment of this special session until the Congress has enacted countermeasures which, in the opinion of the majority, are anti-inflationary curbs on the cost-of-living spiral.

May I also say that I attended the performance of The Good Road last night. It is good theater, good entertainment, and good for the soul. I recommend it unreservedly.

SHORTAGE OF FUEL OIL

Mr. DOUGHTON. 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 North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, a most serious, in fact desperate, situation exists in North Carolina, as well as many other States today, caused by the lack of fuel oil to heat the homes of our people. Many home owners are without any heat whatever, and conditions are growing more desperate every hour.

The oil companies are holding out little or no hope of early relief. If relief is not speedily afforded, the Government, of necessity, must do something. Excuses do not satisfy, and alibis do not explain.

I read a telegram received this morning, which is similar to many others I have received on this subject:

Unnecessary to look to Europe for suffering and cold. Situation of fuel oil here desperate. Surely time arrived for own peoples to have some consideration. Charity should start at home.

If we do not do something, we will be classed with that person referred to in the Scriptures as "He that provideth not for his own household hath denied the faith and is worse than an infidel."

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, in view of the fact that so little accurate information is reaching the Congress and the people of this country on the situation in the Near East, I ask unanimous consent to extend my remarks in the RECORD and include a letter I have received from Aleppo.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the needs of the National Park Service and the Fredericksburg and Spotsylvania County, Va., National Military Park.

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

There was no objection.

Mr. BLAND. Mr. Speaker, I further ask unanimous consent to extend my re-

marks in the Appendix of the RECORD and to include therein an address delivered by Walter Lippmann before the Alpha Chapter of Phi Beta Kappa at the one hundred and seventy-first anniversary of the organization of Phi Beta Kappa at William and Mary College. The dinner and public meeting was held on December 5, 1947, and the address was on the subject Philosophy and United States Foreign Policy.

It is estimated that it will make two and one-fourth pages of the CONGRESSIONAL RECORD, at a cost of \$159.75. Notwithstanding the space and the cost, the address is highly interesting, and I ask unanimous consent to extend it in the Appendix of the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial that appeared in the Tribune of Lawrence, Mass.

Mr. HUBER asked and was given permission to extend his remarks in the RECORD and include a Christmas greeting.

DEVELOPMENT OF THE NATION'S WATER POWER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a bill I have introduced.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, our sympathies, of course, go out to the people of the Northeast who are suffering for the want of coal.

They would be in a much worse predicament if it had not been for a few of us in this House, and in the Senate, who have fought for years for the development of our water power.

The power generated by the TVA on the Tennessee River and its tributaries amounts to 12,000,000 kilowatts a year. It would take 6,000,000 tons of coal to generate that much power. That amount of coal is released by the TVA for the benefit of the rest of the Nation.

There are 230,000,000,000 kilowatts of electricity going to waste every year in our navigable streams and their tributaries from Maine to California.

It would take 115,000,000 tons of coal a year to generate the amount of electricity that water power would provide.

The development of Boulder Dam and the development along the Columbia River probably produce an amount of electricity that it would take something like 30,000,000 to 50,000,000 tons of coal to provide.

For years I have advocated developing all the water power of this Nation in order to take care of this country, not only now, but for generations to come. I sincerely trust that the rest of the Congress may come around to my way of thinking.

When you realize that in the Ohio River there is sealed up approximately

10,000,000,000 kilowatts of electricity a year, in a State where the coal supply is diminishing, and on the St. Lawrence 12,000,000,000 kilowatts of electricity are going to waste each year in an area that has no coal—to say nothing of the other streams throughout the country whose water power is going to waste.

The greatest wealth of this Nation outside of the soil, from which we live, is our water power. We should develop it and provide electricity for the American people at the lowest possible rates.

Under permission granted me to extend my remarks, I insert a bill I introduced to develop the water power of the entire Nation.

It reads as follows:

H. R. 502

A bill to provide for the creation of conservation authorities, and for other purposes

Be it enacted, etc., That this act may be cited as the Conservation Authorities Act of 1945.

PURPOSE AND POLICY OF THE ACT

Sec. 2. It is the purpose and policy of this act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, the reclamation of the public lands, and the generation, sale, and distribution of electric energy, in order to promote agriculture, to improve living conditions, to aid and protect commerce among the several States, to strengthen the national defense, to conserve the water, soil, and forest resources of the Nation, to stabilize employment and relieve unemployment, and otherwise to protect and promote the national interest.

CONSERVATION AUTHORITIES

Sec. 3. (a) To carry out the purposes of this act, there are hereby created the following incorporated conservation authorities, which shall be agencies and instrumentalities of the United States: (1) The Atlantic Seaboard Authority, for the drainage basins in the United States of the rivers flowing into the Atlantic Ocean and of the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Suwanee River; (2) the Great Lakes-Ohio Valley Authority, for the drainage basins in the United States of the rivers flowing into or from any of the Great Lakes, the Niagara and the St. Lawrence Rivers, and of the Ohio River, except the drainage basins of the Tennessee and Cumberland Rivers, and of the rivers flowing into the Mississippi River above Cairo, Ill., from the east; (3) the Tennessee Valley Authority, for the drainage basins of the Tennessee and Cumberland Rivers, of the rivers flowing into the Mississippi River below Cairo, Ill., from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the basin of the Suwanee River; (4) the Missouri Valley Authority, for the drainage basins within the United States of the Missouri River and the Red River of the North and of the rivers flowing into the Mississippi River above Cairo, Ill., from the west; (5) the Arkansas Valley Authority, for the drainage basins within the United States of the Arkansas, Red, White, and Rio Grande Rivers, of the rivers flowing into the Mississippi River below Cairo, Ill., from the west, and of the rivers flowing into the Gulf of Mexico west of the Mississippi River; (6) the Southwestern Authority, for the drainage basins within the United States of the rivers flowing into the Great Basin; that is, the drainage basins of the rivers in the western United States having no outlet to the sea; (7) the Columbia Valley Authority, for the drainage basins within the United States of the Columbia

River and the rivers flowing into the Pacific Ocean north of the California-Oregon line; (8) the California Authority, for the drainage basins within the United States of the rivers flowing into the Pacific Ocean south of the California-Oregon line; and (9) the Colorado Valley Authority, for the drainage basin within the United States of the Colorado River: *Provided, however,* That nothing in this act shall be construed to limit the functions, powers, or duties of the Mississippi River Commission as created and now functioning under the act of June 28, 1879 (ch. 43, secs. 1 to 7, inclusive, 21 Stat. 37), as amended, and as compiled in sections 641 to 651, inclusive, of title 33 of the United States Code. The President shall from time to time more specifically define or redefine the territorial boundaries of the Authorities as he finds necessary or appropriate to facilitate the regional development, integration, and coordination of plans, projects, and activities as in this act provided and to obtain the advantages of natural and economic boundaries.

(b) Each authority shall maintain its principal office at a convenient place in its respective geographic region and shall, upon the selection of the location of a principal office, file with the Secretary of State public notice of its selection of such location.

(c) Within 6 months after the enactment of this act, the Columbia Valley Authority shall take over the Bonneville project, on the Columbia River in Oregon, and all powers, rights, duties, functions, obligations, liabilities, and personnel of the Columbia River Administrator created by and now functioning under the act entitled "An act to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes," approved August 20, 1937, as amended. Such Administrator shall thereupon take all action necessary or appropriate to transfer to such Authority possession and control of the properties and activities of such Administrator. The Bonneville project together with all activities of such Administrator shall thereupon be deemed entrusted under this act to the Columbia Valley Authority, and all unexpended moneys and appropriations of such Administrator shall thereupon be transferred to such Authority and shall be available for expenditure by such Authority under the terms of this act; and such act of August 20, 1937, as amended, shall be deemed repealed.

(d) The Tennessee Valley Authority shall be the Tennessee Valley Authority as created and now functioning under the Tennessee Valley Authority Act of 1933, as amended, and as extended under this act, and shall have all the powers, rights, duties, and functions in such act, in this act, or in any other law provided; but nothing herein shall be construed to limit the carrying out of the purposes of the Tennessee Valley Authority Act of 1933, as amended, or to limit the powers and rights of the Tennessee Valley Authority in respect of, or to affect the continuity of, the functions, activities, obligations, liabilities, accounts, funds, revenues, receipts, or personnel of the Tennessee Valley Authority under such act. Insofar as applicable, the provisions of the Tennessee Valley Authority Act of 1933, as amended, and any other law relating to the Tennessee Valley Authority, in addition to the provisions of this act, shall extend to the geographic region added by this act to the region of the Tennessee Valley Authority. The board of the Tennessee Valley Authority shall be the board of the Tennessee Valley Authority as now constituted, and the directors thereof shall hold office pursuant to the Tennessee Valley Authority Act, as amended. Successors to such directors shall be appointed and hold office pursuant to such act.

(e) The President is authorized, whenever in his judgment the purposes of this act and the interests of economy and efficiency will be served thereby, to transfer from any de-

partment or agency of the United States, and entrust to the appropriate authority, the control and operation of any dam (together with appurtenant works) constructed, under construction, or hereafter constructed by or on behalf of the United States. In connection with any such transfer, the President may make such provision as he deems necessary or appropriate for the transfer to such authority of unexpended balances of appropriations available for use in respect of the project, together with personnel, equipment, and any powers, duties, and obligations pertaining thereto.

ORGANIZATION OF THE AUTHORITIES

Sec. 4. Each authority shall be directed and controlled by an administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, except the Tennessee Valley Authority, which shall continue as at present constituted. All other officers, employees, and agents of an authority shall be appointed or designated by the authority. The term of office of each administrator shall be 7 years. Any administrator appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The administrative officer of each authority next highest in rank to the administrator may be designated by the administrator as deputy administrator and shall perform the duties of the administrator, in the event of the absence or sickness of the administrator, until such absence or sickness shall cease, and, in the event of a vacancy in the office of administrator, until a successor is appointed. Each administrator shall be a citizen of the United States and shall receive a salary at the rate of \$10,000 a year, to be paid by the authority as current expenses, and each administrator shall be reimbursed by the authority for actual expenses (including traveling and subsistence expenses) incurred by him in the performance of his duties. No administrator shall, during his continuance in office, be engaged in any other business, and each administrator shall devote himself to the work of the authority. No administrator shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935. No person shall be appointed an administrator unless he professes a belief in the feasibility and wisdom of this act. Each administrator shall report to the President in such a manner as the President may direct.

CORPORATE POWERS OF THE AUTHORITIES

Sec. 5. Subject to the provisions of this act, each authority—

(1) Shall have succession in its corporate name;

(2) May sue and be sued in its corporate name; and may bring such suits, at law or in equity, as it deems necessary or appropriate in carrying out the purposes of the authority under this act or any other law of the United States;

(3) May adopt and use a corporate seal, which shall be judicially noticed;

(4) May adopt, amend, and repeal by-laws;

(5) Shall have power to acquire, by purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of any personal property or interest therein, as the authority deems necessary or appropriate in carrying out the purposes of the authority under this act or other law of the United States; and may, subject to the prior approval of the President, sell, lease, or otherwise dispose of such real property or interest therein as in

the judgment of the authority is no longer necessary in carrying out the provisions of any such law: *Provided however*, That no authority shall dispose of any real property on which there is a permanent dam, hydraulic power plant, fertilizer plant, or munitions plant, heretofore or hereafter constructed by or on behalf of the United States or an authority. The title to all real property shall be taken in the name of the United States, and thereupon such real property shall, for the purposes of this act, be entrusted to the authority as agent for the United States;

(6) Shall have power to enter into such contracts and agreements, and to do such acts and things, as the authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

COORDINATION AND INTEGRATION OF PLANS, PROJECTS, AND ACTIVITIES

SEC. 6. (a) The authorities shall be subject to the supervision of the President for the purpose of insuring appropriate conformity of regional policies and operations to a national policy, and appropriate coordination of regional activities, having due regard for regional and local requirements and conditions. In exercising such supervision the President may consult and advise with a council consisting of the Director of the Budget, the Chairman of the National Resources Committee, and such representatives designated by the President from such other departments and agencies of the United States as the President deems advisable, and one director from each authority designated from time to time by such authority.

(b) With a view to the coordination and integration of projects, activities, and integrated regional developments for the purpose of increasing efficiency and eliminating waste and duplication of effort, each authority shall study and survey the projects and activities, within the region of such authority, of the departments and agencies of the United States relating to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, and shall study and survey the regional developments of such departments and agencies for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Each authority insofar as practicable shall endeavor to coordinate and integrate such projects, activities, and regional developments by devising and effecting arrangements for the cooperation of the field offices and services of the departments and agencies of the United States. Each authority insofar as practicable shall consult and cooperate with the field offices and services of such departments and agencies and may call upon such field offices and services for any information or data relevant to such projects, activities, or regional developments, and it shall be the duty of such departments and agencies to have their field offices and services take such action as may be necessary or appropriate fully to cooperate with each authority.

(c) Each authority insofar as practicable shall consult and cooperate with the States and with public and cooperative agencies, in the making of studies, the collecting of information and data, and the development of plans for carrying out the purposes of this act. Each authority may make available to the departments and agencies of the United States and to the States and the people thereof, and to public and cooperative agencies, such information, studies, and recommendations as it deems necessary or appropriate to enable public and cooperative agencies

to avail themselves of the preferential rights and priorities afforded by section 10 of this act, and such other information and studies, and such recommendations for State legislation, as the authority deems advisable to aid in carrying out the purposes of this act. Each authority shall have power to constitute one or more regional or local advisory committees to advise the authority generally or upon specific matters.

(d) There shall be included in the plans submitted to the President by each authority under section 7 such recommendations as the authority deems necessary or appropriate (1) for the economic and efficient cooperation among Federal, State, regional, and local department and agencies, and (2) for further legislation to promote the development, integration, and coordination of projects and activities under this act and otherwise to effectuate the purposes of this act.

SUBMISSION OF PLANS TO THE PRESIDENT AND THE CONGRESS

SEC. 7. (a) Each authority shall, not later than October 15 of each year, submit to the President plans for the construction and undertaking, during the succeeding governmental fiscal year, of projects and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, the reclamation of the public lands, and the generation, sale, and distribution of electric energy, and such further plans for integrated regional developments as each authority finds necessary or appropriate in the national public interest for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of irreparable waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Such plans shall indicate the order of preference and priority of the projects and activities.

(b) If the President, after such study and investigation as he shall require by the Director of the Budget, the National Resources Committee, and such other departments and agencies of the United States as the President deems advisable, approves such plans, or any of them or any part thereof, as necessary or desirable in carrying out the purposes of this act, the President shall refer such plans to the Congress with his recommendations. The President may at any time request an authority to submit to him, for reference to the Congress, plans for such projects or activities as in his judgment may be necessary or desirable in carrying out the purposes of this act; and the authority, as soon as practicable, shall submit such plans to the President. In the case of plans (such as those for the conservation of surface and subsurface moisture and the prevention of wind erosion in the Great Plains) which involve integrated developments traversing the geographic region of two or more authorities, the President may assign or reassign the duty of working out such plans to any one of such authorities as he finds necessary or appropriate to obtain the advantages of natural and economic boundaries in the planning of such integrated developments.

PREPARATION OF PLANS

SEC. 8. (a) Plans submitted to the President by each authority pursuant to section 7 shall include such projects and activities, and such recommendations for the construction and undertaking thereof, as the authority finds adapted to the conservation and integrated development and utilization of water, soil, and forest resources for the following purposes:

(1) The promotion of navigation by, among other means, the improvement of the channels of navigable rivers and their

tributaries; the prevention of siltation of such waters; the regulation of stream flow; and the development and coordination of navigation facilities.

(2) The control and prevention of floods to prevent destruction and interference with navigation, the facilities of interstate commerce, and the properties and functions of the United States, with due regard to the maximum protection of life and property, by, among other means, the storage control, and disposition of flood and surplus waters, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Plans for such purposes shall include, among other things, dams, reservoirs, levees, spillways, and floodways; improved methods and conditions of soil conservation, utilization, fertilization, and cultivation; and the conservation of forests and afforestation and reforestation of lands. In the case of plans involving the production of fertilizers or fertilizer ingredients, such plans, insofar as practicable, shall provide for the construction and operation of plants and equipment in such manner as will make them of maximum usefulness for the production of munitions of war materials in time of war.

(3) The safeguarding of navigable waters and their use by, among other means, the prevention and abatement of pollution of navigable streams and their tributaries, and the provision of sewage disposal and water purification works and structures and facilities in connection therewith.

(4) The reclamation of arid or swampy public lands by, among other means, the irrigation and drainage and the economic development and use of such lands.

(5) The generation, utilization, transmission, sale, and distribution of electric energy in furtherance of the purpose and policy of this act.

(b) So far as may be consistent with or necessary or appropriate for the promotion of navigation, the control and prevention of floods, the safeguards of navigable waters, and the reclamation of the public lands, as provided in subsection (a), plans shall give due regard to the following among other considerations: (1) The present and future development, conservation, and utilization of water for power, irrigation, and other beneficial uses; (2) the prudent husbandry of soil, mineral, and forest resources and their conservation for recreation, the protection of wild game, and other beneficial uses; (3) the urgency of preventing irreparable waste of the Nation's resources from droughts, winds, dust storms, and soil erosion; (4) the integration and interconnection of projects and activities, the development of their multiple purposes, and the equitable distribution of the benefits thereof; (5) equitable contributions to cost by States and subdivisions and agencies thereof specially benefited by the projects and activities; (6) equitable contributions, from the revenues of a project or otherwise, to compensate States and subdivisions and agencies thereof for special losses, not offset or mitigated by benefits, which may be occasioned by the carrying-out projects; and (7) such economic, social, and cultural values as may be affected or furthered by the projects and activities.

(c) Plans may include not only projects and activities to be constructed or undertaken by the various departments and agencies of the United States solely from funds of the United States; but also projects and activities to be constructed or undertaken by such departments and agencies with contributions by State, local, or regional agencies; and projects and activities to be constructed or undertaken by such State, local, or regional agencies with contributions by the United States. Plans shall set forth the recommendations of the authority regarding such contributions and regarding the construction and undertaking of such projects and

activities as between the departments and agencies of the United States and State, local, and regional agencies.

(d) Plans shall classify the various construction projects with a view to the construction of projects in the order of their urgency so as most beneficially to promote the national welfare by stabilizing employment and relieving unemployment. Plans for reserved or less urgent projects shall be completed as expeditiously as possible, and shall be modified from time to time as circumstances warrant so that such plans shall be available for prompt action whenever necessary to prevent or abate business depression and widespread unemployment or for any other purpose of this act. In the development and modification of plans, due regard shall be given to changing economic, industrial, and social conditions and to advantages offered by technological and other developments.

(e) Each authority shall have power to acquire, construct, operate, maintain, and improve such laboratories and experimental stations, and to undertake such educational, research, and demonstrational work, as the authority deems necessary or appropriate to develop its plans, to test or demonstrate the feasibility of such plans, or more efficiently to develop and carry out any project or activity entrusted to the authority pursuant to this or any other act of the Congress.

POWERS AND DUTIES OF AN AUTHORITY IN THE CASE OF PROJECTS AND ACTIVITIES WHICH ARE OR MAY BE ENTRUSTED TO SUCH AUTHORITY

Sec. 9. (a) Whenever, pursuant to this or any other act of the Congress, any project or activity (of a type in respect of which an authority is authorized to prepare plans under section 8) is entrusted to an authority, such authority, except as the Congress may otherwise provide, shall have such powers as may be necessary or appropriate to construct, operate, and carry out such project or activity so as to accomplish the purposes and to fulfill the requirements specified in subsections (a) and (b) of section 8, including the power (to the extent necessary or appropriate to construct, operate, or carry out such project or activity entrusted to it, and works and facilities incidental thereto)—

(1) To acquire, construct, operate, maintain, and improve dams, locks, reservoirs, levees, spillways, floodways, fishways, conduits, canals, roads, roadways, docks, wharves, terminals, sewage-disposal and water-purification works, and recreation facilities, and structures, equipment, and facilities incidental thereto: *Provided, however,* That all dams, locks, lifts, and appurtenant works shall be constructed, operated, and maintained under the direction of the Secretary of War and the supervision of the Chief of Engineers.

(2) To acquire, construct, operate, maintain, and improve such canals, conduits, powerhouses, transmission lines, rural electric lines, and substations, and such machinery, equipment, structures, and facilities for the storage and transportation of water or for the generation and transmission of electric energy as the authority deems necessary or appropriate to supply existing and potential markets: *Provided,* That the Chief of Army Engineers shall provide, construct, operate, maintain, and improve such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop such electric energy as rapidly as markets may be found therefor.

(3) To develop and provide such methods and conditions of water and land utilization as the authority deems necessary or appropriate to prevent and abate floods and droughts.

In order further so to effectuate such primary purposes in the construction and operation of dams for projects entrusted to an authority, provision shall be made, insofar as practicable, in the construction of any

such dam, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water power at such dam and to make possible the economical development of water power at such dam.

(b) Whenever, pursuant to this or any other act of the Congress, a project or activity is entrusted to an authority, such authority is authorized, if in its judgment the interests of economy and efficiency will be served thereby, to construct or operate such project or conduct such activity through, or in conjunction with, other departments and agencies of the United States, or in conjunction with States or subdivisions or agencies thereof, or other public or cooperative agencies. The departments and agencies of the United States are hereby authorized to participate in the construction or operation of such projects or the conduct of such activities on terms mutually agreeable to such department or agency and the authority.

(c) The electric energy generated at any such project which is not required for the operation of such project and activities in connection therewith shall be delivered to the administrator of the authority, for disposition as provided in this act.

DISPOSITION OF WATER AND WATER POWER

Sec. 10. (a) Whenever, pursuant to this or any other act of the Congress, there is entrusted to an authority a project at which electric energy is or will be generated or at which salable water is or will be stored, such authority shall make such arrangements and take such action as may be necessary or appropriate for the disposition of such of the electric energy and water as is not required for the operation of the dams, locks, and lifts at such project, or the navigation, sewage-disposal, or water-purification facilities in connection therewith, and, in the case of reclamation projects, as is not required for reclamation of the public lands. There shall be allotted to the War Department, without charge, so much of the electric energy generated at any such project as in the judgment of the War Department may be necessary for carrying out the functions and duties of such Department in connection with such project.

(b) To encourage the widest possible use of available electric energy and water, to provide adequate markets and outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the authority shall acquire, construct, operate, maintain, and improve such canals, conduits, electric transmission lines, rural electric lines, substations, and other structures and facilities as it deems necessary or appropriate to bring electric energy, or water, available for sale, from such project to existing and potential markets, and, in the case of electric energy, to interconnect such project with other Federal projects for the disposition or interchange of electric energy. To provide for emergencies, break-down relief, and increased safety and economy in operations, the authority may enter into contracts upon suitable terms with public and private power systems for mutual interchange of electric energy and for reciprocal use of transmission facilities.

(c) To insure the disposition of the electric energy developed and water stored at a project for the benefit of the general public, and particularly of domestic and rural consumers, the authority shall, in disposing of electric energy and water, give preference and priority to States, districts, counties, and municipalities, including agencies or instrumentalities thereof or of two or more States (in this act called public agencies), and to cooperative and other organizations not organized or administered for profit but primarily for the purpose of supplying electric energy or water to their members as nearly as possible at cost (in this act called cooperative

agencies). In the event of competing applications by public or cooperative agencies (whether or not formally organized), on the one hand, and other persons or agencies, on the other hand, the authority, in order to preserve and protect the preferential rights and priorities of such public and cooperative agencies, shall allow to people and communities within transmission distance of such project reasonable opportunity and time to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy or water, including reasonable opportunity and time to create and finance such public or cooperative agencies under the laws of the several States.

(d) Subject to the provisions of this act, each authority may enter into contracts for the sale at wholesale of electric energy and water, whether for resale or direct consumption to public and cooperative agencies and to private agencies and persons; and each authority may sell electric energy directly to farms and in rural communities which the authority finds are not adequately serviced with electric energy at reasonable rates. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Such contracts shall contain appropriate provisions, to be agreed upon between the authority and the purchaser, for the equitable adjustment of rates at appropriate intervals. In the case of contracts with private agencies or persons who resell the bulk of the electric energy or water purchased, the contracts shall contain appropriate provisions authorizing the authority to cancel the contract, or authorizing the authority to cancel the contract in part, upon 2 years' notice in writing whenever in the judgment of such authority there is reasonable likelihood that part of the electric energy or water purchased under such contract will be needed to satisfy the preferential rights and priorities of public or cooperative agencies under this act. Contracts entered into under this subsection shall contain such terms and conditions, including, among other things, stipulations concerning resale and resale rates, as the authority deems necessary or appropriate to effectuate the purposes of this act, to insure that resale to the ultimate consumer shall be at rates which are reasonable, just, fair, and nondiscriminatory, or otherwise to provide adequate markets and outlets for electric energy and water.

(e) Rate schedules for the sale of electric energy and water by an authority shall be prepared from time to time by such authority. Subject to the provisions of subsection (f), the authority shall fix such rate schedules as the authority finds necessary or appropriate to provide adequate markets and outlets for electric energy and water and to encourage the widest possible use of electric energy and water, having regard (upon the basis of the application of such rate schedules to the capacity of the contemplated electric or water facilities of the authority or of a project of the authority) to the recovery of the cost of generating and transmitting such electric energy or storing and transporting such water, including appropriate reserves for maintenance and upkeep and the amortization of the capital investment over a reasonable period of years. Upon the amortization of such capital investment, rate schedules shall from time to time be revised and reduced to the fullest extent economically feasible. In order to distribute the benefits of integrated transmission systems and to promote the equitable distribution of electric energy, rate schedules shall provide for uniform rates, or rates uniform throughout prescribed transmission areas.

(f) Whenever, pursuant to this or any other act of Congress, there is entrusted to an authority any multiple-purpose revenue-producing project, or whenever thereafter capital expenditures are made in connection with any such project, such authority shall make a thorough investigation of such project for the purpose of allocating the cost of such project, or such capital expenditures, among the various purposes served thereby—such as navigation, flood control, irrigation, power development, or other types of development, as the case may be. Costs of facilities having a value only for one purpose shall be allocated to that purpose; costs of facilities having a joint value for more than one purpose shall be equitably allocated among such purposes in such manner as the authority deems necessary or appropriate to promote a sound national economy, to encourage the widest possible economic use of water for irrigation and of electric energy for domestic, rural, and industrial needs, and to avoid the imposition upon any one purpose of a greater share of joint costs than such purpose may fairly bear. The authority shall also determine the appropriate periods and rates of amortization to be applied to the capital investment allocated to a revenue-producing purpose. The allocation of costs and the periods and rates of amortization so determined by the authority shall be subject to the approval of the President, and as approved by the President such allocations of costs and such periods and rates of amortization shall be used in keeping the books of the authority.

STATE COMPACTS

Sec. 11. (a) The consent of the Congress, subject to the provisions of this section, is hereby given the several States to enter into agreements and compacts between or among any two or more States (1) to further and supplement on behalf of the States the purposes of this act; and (2) to carry out on behalf of the States appropriate projects and activities in relation thereto. Any such agreement or compact shall not become effective or binding upon the States party thereto unless and until it shall have been submitted to and approved by the authority within whose geographic region the projects or activities contemplated by such agreement or compact are to be carried out. Such authority shall approve any such agreement or compact if it finds such agreement or compact, and the projects and activities contemplated thereby, to be feasible, practicable, and appropriate to and consistent with the policies and purposes of this act. The appropriate authority shall, insofar as practicable, cooperate with and furnish information and assistance to the States for the purpose of negotiating, entering into, and carrying out agreements and compacts pursuant to this section.

(b) In case of any doubt as to the authority having jurisdiction over any matter under this section, the President shall upon application designate the appropriate authority to have such jurisdiction.

APPROVAL OF PRIVATE PROJECTS

Sec. 12. (a) To insure the integrated and coordinated promotion of navigation, control, and prevention of floods, safeguarding of navigable waters, reclamation of the public lands, and protection of property of the United States, no dam, appurtenant works, sewer, dock, pier, wharf, bridge, trestle, landing, pipe, building, float, or other or different obstruction or polluter affecting navigation, the use of navigable waters, flood control and prevention, the public lands, or property of the United States, shall be constructed, or thereafter operated or maintained, over, across, along, in, or into any navigable stream or any tributary thereof, except in accordance with plans for such construction, operation, and maintenance which shall theretofore have been submitted to and approved by the authority within

whose geographic region such obstruction or polluter is to be constructed, operated, or maintained. The requirements of this section shall be in addition to the requirements of all other applicable laws of the United States or of any State; and any approval, license, permit, or other sanction required by any provision of any such law or laws for the construction, operation, or maintenance of any such obstruction or polluter or any part thereof (except such as may be constructed, operated, or maintained by an authority under this act or other law of the United States) shall be required as in such law provided.

(b) The authority having jurisdiction over any application under this section may bring appropriate proceedings in a district court of the United States to enjoin any violation of this section within the territorial jurisdiction of such district court, or to require the removal of any obstruction or polluter constructed, operated, or maintained within such jurisdiction in violation of this section; and upon a proper showing a temporary or permanent injunction or decree shall be granted without bond.

(c) In case of any doubt as to the authority having jurisdiction over any matter under this section, the President shall upon application designate the appropriate authority to have such jurisdiction.

CONSTRUCTION OF DAMS BY OR ON BEHALF OF THE UNITED STATES

Sec. 13. In the case of any dam under construction or hereafter constructed by or on behalf of the United States, provision shall be made, insofar as practicable, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water power at such dam and to make possible the economical future development of water power at such dam. In the event that the officer, department, or agency of the United States in charge of the construction of any such dam determines that provision for such foundations, sluices, penstocks, or other works is not necessary or appropriate in connection with such dam, such officer, department, or agency shall forthwith make a report of such determination, accompanied by a statement of the findings, reasons, and other pertinent matters in respect thereof, to the President, and the President shall take such action as he deems necessary or appropriate in the public interest. In the case of any doubt as to the officer, department, or agency of the United States charged with responsibility for appropriate action under this section, the President shall designate the appropriate officer, department, or agency to assume such responsibility.

EMPLOYMENT AND EMPLOYEE COMPENSATION

Sec. 14. (a) For the purposes of this act, each authority may select, employ, and fix the compensation of such officers, attorneys, engineers, special consultants, and experts as it deems necessary to carry out the functions and duties of the authority, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States. Each authority may, subject to the civil-service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the authority and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Each authority shall define the duties of its officers and employees, require bonds of such of them as the authority may designate, and provide a system of organization to fix responsibility and promote efficiency. Subject to the laws of the United States regarding employees of the United States, each authority shall deal collectively with its employees through representatives of their own choosing.

(b) In the appointment, selection, classification, and promotion of officers and em-

ployees of an authority, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any director of an authority who is found by the President to be guilty of a violation of this subsection shall be removed from office by the President, and any appointee of an authority who is found by such authority to be guilty of a violation of this subsection shall be removed from office by such authority.

(c) The provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, and as compiled in sections 751 to 796, inclusive, of title 5 of the United States Code, shall apply to persons given employment by an authority under the provisions of this act, or any other law of the United States; and the remedies afforded by such act of September 7, 1916, as amended, shall be exclusive and in lieu of any other remedy.

(d) All contracts to which an authority is a party and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of buildings, dams, or other structures or facilities shall contain a provision that not less than the prevailing rate of wages for work of a similar nature in the vicinity shall be paid to such laborers or mechanics. Any such contract shall further provide that such contract shall, in the case of any violation of such provision, be voidable at the election of the authority and that the authority may in its discretion withhold payment under such contract of such amounts as the authority determines to be equal to the difference between the sums paid and the sums required to be paid such laborers and mechanics. Any amount so withheld shall be paid by the authority, pursuant to such conditions and regulations as the authority may prescribe, to the laborers and mechanics found by the authority to be entitled thereto. When such work is done directly by an authority, not less than such prevailing rate of wages shall be paid therefor.

PURCHASES AND AUDITS

Sec. 15. (a) All purchases and contracts made by an authority for supplies or services, other than personal services, shall be made after advertising in such manner and at such times, sufficiently in advance of opening bids, as the authority deems adequate to insure appropriate notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, or supplemental equipment or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in the purchase of supplies or procurement of services does not exceed \$500; in any such case the purchase of such supplies or procurement of such services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the authority shall give the consideration to such factors as relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and whether the bidder has complied with the specifications.

(b) Each authority shall have power to determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, paid, and audited, except that the Comptroller General of the United States shall audit the accounts of each authority at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his

selection. In such connection the Comptroller General and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the authority, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. The Comptroller General shall make report of each such audit in triplicate, one copy for the President, one for the authority, and the other to be retained by him for the uses of the Congress. No such report, however, shall be made by the Comptroller General until the authority shall have had reasonable opportunity to examine any exception or criticism of the Comptroller General or the General Accounting Office, to point out, explain, and answer errors therein, and to file in triplicate a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the General Accounting Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the authority as billed by the Comptroller General. Each authority shall have power to make such expenditures for such offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing, and attendance at meetings, and such other facilities and services as the authority deems necessary or appropriate to carry out the purposes of such authority under this act or any other law of the United States.

REPORTS AND ACCOUNTS

SEC. 16. (a) Each authority shall submit to the President and to the Congress, in December of each year, (1) a financial statement and complete report of the business of the authority for the preceding governmental fiscal year, and (2) a complete report on the status and progress of all its projects and activities since the creation of such authority or the date of its last such report.

(b) Each authority shall at all times keep complete and accurate accounts of all operations, including all funds expended or received for the account of the authority. Such accounts shall be kept in such manner as appropriately to segregate, insofar as practicable, the accounts in respect of the different classes of operations, projects, and activities of the authority.

VENUE AND JURISDICTION; INJUNCTIONS AND UNDERTAKING

SEC. 17. (a) Each authority shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of the judicial district in which its principal office is located at the time of the commencement of suit. The district courts of the United States shall have original jurisdiction, without regard to the amount in controversy, over any proceeding at law or in equity brought by or against an authority under this act or any other law of the United States. Any proceeding at law or in equity brought against an authority in a State court may be removed by the authority to the district court of the United States for the district in which the proceeding is pending, and, to effect such removal, it shall not be necessary that any other party or parties defendant join in the petition for removal. Except as otherwise provided in this subsection, the procedure for removal shall be according to the applicable laws of the United States relating to removal.

(b) Notwithstanding any other provision of law, the district court of the United States for the judicial district in which the principal office of an authority is located at the time of the commencement of suit shall have

exclusive jurisdiction of all proceedings at law or in equity against such authority, or any director, officer, employee, or agent of such authority, in which there is drawn in question the validity of this act or any other law of the United States, or the validity of any act or conduct of such authority or such director, officer, employee, or agent done pursuant to or under color of this act or any such other law; and no other court of the United States, and no court of any State, shall have jurisdiction of any such cause now pending or hereafter commenced without the express consent of such authority and of any such director, officer, employee, or agent.

(c) Except upon the condition that there shall first have been filed an undertaking or bond as in subsection (d) provided, no court of the United States shall have jurisdiction to issue, or shall issue, a temporary or permanent injunction enjoining any authority, or any director, officer, employee, or agent of an authority, from doing any act or thing pursuant to or under color of this act or any other law of the United States; or a temporary or permanent injunction directly or indirectly enjoining any person, any public or cooperative agency, or any organization from purchasing water or electric energy from any authority; or a temporary or permanent injunction which in any way directly or indirectly restrains or delays the carrying out of any provision of this act or of any other law of the United States relating to an authority or any right, power, duty, or function of an authority. Any person, any public or cooperative agency, or any organization which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of any such injunction, may upon application intervene in the proceeding and become a party thereto, at any time prior to the final determination of the cause, and shall be protected by such undertaking or bond.

(d) Such undertaking or bond shall be filed by the party or parties (hereinafter called the complainants) to or for whom such temporary or permanent injunction, or any portion thereof, is to be issued or continued. Such undertaking or bond shall be secured by adequate security in an amount, to be fixed by the court, sufficient to recompense the persons enjoined and the authority, the United States, any intervenor, and any person or agency damaged, for any and all loss, expense, and damage which may be caused or contributed to by the issuance or continuance of any such injunction. Such undertaking or bond shall constitute an agreement by the complainants and the sureties that such undertaking or bond shall continue in force and effect, regardless of any temporary or permanent order, judgment, or decree issued by the court, until the cause is finally determined; and shall constitute a further agreement by the complainants and sureties—

(1) That they shall pay such loss, expense, and damage in the event (A) that it shall be determined that the complainants were not entitled to the relief, or any part thereof, granted, or (B) that it shall be determined upon final disposition of the cause that the complainants were not entitled to permanent injunctive relief against any or all of the acts or conduct enjoined by such temporary or permanent injunction or injunctions;

(2) That a hearing to assess such loss, expense, and damage may be held in the same proceeding, and that upon such hearing the court shall have jurisdiction to enter a decree and judgment for such loss, expense, and damage against such complainants and sureties, and, in the case of the complainants, without regard for the amount of the undertaking or bond; and that the undertaking or

bond shall constitute a submission by the complainants and sureties to the jurisdiction of the court for such purpose; and

(3) That there shall be permitted to intervene in the cause, at any time prior to the termination of such hearing or to the final determination of the cause, any person, any public or cooperative agency, or any organization, which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of the injunction or injunctions; and that any such person or agency shall be given reasonable and adequate opportunity so to intervene and to be protected by the undertaking or bond.

The right and remedy herein provided in respect of an undertaking or bond shall be in addition to any and all other rights and remedies that may exist at law or in equity.

(e) Upon a hearing to assess damages under any such undertaking or bond, there shall be assessed, in addition to other appropriate items of loss, expense, and damage, (1) all reasonable costs and expense of obtaining the vacation of the injunction or injunctions; (2) in the case of the authority and the United States, the probable loss to the authority or the United States of the income which the authority or the United States would have secured, in the absence of any injunction, in light of present and potential markets; and (3) in the case of other parties and intervenors, the probable loss and damage to such parties or intervenors and to their present and potential customers not otherwise represented in the cause (determined upon the basis of the loss in income to such parties and intervenors and the aggregate losses to such present and potential customers) suffered by reason of the issuance or continuance of the injunction or injunctions. Whenever any party or intervenor shall receive any sum on account of any such loss or damage to such present or potential customers, such sum, subject to the direction and orders of the court, shall be received and held for the benefit of such customers and distributed to them as their interests may appear.

CONDEMNATION PROCEEDINGS

SEC. 18. (a) Each authority may cause proceedings to be instituted for the condemnation of any land, easement, right-of-way, or personalty, or any interest in any of the foregoing, which in the judgment of the authority is necessary or appropriate for or reasonably incidental to the carrying out of the purposes of the authority under this act or any other law of the United States. Notwithstanding any provision of any other law, any condemnation proceeding hereafter instituted by any authority in carrying out the purposes of such authority under this act or any other law of the United States shall be governed by the provisions of this section. The proceeding shall be instituted in the district court of the United States for the district in which the property to be acquired (in this section called the property), or any part thereof, is located, and such court shall have jurisdiction to divest the title to the property from all persons or claimants and vest the same in the United States in fee simple, free and clear from all liens and encumbrances, and to enter a decree quieting the title thereto in the United States.

(b) Upon the filing of a petition for condemnation, the district court (for the purpose of ascertaining the value of the property and assessing the compensation to be awarded, and for the purpose of determining the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a

condemnation award) shall appoint a commission consisting of a special master, who shall be a practicing attorney, and two other commissioners. Such commissioners shall be selected from without the vicinity in which the property is situated, and shall take and subscribe an oath that they do not have any interest in any property which it may be desirable for the United States to acquire in the furtherance of the project or in any property in the immediate vicinity in which the property to be acquired is situated. It shall be the duty of the special master to preside at all hearings had before the commission and to rule upon questions of procedure. The special master shall inquire into and determine the questions of the ownership of the property to be acquired, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award, except that the three commissioners as a commission shall inquire into and determine the value of the property and each interest therein; and the special master and the commission respectively shall hold hearings and take evidence for such purposes.

(c) Each commissioner shall receive a per diem of not to exceed \$20 for his services, together with an additional amount of \$5 per day for subsistence for time actually spent away from his domicile in the performance of his duties. The commissioners may designate competent court reporters who shall report the proceedings and who shall receive for their services a sum not to exceed the prevailing per diem compensation in that locality for similar services. Such reporters shall furnish to any party, upon payment by such party of the customary charge in the locality, a certified transcript of the proceedings. The commissioners are authorized to administer oaths and subpoena witnesses, who shall be entitled to receive the same fees as witnesses in the United States courts. Hearings before the commissioners shall be conducted at such time and place as the special master and the commission, respectively, shall fix, having due regard for the convenience of the parties.

(d) In the determination of the value of the property, or of any interest therein, of any claimant or claimants—

(1) The cost to such claimant or claimants of such property or such interest, and of any improvement made therein by such claimant or claimants, shall be taken as the best evidence of value: *Provided*, That the acquisition of such property or interest and the making of such improvement were bona fide and were not made in contemplation of the particular, or any other, condemnation proceeding. But such cost need not be taken as the best evidence of value (A) if such property or interest was acquired by such claimant or claimants more than 4 years prior to the filing of the petition for condemnation, or (B) if there are found particular and unusual circumstances which would make the amount, so determined as value, excessive, inadequate, or otherwise not just compensation for such property or interest.

(2) There shall not be included in such determination of value any increment of value which arises subsequent to the enactment of this act and which is attributable to an anticipated or probable use of the property, or property similarly situated for a purpose the same or similar or related to the purpose in furtherance of which the condemnation proceeding is commenced.

(e) The special master shall file with the court a report of the findings of fact and conclusions of law as to the questions determined by him, and the commission shall file an award setting forth their findings as to the value of the property, making a separate award and valuation in the premises in respect of each separate parcel or interest involved. Upon the filing of such a report or such award in court, the clerk shall give notice and mail copies thereof to such parties

and in such manner and form as directed by the district court.

(f) Any party may file exceptions to such a report or such award within 20 days from the date such report or award is filed in court. Exceptions to a special master's report shall be heard before the district court. Exceptions to the commission's award shall be heard before three United States circuit and/or district judges who shall be designated by the presiding judge of the circuit court of appeals for that district, unless the parties stipulate that such exceptions may be heard by the district court. Upon such hearings the judges or the district court, as the case may be, shall pass upon the proceeding had before the special master or the commission, as the case may be, on the record made therein. Not less than 10 days prior to a hearing before such judges a copy of the record shall be furnished each judge by the party who filed exceptions. No additional evidence shall be considered by the judges or the district court, as the case may be, unless such evidence shall have been offered before the special master or the commission, as the case may be, or unless there are reasonable grounds for failure so to have done. Upon such hearings such judges or the district court, as the case may be, shall enter their judgment or decree affirming, modifying, or setting aside, in whole or in part, the report or award previously made.

(g) At any time within 30 days from the filing of the decision of the judges or district court, as the case may be, upon the hearing on exceptions to the report or award, any party may take an appeal from such decision to the circuit court of appeals in the same manner and with like effect as an appeal may be taken from a final order or decree of a district court in an equity proceeding.

(h) Unless title and the right of possession shall have passed earlier under the provisions of the act of February 26, 1931 (ch. 307, secs. 1 to 5, inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code, title to the property and the right to the possession thereof shall pass (1) upon acceptance of an award by the owner or owners of the property and the payment of the money awarded; or (2) upon final determination of the cause and the payment of the award to the person or persons entitled thereto, or the payment of the award into the registry of the court. And the authority shall be entitled to a writ in the same proceeding to put the authority into possession of such property.

(i) In the case of any property owned in whole or in part by a minor, insane person, incompetent person, or an estate of a deceased person, the legal representative of such minor, insane person, incompetent person, or estate shall have power, with the approval of the district judge in whose court the proceeding is pending, to consent to or reject any report or award herein provided for or to make settlement with an authority. In the event that there be no such legal representative for such minor, insane person, or incompetent person, or that such legal representative shall fail or decline to act, such judge may upon motion appoint a guardian ad litem to act for such minor, insane person, or incompetent person; and such guardian ad litem shall act to the full extent and to the same purpose and effect as his ward could act if competent, and such guardian ad litem shall be deemed legal representative to respond, conduct, or maintain any proceeding or make any settlement, as herein provided for, affecting his ward.

(j) Nothing in this act shall be construed to deprive an authority of the rights conferred by the act of February 26, 1931 (ch. 307, secs. 1 to 5, inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code. Any amount tendered into court by the authority under such act of February 26, 1931, shall be without prejudice on any hearing as to the

value of the property or interest being condemned.

PENAL LAWS; VIOLATIONS OF THIS ACT

SEC. 19. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or improper handling, retention, use, or disposal of public moneys or property of the United States, shall apply to the moneys and property of the authorities and to moneys and properties of the United States entrusted to the authorities.

(b) It shall be unlawful for any person, with intent to defraud an authority or to deceive any authority or any director, officer, or employee of an authority, or any officer or employee of the United States, (1) to make any false entry in any book of an authority, or (2) to make any false statement or report to an authority.

(c) It shall be unlawful for any person to do any act or thing, or to enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud an authority or wrongfully or unlawfully to defeat its purposes. Any person who violates any provision of this subsection or subsection (b) shall be guilty of an offense against the United States, and, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than 5 years, or both.

(d) Each authority may transmit such evidence as may be available concerning any act or thing in violation of any provision of this section to the Attorney General, who, in his direction, may institute the appropriate criminal proceedings under this act.

RECEIPTS AND APPROPRIATIONS

SEC. 20. (a) All receipts of each authority shall be covered into the Treasury of the United States to the credit of miscellaneous receipts; except that a continuing fund in such amount, not to exceed \$500,000, as the authority deems necessary, shall be set up and maintained from such receipts in the Treasury to the credit of such authority and subject to check by it; and the authority may use such fund to defray operating costs and to insure continuity of operations.

(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this act.

SEPARABILITY OF PROVISIONS

SEC. 21. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a radio speech delivered by him on the subject of Puerto Rican migration.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include a bill introduced by him.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include some comments made this morning on a radio program with reference to the Marshall plan by George E. Reedy.

MERRY CHRISTMAS TO ALL

Mr. PLUMLEY. 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 Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, with genuine regard for and all due respect to those who have sent me Christmas cards, I wish to say now that in view of the alleged scarcity of paper pulp in this country, I am not going to send out any Christmas cards; however, I do wish for every one and all of the Members and employees and attachés of the House a merry Christmas and many a happy New Year. I hope that each and every one of you may live as long as you wish and have all that you wish so long as you live.

EXPORTATION OF SCARCE COMMODITIES

Mr. ROSS. 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 New York?

There was no objection.

Mr. ROSS. Mr. Speaker, there appeared a report in the press this morning that there had been issued in the month of October export licenses for shipment of scarce commodities and machinery to Russia in the amount of approximately three times as much as was shipped in the month of September. The purchase for foreign shipment of commodities in short supply has a decided effect upon the price of these commodities in this country.

On December 16, the gentleman from Wisconsin [Mr. KERSTEN] introduced a resolution directing the Department of Commerce to stop shipments of commodities and machinery to those nations within the Russian orbit.

Mr. Speaker, either we are engaged in a cold war against communism, or we are not engaged in one. Unless we use every weapon at our command to win this cold war, we are likely to find some of these materials coming back to us in the form of shrapnel in the event we have a hot war.

Unless the Department of Commerce has stopped the issuance of these export licenses when we return in January, I urge that the Congress take immediate action to pass Mr. KERSTEN'S resolution. It seems the height of foolishness to furnish western Europe materials necessary to combat communism and at the same time continue to ship similar materials to Russian-dominated nations.

EXTENSION OF REMARKS

Mr. BANTA asked and was given permission to extend his remarks in the Record and include an article.

THE GOOD ROAD

Mr. BATES of Massachusetts. 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 Massachusetts?

There was no objection.

Mr. BATES of Massachusetts. Mr. Speaker, adding to what the gentleman from South Dakota [Mr. MUNDT] had to say, I along with other Members of the House had an opportunity last evening to attend the play, *The Good Road*. I want to tell the Members of the House,

all of whom will have an opportunity to witness this show, that it is one of the most impressive I have ever attended. It was just different from the general run of the commercial-type play. The cast is composed of young men and women who come from many parts of the world, volunteering their services in this play. If there is anything that comes from a play, it is the thought that after all we should be interested in the good things of life and in knowing what is the good road to peace and happiness.

Where do we go from here? Surely we are at the crossroads of our civilization today. Yesterday, I joined with other Members of the House in supporting a bill that would give relief to our stricken fellow men and women across the seas. This show brings out all the thoughts that I think are near and dear to the hearts of our fellow men and women not only in America but everywhere in this war-stricken world.

I commend this play to all Members and trust that none of you will lose the opportunity to see something that is really genuine, and to find the uplifting influence that the play presents and which may well be the basis for changing the thoughts that are in the minds of many of the people and leaders of the world today. It is the Christian spirit that ought to emanate from our hearts and souls in order that we may bring order out of chaos and peace on earth to the men, women, and children who are so afflicted with sorrow everywhere.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. BATES] has expired.

GERHART EISLER

Mr. McDOWELL. 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 [Mr. McDOWELL]?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I have before me this morning's edition of the Communist Daily Worker of New York. There are two pictures on the front page. One is a picture of Gerhart Eisler, whom J. Edgar Hoover named as the No. 1 Communist in the Nation. The other picture shows a policeman taking three American schoolboys to jail for throwing eggs at this fellow.

Gerhart Eisler is making a tour of American colleges, preaching sedition, treason, anti-God, anti-everything that the United States stands for. This man stands convicted and sentenced to jail. He is out on bail. This man has been convicted of passport violations. He has been identified time after time as being one of the leading terrorists in China and responsible for the death of many Chinese patriots.

Once again I call upon the President of the United States to apprehend this man and lodge him on Ellis Island and keep him there until his case is finally disposed of.

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

EXTENSION OF REMARKS

Mr. WORLEY asked and was granted permission to extend his remarks in the Record.

THE FUEL SITUATION

Mr. HEDRICK. 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.

Mr. HEDRICK. Mr. Speaker, I am very sympathetic with the people of the country who are unable to get fuel oil to keep their houses warm. Several years ago I thought that removing coal furnaces and putting in oil furnaces might be a mistake. They even did that in my home town, even though it is surrounded by numerous big coal operations.

I suggest to the people who are having trouble today, if they will take out their oil furnaces and put in coal furnaces, I will do my best to see that they get plenty of coal from the State of West Virginia.

The SPEAKER. The time of the gentleman from West Virginia [Mr. HEDRICK] has expired.

EXTENSION OF REMARKS

Mr. KLEIN asked and was granted permission to extend his remarks in the Record and include a letter from Eliza Yale Smith, who was historian of the Bill of Rights Commemoration Society.

CONFERENCE REPORT

Mr. SMITH 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.

Mr. SMITH of Ohio. Mr. Speaker, I want to make clear to the House my reason for objecting to the unanimous-consent request made by the majority leader, Mr. HALLECK, for permission to consider any conference reports, notwithstanding the rules of the House. Had that request been granted, the so-called anti-inflation bill, if acted upon by both Houses, and in the event of disagreement, could have been included in the request which was made. I am perfectly willing that the deficiency appropriation conference report and all other conference reports, except that relating to the anti-inflation bill, should be considered at any time in the House.

The SPEAKER. The time of the gentleman from Ohio [Mr. SMITH] has expired.

RELIEF OF LUCY RHIND

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 390, for the relief of Lucy Rhind, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Lucy

Rhind, sister of Bessie Harrison, late an employee of the House, an amount equal to 6 months' salary at the rate she was receiving at the time of her death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said Bessie Harrison.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JAMES H. NEALE

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 398, providing for the payment of 6 months' salary and \$250 funeral expenses to the estate of James H. Neale, late an employee of the House, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to the estate of James H. Neale, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said James H. Neale.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENEVIEVE MALONE

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 399, for the relief of Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late an employee of the House, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said George V. Malone.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISMANTLEMENT AND REMOVAL OF PLANTS FROM GERMANY

Mr. VORYS. Mr. Speaker, by direction of the Committee on Foreign Affairs, I call up House Resolution 365, providing for an inquiry on dismantling and removal of plants from Germany, and ask for the immediate consideration of the resolution and the committee report approving the resolution with amendments.

The Clerk read the resolution, as follows:

Resolved, That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

1. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the United States zone? How many from the British zone? How many from the Russian zone? How many from the French zone?

2. What was the character and capacity of the removed plants in each zone? Which

ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

3. What is the character and capacity of those remaining to be dismantled or removed by zones?

4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers? Is fertilizer important to the contemplated level of recovery for Germany?

5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

8. Specifically, as an illustration, will removal of the Diehl Plant No. 3 at Rothenbach leave a deficiency of aluminum and copper goods to be supplied by import at expense to the United States? Similarly, what of the Krupp pneumatic equipment plant at Geisenheim, also the 13 machine-tool plants at sundry places? Will their normal production have to be supplied by the United States if the desired recovery of Germany to a peaceful and stable level is accomplished.

9. Are any plants listed for dismantling and removal that are the property of American citizens?

10. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta Agreement? If so, by whom, from what zone, and to whom have they been allocated?

11. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom and in what amounts?

12. To what extent have harbor facilities and transportation equipment been removed from Germany, and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

With the following committee amendment:

Page 1, line 1, after the word "*Resolved*," insert the following:

"That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

"1. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the British zone? How many from the Russian zone? How many from the French zone?

"2. What was the character and capacity of the removed plants in each zone? Which ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

"3. What is the character and capacity of those remaining to be dismantled or removed by zones?

"4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers?

"5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

"6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

"7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

"8. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta agreement? If so, by whom, from what zone, and to whom have they been allocated?

"9. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom, and in what amounts?

"10. To what extent have harbor facilities and transportation equipment been removed from Germany and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

"11. Why has the Government of the United States not taken appropriate steps to delay temporarily the further dismantling of plants in western Germany so as to permit further study by the appropriate committees of Congress in order to determine whether such transfers are prejudicial to any general recovery program for western Europe?"

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the committee report, which is available here at the table, be placed in the Record at this point.

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

There was no objection.

(The committee report referred to follows:)

The Committee on Foreign Affairs, to whom was referred the resolution (H. Res. 365) providing for an inquiry on dismantling and removal of plants from Germany, having considered the same, report favorably thereon with amendments and recommend that the resolution as amended do pass.

The amendments are as follows:

1. Insert a preamble, as follows:

"Whereas the western zones of occupied Germany now constitute a deficit economy requiring large appropriations by the United States, and also constitute an integral part of the European economy which is to be considered by the Congress in connection with any general program of European economic recovery; and

"Whereas conditions have changed substantially since the Inter-Allied Reparations Agreement of December 1945, under which

the dismantling program is being conducted; and

"Whereas the failure by the London Conference of Foreign Ministers to reach agreement may require a reexamination of the German question; and

"Whereas the Department of State has secured information for the Committee on Foreign Affairs on many of the questions involved in the dismantling and removal of industrial plants from the United States zone of occupied Germany, but sufficient information has not yet been made available for the proper consideration by the Congress of this problem in connection with any general program of European economic recovery; Therefore be it"

2. Strike out all after the resolve clause and insert a new resolution, as follows:

"Resolved, That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

"4. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the British zone? How many from the Russian zone? How many from the French zone?

"2. What was the character and capacity of the removed plants in each zone? Which ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

"3. What is the character and capacity of those remaining to be dismantled or removed by zones?

"4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers?

"5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

"6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

"7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

"8. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta Agreement? If so, by whom, from what zone, and to whom have they been allocated?

"9. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom, and in what amounts?

"10. To what extent have harbor facilities and transportation equipment been removed from Germany, and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

"11. Why has the Government of the United States not taken appropriate steps to delay temporarily the further dismantling of plants in western Germany so as to permit further study by the appropriate committees of Congress in order to determine whether such transfers are prejudicial to any

general recovery program for western Europe?"

House Resolution 365 was introduced in the House of Representatives on November 24. It raised a series of questions concerning the program for dismantling German industrial plants for reparations.

On November 25 Chairman EATON wrote a letter to the Department of State requesting answers to the questions raised by the resolution.

On December 4 the committee heard Mr. Lawrence Wilkinson, of OMGUS, Berlin, testify on the questions. At that time the Department of State was awaiting additional material in reply to inquiries addressed to United States authorities in Germany. On December 16 Gen. Theodore Draper, Under Secretary of the Army, appeared before the committee to testify on the general questions raised.

On December 6 the Department of State delivered to the committee additional material, including—

(a) A letter from Acting Secretary of State Robert A. Lovett.

(b) A memorandum containing information on capacities involved for a few industries, and on the allocation by countries, and other matters supplementing the other documents available.

(c) A copy of the list of plants to be dismantled in the French zone.

(d) A cable from Germany giving the degree of dismantling already accomplished, by plants, for the United States zone.

All of this information is in the files of the Committee on Foreign Affairs and is available for inspection by any Member of the House.

The Department of State and the Department of the Army also have requested further information from United States authorities in Germany concerning details of plant capacity in key industries, and concerning removals of harbor equipment, and on other points. The replies to these inquiries have not yet been received.

(a) The purpose of House Resolution 365 was to place the Congress in a position to judge, on the merits, the effect of plant removals upon any program for European economic recovery. The question involves particularly those plants capable of producing items such as steel sheets and tubing, of which there are international shortages. Further information on these plants has been promised by the Department of the Army, but has not yet been delivered. Eventually, complete detailed information will be needed to check the balanced character of the most recent proposed level of industry for the western zones of Germany.

(b) Much of the information called for by House Resolution 365 is impossible to obtain at present. Information on plant removals in the Soviet zone since the end of hostilities, and on projected plant removals, is unavailable. Information on the British and French zones may be obtainable, but is subject to delays.

(c) The witnesses and the Department of State have made great efforts to answer the questions presented by House Resolution 365. At the same time, the information provided in many of the answers has been inadequate. The inadequacy of the information is not due to any fault of the Department of State or of the witnesses. It is due to the impossibility of obtaining the necessary information in a short time.

(d) To seek complete answers to some of the questions asked, even if only on plants that could produce bottleneck items, would require either considerable further investigation through hearings or direct field investigation in Germany or both.

(e) A judgment by Congress on the merits of the removal of any particular plant also requires further information. The removal program ostensibly rests upon the identification of certain plants as surplus to future

German needs, and therefore as properly removable in compliance with the reparations clauses of the Potsdam agreement.

In order to know whether a plant is surplus we must know—

1. The total industrial capacity available in Germany for the production of the particular product involved;

2. The capacity usable in Germany under realistic estimates of available materials and manpower;

3. The reasons for choosing the particular plant rather than another as surplus, especially in relation to transportation, manpower, housing, etc.; and

4. The basis on which German future needs for the particular product have been estimated, and the degree of realism in this basis of estimation relative to the projected German balance of imports and exports when Germany will ostensibly cease to require American aid.

Further, even if a plant may be properly classed as surplus, we would need to know what value it will have for European recovery if moved, as compared with the labor and transportation cost of removal.

The physical capacity of Germany's western zones for production of items in short world and United States supply is a basic economic requisite on which information must be obtained.

THE GERMAN ECONOMY AND EUROPEAN RECOVERY

The program for European economic recovery confronts Congress with a proposal for large-scale economic aid from the United States to Europe over a period of years. Both Congress and the public are legitimately concerned over the recurrence of requests on such a scale. The justification of any such European recovery program must be made on the basis of an estimate of Europe requirements in scale and in time that will not again prove disappointing.

The role of the German people as producers and consumers is one of the most important factors on which our estimates must be brought into conformity with realities if the whole structure is to stand. The proposition that Europe within 4 years will be able to produce enough, and export enough, to finance European imports without gifts from the United States cannot add up to make sense unless the position of Germany as an important part of Europe also adds up to make sense.

United States policy on the German economy has changed, but our present policy is not clear to the committee.

Among the conclusions reached by our policy 2 years ago were those providing industrial reparations to countries now classified as Soviet satellites, and to Soviet Russia. The committee is informed that out of 45,000,000 reichsmarks value scheduled for transfer from the United States zone to Russia only 3,000,000 reichsmarks remain to be delivered. Out of the 14½ percent of deliveries allocated to Yugoslavia and other Soviet satellites from the 75 percent of removals from the western zones not allocated to Russia, however, much remains to be delivered. The effect of such transfers upon the prospects for peace and prosperity in Europe can no longer be judged in the same manner as formerly.

Of the 18 nations involved in the Inter-Allied reparations agreement of December 1945, 3 are now Soviet satellites, 13 are directly or indirectly involved in the Marshall plan, and the remaining 2, India and Egypt, account for only 3.10 percent of proposed reparations. For at least 16 of the 18 nations, a review of the situation would seem warranted by the changed circumstances.

EXPLANATION OF THE AMENDMENTS OFFERED

The first amendment inserts at the beginning of the resolution a statement of the reasons why an inquiry by Congress into the subject of the dismantling and removal of German industrial plants is necessary and appropriate at this time.

The second amendment strikes out portions of the original resolution to eliminate those questions or parts of questions on which reasonably full information has already been provided to the committee, and on which further specific inquiry is therefore unnecessary.

The second amendment also adds one further question which inquires into the policy reasons for the continuance of the program of dismantling, a question that was not directly raised by the questions previously embodied in the resolution.

Mr. VORYS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, House Resolution 365, a privileged resolution of inquiry, was introduced on November 24, 1947, by the gentleman from South Dakota [Mr. CASE] who was chairman of the subcommittee on Germany and Austria of the House Select Committee on Foreign Aid that made a study in Europe this past fall. I was a member of his subcommittee.

The Committee on Foreign Affairs made a considerable study of this, as much of a study as could be done in view of the other matters that were engaging our time, and the State Department and various witnesses, including Colonel Wilkinson, deputy in charge of economic affairs under General Clay, testified. The testimony and reports are on file in the committee's office and available to any Member of Congress.

It was found, however, that it was simply impossible to get sufficient information for the committee to make any report to the House at this time on the very important question as to whether the dismantling of plants in Germany should continue in view of the long-term European aid the House is shortly to consider. It was felt, therefore, that this resolution should be brought to the floor and passed with two amendments, one of which is a preamble stating the general background of the matter. There was a second amendment which strikes from the original resolution the questions which have already been answered and inserts a new question directed to the general policy question as to why it is not possible for the further dismantling of these plants to be delayed until the Congress can make a study of this matter in view of the changed conditions since the original reparations agreement of 1945.

Mr. Speaker, of the 18 nations involved in the 1945 reparations agreement, three are now satellite nations, 13 are connected directly or indirectly with the so-called Marshall plan and the activities for European recovery, while two, India and Egypt, are not within that group. The latter two have allocated only 3.10 percent of the reparations.

It would seem it could hurt no one and might benefit western Europe, Germany and the American taxpayer to take a second look at this matter. It is the purpose of this resolution to secure sufficient information so that the Congress may take a second look.

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

Mr. VORYS. I yield to the gentleman from Texas.

Mr. RAYBURN. I do not see the minority members of the Committee on Foreign Affairs here. Is this a unanimous report?

Mr. VORYS. This is not a unanimous report. I do not believe that it was a unanimous report. That is all I can say.

Mr. RAYBURN. Mr. Speaker, I rather think it would be better if this resolution were laid aside for a while, and give us on this side an opportunity to examine it.

Mr. VORYS. May I say, without going into the deliberations of the executive session, that it was thoroughly understood that this matter would come up at this time. The gentleman from South Dakota had the right for over 10 days, due to the nature of the resolution, to bring it to the floor, but he cooperated with the committee in holding up bringing it to the floor until the interim aid bill was out of the way, and until the conclusion of the London Conference. The conclusion of the London Conference not only makes it advisable to bring it up now, but gives additional reasons why these questions should be submitted, so that we may perhaps have the answers when we reconvene in January.

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

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

Mr. McCORMACK. Of course, the gentleman recognizes that some on this side ought to have one-half of the time we allotted to it. I might say this, that so far as I know, and so far as our minority leader knows, we had no notice that this matter was going to be brought up today. We did know about the other two investigation resolutions. And, I say this in no critical sense, but during my 6 years I was very careful to always advise the minority leadership as quickly as possible of anything that was coming up. Because of the organization relationship there is always harmony, but it can be very easily disturbed when it is felt by the minority leadership that they are not being given the notice, and the courtesy, and the consideration, and dignity that they are entitled to as representatives of one of the two parties. For 6 years I was very careful in always giving notice, never doing anything that might be remotely construed as a surprise. Even on suspension I gave advance notice of any change in plans, always telling what they were as quickly as possible, because it is very easy to disturb the fine organization relationship that exists by one or two happenings that are unintentional, but can be very easily avoided by just a little advance notice.

Mr. VORYS. Now, if the gentleman means to scold the gentleman from Ohio—

Mr. McCORMACK. No, no.

Mr. VORYS. I have already stated that the minority members of the Committee on Foreign Affairs had full notice that this matter was coming up. I felt bound not to make any statement that the action was unanimous, but so far as I know—and I do not attempt to speak for the minority—no one from the com-

mittee is in opposition to the merits of this resolution, and the committee knew that it was to come up at this time. Due to the nature of the resolution we had hoped and expected that it would only take a few minutes, and I still feel that it can be disposed of in a few minutes, since the views of the committee, and I feel of the House, are overwhelming that we should at least ask some questions on this subject.

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

Mr. VORYS. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I would like to say to the gentleman from Ohio that, as one member of the Committee on Foreign Affairs, I did not know that the resolution was to be brought up today, and as one member who voted against the resolution, when it was passed out of the Committee on Foreign Affairs, I did not think it proper to bring up this resolution in the form in which it was brought. There are some assumptions in the resolution, or some inferences, that the State Department had not done its duty by failing to ask for this information in regard to the dismantling of German industrial plants. It was my opinion that the wording of the resolution should have been changed so as to make it solely in the form of a request of the State Department for information in regard to this subject, and not in the form of an insinuation that the State Department had not performed its duty in the premises.

Now, I do not know of any rule of the House which would prevent this resolution coming up today. It is my understanding that the author himself could have brought up this resolution if the committee had not brought it up.

Mr. VORYS. That is perfectly true. Just one point as to insinuation against the State Department. The committee report states "the witnesses and the Department of State have made great efforts to answer the questions presented by House Resolution 365." It was the purpose of the committee in its report not to make any insinuations, as the gentleman well knows, but to point out that much of the information was not yet available and therefore to request that these further questions be asked.

Mr. McCORMACK. What about yielding time to the minority?

Mr. VORYS. Does the gentleman from South Carolina wish to have time now, or would he prefer that I yield to the author of the resolution first?

Mr. RICHARDS. I should like the gentleman to yield this side one-half of his time.

Mr. VORYS. We had hoped to dispose of this in 10 or 15 minutes.

The SPEAKER. The Chair will state that it is not permissible under the general rules of the House to yield 30 minutes to a side on this sort of resolution, but the gentleman can yield to different individuals.

Mr. RICHARDS. Mr. Speaker, I should have made my request in a different form. I should like for this side to be yielded some time.

Mr. VORYS. Does the gentleman wish me to yield to him at this time? If so, I yield him 5 minutes.

Mr. RICHARDS. I think it would be proper for the author of the resolution to be recognized at this time in support of the resolution. I am not rising in support of the resolution.

Mr. VORYS. Mr. Speaker, I yield 5 minutes to the author of the resolution. I shall then yield 5 minutes to the gentleman from South Carolina or anyone else that wishes to speak in opposition to the resolution, and I shall then move the previous question on the resolution and the amendment.

Mr. CASE of South Dakota. Mr. Speaker, the committee amendment to my resolution incorporates 10 of the 12 questions in my resolution as originally introduced, drops 2 of the questions which have been answered and adds a very pertinent question as an eleventh question. Of course, I have no objection to it and urge its adoption.

The able gentleman from Ohio [Mr. VORYS] was a member of our foreign-aid committee in Germany this fall and is himself chairman of an economic subcommittee of the Committee on Foreign Affairs and has well stated the import of this matter.

In carrying the explanation further, it may be helpful for Members to take a look at this map, which I regret cannot be provided on a larger scale at this time. However, the Members will be able to see that this is a map of Europe, and the heavily colored sections here represent what is left of Germany.

This heavy line here, which is in green, outlines the part of old Germany which has been lost to Russia or to Poland by the agreements made at Yalta and Potsdam or following the war. In this area in white but inside this heavy line on the east of present Germany is 30 percent of the industrial potential of old Germany. All of that now is on the eastern side of the curtain.

In this red or pinkish color here you see what is the Russian zone of Germany, in the blue the American zone, in the purple the French zone, and in this lighter yellow color the British zone.

Under the agreements with respect to dismantling, in addition to getting all of the industrial potential which is on the eastern side of the fence now, the 30 percent of total industrial capacity, Russia gets all the dismantlings which are in the Russian zone, 100 percent of them, and then gets 25 percent of the dismantlings out of the three western zones. On top of that, out of the 75 percent of the dismantlings in the three western zones, the satellite countries get an additional 14 percent. When you add that all up you have a picture where Russia today has access to about 55 percent of the industrial potential of old Germany.

Whatever may have been the justifications for the agreements of Yalta and Potsdam when they were made, we are living in a different world today. The agreements of Yalta and Potsdam have not been carried out in respects important to the stability of the world and the welfare of the United States. In these circumstances, it is important to determine the facts of the situation with

respect to the dismantlings of industrial plants in Germany which is what this resolution seeks to do. It is a resolution of inquiry.

On the face of things, it would appear that completion of the dismantling program would do two things: First, injure the ability of the remnant of Germany to contribute to her own recovery and get off the backs of the American taxpayer; second, contribute to the industrial rehabilitation of countries who are not cooperating in world recovery, and, again, at the expense of the American taxpayers.

For example, among the shortages in Germany which hamper recovery are these: Steel sheets and tubing, machine tools, ball bearings, textiles, sanitary and cleansing agents. Plants in each of those categories are among those scheduled for dismantling. Ball-bearing plants and electric generators have been dismantled and shipped to Russia. A textile or rayon plant is among those scheduled for shipment elsewhere while as recently as yesterday the House of Representatives heard a plea for more funds to provide clothing for workers to increase the output of coal which is the key to European recovery. We are told that infant mortality has risen from 6 to 18 percent because hospital and layette bedding cannot be properly cleaned under present soap rations, yet a large soap factory is among those scheduled for dismantling. Disease and sickness are major causes in the size of the bill the United States is called upon to pay during our occupation in Germany. Certainly, we should have the facts about these things. Certainly we should have the facts as they are requested in this resolution of inquiry, and with them before the appropriate committees of the Congress, we can better determine what then we shall do.

And there is the Russian angle of the situation, an angle which cannot be ignored in view of the break up of the conference in London.

If this program goes on, it is indicated that Russia will have gained access to 55 percent of the industrial potential of old Germany.

This is the picture. By moving her fence over and setting it down on the Stettin line, Russia has put into her economy or into the economy of the satellite countries approximately 30 percent of the industrial potential of old Germany. That is the acquisition outright of the industrial plants in such areas as East Prussia and Silesia, either add to Russia or to Poland. This is independent of the question involved in dismantling within remnants of Germany now occupied by the four powers, Russia, Great Britain, France, and the United States.

Within the occupied zones, Russia, under the Yalta-Potsdam agreements, gets all of the dismantled plants removed from the zone which she occupies in and surrounding Berlin and including such centers as Leipzig and Dresden. That is in her zone, Russia gets 100 percent of the removals.

That is not all. Out of the dismantlings in the remaining three western zones, Russia gets an additional 25 per-

cent of the plants removed. This may be disarming and demilitarizing Germany, but one wonders what it is doing for Russia.

But that is not all. Of the 75 percent of the removals remaining in the western zones, the so-called satellite countries get another 14 percent. To all intents and purposes as things now appear, that industrial potential will be available to Russia. When the whole thing is added up, and the percentages applied to the original industrial potential, it appears that Russia is getting access to or control of 55 percent of the industrial potential of prewar Germany. The resolution of inquiry seeks to get the concrete facts in this picture and it should be adopted.

Mr. VORYS. Mr. Speaker, I now yield 6 minutes to my able and distinguished friend, the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Speaker, I appreciate the courtesy shown me by my friend, the distinguished gentleman from Ohio [Mr. VORYS]. I would like to propound this question to the gentleman from Ohio: Will he agree that line 25, section 11, on page 5, shall read as follows: "Has the Government of the United States," instead of the words now in that line?

Mr. VORYS. As I understand it, the gentleman's question is whether there should be a correction in section 11 so that it will read: "Has the Government of the United States taken appropriate steps," and so forth. I know of no objection. I think that was the language which the committee meant to put in, but through some actions that took place near the end of the meeting it was not so written. I have canvassed the committee and there is no objection.

Mr. RICHARDS. The gentleman will consent to that amendment? If so, I withdraw my reservation.

Mr. VORYS. Yes.

Mr. Speaker, I ask unanimous consent at this time that section 11 be so amended.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, I think that change should be made. It is in harmony with the way in which the rest of the resolution is drafted.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 5, line 25, strike out the word "why" and the word "not" so that the section will read:

"Has the Government of the United States taken appropriate steps to delay temporarily the further dismantling of plants in western Germany, so as to permit further study by the appropriate committees of Congress, in order to determine whether such transfers are prejudicial to any general recovery program for western Europe?"

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution, as amended.

The resolution was agreed to.

The SPEAKER. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Add a preamble, as follows:

"Whereas the western zones of occupied Germany now constitute a deficit economy requiring large appropriations by the United States, and also constitute an integral part of the European economy which is to be considered by the Congress in connection with any general program of European economic recovery; and

"Whereas conditions have changed substantially since the Inter-Allied Reparations Agreement of December 1945, under which the dismantling program is being conducted; and

"Whereas the failure by the London Conference of Foreign Ministers to reach agreement may require a reexamination of the German question; and

"Whereas the Department of State has secured information for the Committee on Foreign Affairs on many of the questions involved in the dismantling and removal of industrial plants from the United States zone of occupied Germany, but sufficient information has not yet been made available for the proper consideration by the Congress of this problem in connection with any general program of European economic recovery: Therefore be it"

The amendment was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

SELECT COMMITTEE TO INVESTIGATE TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 404 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby created a select committee to be composed of seven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized to conduct a full and complete investigation of purchases and sales of commodities, including transactions in the purchase and sale of commodities for future delivery, and including (a) the activities of any department or agency of the United States Government in connection with the purchase and sale of commodities, and into any other activities of any such agency or department that may have heretofore affected, or may hereafter affect, the price of food and other commodities; and (b) the private acts, and official activities of any individual in the United States Government in connection with the purchase or sale of commodities.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States 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. Subpenas may be issued under 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.

CALL OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BROWN of Ohio. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 149]

Allen, La.	Fletcher	Pfeifer
Andrews, N. Y.	Gillie	Phillip
Barden	Gregory	Phillips, Calif.
Bates, Ky.	Gross	Powell
Bloom	Hartley	Rabin
Boggs, La.	Hébert	Reed, Ill.
Boykin	Heffernan	Reed, N. Y.
Brooks	Herter	Rivers
Buckley	Jackson, Calif.	Sabath
Busbey	Johnson, Ind.	Sanborn
Byrne, N. Y.	Johnson, Okla.	Scoblick
Celler	Judd	Scott
Clements	Kefauver	Hugh D., Jr.
Clippinger	Keogh	Shafer
Coffin	Kilburn	Smith, Kans.
Colmer	King	Stratton
Courtney	Lesinski	Taylor
Cravens	Ludlow	Thomas, N. J.
Crosser	McDonough	Towe
Dawson, Ill.	Meade, Ky.	Trimble
Delaney	Mitchell	Wadsworth
Dirksen	Morrison	Williams
Domengeaux	Norton	Wolcott
Fallon	O'Hara	
Fisher	Patterson	

The SPEAKER. On this roll call, 359 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SELECT COMMITTEE TO INVESTIGATE TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and now yield myself such time as I may require.

Mr. Speaker, House Resolution 404 creates a select committee to be composed of seven Members of the House to be appointed by the Speaker for the purpose of conducting a full and complete investigation of the commodities and sales of commodities, including all transactions in the purchase and sale of commodities for future delivery, including the various activities of the departments of Government in connection therewith. Under this resolution, this select committee will have authority to investigate the transactions in all commodities and not in grain alone or in any one particular commodity. It will have authority to investigate all commodities, especially those which may affect the present high cost of living. Also that this committee will have authority to subpoena records, compel the attendance of witnesses, and to report upon the activities of any or all citizens or residents of this country in connection with those activities in the commodity markets.

Certainly it is about time we began to look into this picture in a comprehensive way. The President of the United States has made certain statements relative to gambling in grain and human misery, as he described it. Members of both political parties have dis-

cussed this problem and have condemned some of the activities that have evidently been called to their attention as individual Members. I know of no reason why the floodlights of truth and publicity should not be turned on these transactions in the commodity markets at this time. I believe the people of the United States are entitled to know whether some of these charges which have been made are true or false. If there are any individuals within the Government or without the Government, within the Congress or without the Congress, who have in any way profited by what might be termed inside information, then the people of the United States are entitled to know that. So I hope there will not be any opposition to this resolution and that every Member of Congress will show his or her willingness and readiness to let the people know that which has been going on, regardless of where the chips may fall.

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

Mr. BROWN of Ohio. I yield.

Mr. SHEPPARD. I do not know whether I interpreted the first portion of the gentleman's statement correctly or not. Am I to understand that this is to be a complete investigation into all ramifications of stock dealings, or just in futures?

Mr. BROWN of Ohio. Commodities.

Mr. SHEPPARD. Well, which category? In the futures?

Mr. BROWN of Ohio. In both the purchasing and sale of commodities, and also in the purchase and sale of commodities for future delivery.

Mr. SHEPPARD. In other words, it takes the basic stock issue of a corporation that is dealing in a commodity—

Mr. BROWN of Ohio. Oh, no, no. It does not have a thing to do with trading in stocks or bonds. It has to do only with commodities; selling wheat, potatoes, or prunes, as far as that is concerned, or any other California product.

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

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Speaker, the people of this country have been greatly concerned by charges made from time to time that persons connected with our Government in one capacity or another or their employees using information obtained from confidential sources within the Government that might affect the trend of markets or commodities, have thereby profited from commodity market trading. I have no personal knowledge of whether anyone connected with the Government has engaged in such transactions, or whether having engaged in them he was acting on information obtained from confidential sources in the Government. What I do know is that the charges have been made, and since questions involving the officials of our Government have arisen, I think the people of this country are entitled to a real investigation and a full disclosure of the facts. They would not get it under the proposed resolution by any manner of means.

I want to call your attention to this Resolution 404 and just what it is. It does not propose a congressional inquiry at all but proposes the setting up of a select committee of the House, a mere duplication of what is now being attempted in the other body by one of its regular committees. In the second place, this resolution does not authorize the Secretary of Agriculture to disclose the names of persons trading on the commodity markets. It nowhere specifically authorizes or directs the inclusion of Members of the Congress of the United States within the purview of the investigation.

On yesterday I introduced in this body House Concurrent Resolution 124 which has now been printed and is available. You will find it printed in the RECORD of yesterday at page 11528 which you will find at your desks, and which does propose a real investigation, one that will include Members of Congress, the House and the Senate, and their employees. We owe that kind of investigation to the people. Personally, I doubt that very many Members of Congress, in fact none so far as I know, have engaged in speculation on the commodity exchange. I know I have not. But that is not the question. We have been investigating others in the executive division of the Government, and I feel that what is sauce for the executive goose is sauce for the legislative gander. Let us not leave the impression with the people that we fear disclosure of the facts concerning the commodity market activities of the Members of Congress.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield for an observation? I think I might be of help to the gentleman.

Mr. COMBS. If it will not come out of my time. I have but 5 minutes.

Mr. BROWN of Ohio. It will take only 1 second to call the gentleman's attention to line 5, page 2, which reads "the activities of any individual," which would certainly include Congressmen. I hope a Member of Congress is still an individual.

Mr. COMBS. Yes; and that same provision does not confer upon the proposed select committee a single power that any regular committee of this House does not now have, except one, and I will read that one to you. It is on page 2, beginning in line 13:

For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned.

That merely would authorize a junketing expedition, but with no additional power whatever that is not now possessed by a regular committee of the House.

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

Mr. COMBS. I cannot yield. I have but 5 minutes. Wait until I have finished.

Mr. WALTER. I think the gentleman, in all fairness, should have read a little more of the paragraph that he started to read.

Mr. COMBS. No; the paragraph can be read by the Members. I have but a limited time. Here is my point:

A committee of the other body has been engaged for days in the same kind of an inquiry that is here proposed. This morning the Secretary of Agriculture appeared before that committee. After pointing out in his testimony that the law forbids him disclosing the information that had been requested, after pointing out that the Attorney General and also his own legal advisor had told him that under the law he cannot disclose the information asked for, after having pointed out that two Secretaries of Agriculture before him had considered sacred and confidential the matters turned over to them in reliance on the law, he then concluded this way, and I want to read it into the RECORD at this point:

As I have pointed out, you have a sound and simple means of accomplishing your purpose which does not involve any questionable use of power. I suggest again, with all respect, that you pursue that easy, better method. All that is necessary is the passing of a joint resolution, which the President will approve, removing certain transactions from the category of confidential information. In this way the constitutional and immemorial relationship between the legislative and executive branches of the Government will be appropriately preserved.

I assure you again that neither the President nor I has the slightest objection to releasing the information you desire if the means are provided for doing so in good conscience, by direction of the Congress, and not under the shadow of legal doubt.

I appeal to you to consider this well.

However, in the event that you as a committee, without further action by the Congress, insist on having the names and addresses of all traders along with the statistical information called for in your subpoena, I shall not permit myself to be charged with shielding anyone by a refusal to grant your request. If your decision to demand the names remains unchanged, you and the public will have them as rapidly as we can gather the information and prepare the lists.

I am going to put the whole statement in later. I only have time to read this particular part. After making those observations he called attention to the fact that many manufacturers and other business people engaged in these transactions as a matter of business and in a perfectly legitimate way and it would be highly improper to disclose this confidential information.

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

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. COMBS. Mr. Speaker, what this country needs is a real investigation by a committee of the Congress under authority to include you and me. Who in this Government has more opportunity to get confidential information about the future activities of this Government than you and me in this Congress who daily hale before our committees the heads of our Government departments under the power of subpoena and drag from them information concerning future activities? I want that included, not by innuendo but under a mandate from the Congress, so that the facts may be known.

If I can get recognition I am going to attempt to substitute my resolution, House Resolution 124, which will do the job. If on parliamentary grounds that is not possible, then I shall request that we have the opportunity to call up immediately by unanimous consent this House Resolution 124 so that we will have a chance, Mr. Speaker, to get a real investigation.

I want to tell you that the faith of the people in their Government is at stake. We hear a lot said in this country about threats to our liberties. Well, we must be alert and there are threats. But there will be no real danger to the institutions of this country until the people lose faith in their Government. That will be when they come to believe that the executive branch of their Government is manned by men who are selfish and venal and who serve only their own interest; it will be when they consider the halls of the legislative bodies the haunt of the demagogue. Then and only then will our form of Government be in real danger.

The full text of Secretary Anderson's statement is as follows, which I here read into the RECORD in order that it may be available to all of the Members:

STATEMENT BY SECRETARY OF AGRICULTURE CLINTON P. ANDERSON BEFORE THE SENATE COMMITTEE ON APPROPRIATIONS, THURSDAY, DECEMBER 18, 1947

I have come here in response to your request for certain information relating to trading in commodity markets. Even though you had not issued a subpoena, I would have been glad to come before you to discuss what is involved in this request. I have great respect for the Congress, including its committees. As Secretary of Agriculture, I have endeavored to cooperate fully with the Congress. Never have I sought to withhold one iota of information wanted by the Congress, any committee of the Congress, or any individual Member of House or Senate if I had both the right and the power to provide that information. Many of you can attest to that fact by your own experience.

I respect the right of congressional committees to subpoena persons and things in their effort to ascertain the truth in the interest of the people. I am loath to question the right of congressional subpoena. With wise use, it is an instrument of great value to the Congress and the people.

The legislative branch of the Government, with its power to amend as well as to make the laws, has no need to use its subpoena powers in doubtful cases. Whenever there is doubt as to propriety or public interest, the Congress can immediately resolve that doubt. If a majority of Congress refuses to take action about which there was doubt, it then becomes clear that forcible action by a committee would have been a mistake. If a majority approves a change of law which removes doubt in favor of those who believed that force was proper, then the beliefs of those people are vindicated. No harm is done. The Congress maintains its dignity and prestige. Its prerogatives and powers remain intact. The interest of the people is served.

As you know, I have urged that in this instance Congress follow such a course and resolve all doubt rather than to impose the will of this committee on me in disregard of my firm conviction that I am bound by Federal statute.

On Monday of this week your chairman requested me to make public to you the details of transactions of all persons who have engaged in speculative trading in commodity futures, including the names of such persons.

I replied immediately, calling attention to the provisions of the Commodity Exchange Act which impose a specific duty upon me to keep confidential all such information obtained by the Department in the administration of the act.

The Department has consistently observed this confidence, and the observance has been favorably commented upon by the courts. The observance by former Secretaries of Agriculture has taken the form also of declining to make disclosures of names in response to resolutions of the Senate for an investigation into speculative transactions.

The special circumstances mentioned in the act under which a disclosure may be made are not present. Speculation itself is not a violation of the act. The act recognizes the need for some speculation in order to allow the contract markets to perform one of their primary functions, namely, acting as a hedging medium for the producers and users of the commodity. Individual transactions are subject to our scrutiny to determine whether they are of such a nature as to disrupt the market or to be otherwise harmful to the interests of producers and consumers. But the law forbids indiscriminate publication of transaction and the names of persons engaging in them.

The Congress itself has established the policy in this respect. It is not for me to pass upon the wisdom of that policy. I will say, however, that any policy established in this connection would be wholly futile if it could be set aside by a congressional committee at will.

The Department of Agriculture engages in numerous activities of a diversified nature. Many of these activities cannot properly be carried on without information from persons affected by them. Much of this information consists of the intimate details of internal management of private business. The information is furnished with the understanding that the particulars of reported transactions will not be disclosed in such a way as to provide identification of persons, and in some cases the applicable statute imposes secrecy upon the officials of the Department. It is not unusual for the Congress to prescribe penalties for the disclosure of such information without due cause.

We have tried hard to keep inviolate the confidence reposed in us, and I believe that the reputation of the Department in this respect is unscathed. I cannot conceal my deep concern that harmful consequences may attend the disclosure of names which you now request. I have suggested a way whereby, as a public official charged with the duty of holding information in confidence, I may be enabled to disclose the information you request without doing violence to existing law.

The destruction of confidence entails a loss not easily regained. This is just as true in governmental as in private affairs. The information you request relates to the names and addresses of innumerable persons in all walks of life. The transactions of most, if not all, of these persons are without taint of illegality. The millers, the feed manufacturers, breakfast-food companies, textile mills, oil processors, food distributors, and many other representatives of American industry constantly use the commodity exchanges. They have a right to expect that the confidence engendered by the statute will continue until removed by statute.

Now, in the face of these serious considerations, your committee has served on me a subpoena to produce certain information.

I am confronted with a dilemma. In the first place, I cannot imagine myself in a position of refusing to give a duly constituted committee of Congress information which it has demanded. My mind rebels at the thought. No matter how unfortunate the request, I respect it because of the institution from which it comes. But the alternative is also distressing. My own study of the law

in question convinces me that I am prohibited from disclosing some of the information demanded by the committee. My legal counsel advises me that I am so prohibited except under circumstances which do not now exist. I am legally and morally responsible for my administrative acts and judgment. I cannot forget that.

I was reminded that two previous Secretaries of Agriculture, under legislation as it then stood, refused to submit lists of traders in response to Senate resolutions. Employees of the Department familiar with the circumstances under which subsection (6) of section 8a of the Commodity Exchange Act was subsequently added have told me the history back of the language, and that adds to my belief that I am restrained from making public any list of traders except under circumstances not now in existence.

In spite of the weight of this judgment, I turned to the highest legal authority available to me—the Attorney General of the United States. His opinion confirmed the situation already outlined for you.

And so the dilemma goes.

Now let us see precisely what information it is which the subpoena calls for that I believe should be kept confidential. I am clearly permitted under the law to provide you with all of the market information you have ordered except the names and addresses of the traders. About statistics there is no question whatsoever.

In response to your subpoena, I have brought with me tables showing, by markets, the daily and annual volume of futures trading in each of the 19 commodities traded in during the period from January 1946 through November 1947 on the 18 commodity exchanges designated as contract markets under the Commodity Exchange Act. Futures trading is conducted in from one to six of these commodities on each of these 18 markets. These tables show volume of trading in terms of sales; there must, of course, be a purchase for each sale.

I am also making available to the committee tabulations showing the daily opening, high, low, and closing prices of each future of each commodity traded in for future delivery on the principal contract markets during the period from January 1946 through November 1947. I do want to point out that there are no other copies of these records in existence. These records are in daily use and it will be a handicap to the Department if we must come to the committee to use our records.

I am perfectly at liberty to give you all the additional statistical information you demand as soon as it can be gathered.

The subpoena, it should be noted in passing, calls for a vast amount of information which we do not have and which we can obtain only by copying from the books of brokerage houses, who maintain more than 1,600 offices in the 47 States and 13 foreign countries, the records of an estimated 12,000,000 separate transactions in futures alone. The subpoena calls for "the total volume of each such commodity purchased or sold on each such board of trade by each such trader (a) during all of each such year, and (b) on each day during each such year and the price at which each such purchase or sale was made." The years referred to are 1946 and 1947. To get this information on futures transactions, to say nothing of cash trading, would cost an estimated ten and one-half million dollars. However, that is not the issue, although this committee would have to approve the appropriation of the money.

We come, then, to the one immediate, practical point of difference—the names and addresses of individual traders. Actually, the Department of Agriculture has only a relatively small fraction of the total number of names and addresses of traders sought by your subpoena. While I am at liberty to release whatever facts we possess about the

transactions, I do not feel that I am at liberty to disclose the identity of the persons involved.

This is the situation unless this committee deprives me of my liberty of making administrative decisions as I believe the Congress intended the Secretary of Agriculture to make them. If this committee insists on construing the statutes for me, it will be setting a dangerous precedent.

As I have pointed out, you have a sound and simple means of accomplishing your purpose which does not involve any questionable use of power. I suggest again, with all respect, that you pursue that easy, better method. All that is necessary is the passing of a joint resolution, which the President will approve, removing certain transactions from the category of confidential information. In this way the constitutional and immemorial relationship between the legislative and Executive branches of the Government will be appropriately preserved.

I assure you again that neither the President nor I has the slightest objection to releasing the information you desire if the means are provided for doing so in good conscience, by direction of the Congress, and not under the shadow of legal doubt.

I appeal to you to consider this well.

However, in the event that you as a committee, without further action by the Congress, insist on having the names and addresses of all traders along with the statistical information called for in your subpoena, I shall not permit myself to be charged with shielding anyone by a refusal to grant your request. If your decision to demand the names remains unchanged, you and the public will have them as rapidly as we can gather the information and prepare the lists.

Mr. Speaker, the public welfare is our main responsibility. Nothing short of a full and complete disclosure can satisfy that responsibility. Surely, you, my colleagues, will not create the impression on the people of this country that we have something to conceal from the public by adopting this Resolution 404, thereby shutting off an opportunity to adopt my Resolution 124 or an amendment of similar import which will keep faith with our people and uphold the dignity and forthrightness of the Congress of the United States.

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

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

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

Mr. KEEFE. If the gentleman will permit me to obtain some time later.

The SPEAKER. Does the gentleman from Wisconsin yield to the gentleman from Texas?

Mr. RAYBURN. Go ahead; never mind.

The SPEAKER. The gentleman from Wisconsin is recognized.

Mr. KEEFE. Mr. Speaker, I listened with a great deal of interest to the remarks of my good friend from Texas. Some of you who served in the Seventy-ninth Congress may recall that on the third day of July 1945, I stood in the well of this House and talked for 40 minutes on the subject of the Commodity Exchange Act and the necessity for an investigation into the commodity futures transactions that were then taking place on the grain markets of America. I pointed out what to me was at that time, over 2 years ago, one of the most amaz-

ing situations that had ever come to my attention. I said at that time, Mr. Speaker, "What Members of Congress, if you please, exercised their powers of persuasion on the War Food Administration and the Foreign Economic Administration to put through orders which vitally affected the rye market—and which were in large measure responsible for the maintenance of this corner right up to the present hour." At that time there was a corner in the rye market engineered by a lot of traders, and the officials of the Department of Agriculture started an action against those traders that were responsible for the creation of that market. I made a demand at that time, over 2 years ago, and followed it up with a resolution which was referred to the Committee on Rules which was then under the chairmanship of the gentleman from Illinois [Mr. SABATH]. He assured me then that some action would be taken, but that resolution lay there all through the balance of the Seventy-ninth Congress, and I could get no action upon it. Now, one exposure after another has revealed trading in grain futures, by people "in the know" which shocks the conscience of the people of America. I think, as the gentleman from Texas has so well said, that it is high time that the people of the United States of America should be given the facts with reference to this situation.

Now, a question has arisen as to whether or not, under the provisions of existing law, the Secretary of Agriculture can give to a committee of the Congress the names of Government officials or Members of Congress, if you please, who have been engaging in commodity exchange speculations in futures in grain or other commodities. I think that there is a very simple way of resolving that situation. I think it should be resolved. Instead of engaging in a fruitless search, debate, or investigation, it seems to me that if there is a legal technicality, it ought to be resolved now. It ought to be resolved by the Congress so there can be no question, when this committee begins to function, that we are going to be faced with a lot of legal technicalities that may prevent the acquiring of the absolute facts. I, as one Member of Congress, do not know just what the situation will be if this resolution passes. I am going to vote for it. I am going to vote for it in the hope that a real investigation will be undertaken. I am going to vote for it in the hope that no one will be spared. If there is any Member of Congress that has been speculating in the grain market, if he has been able to use his influence in the matter of the purchase of grain which has had a direct effect upon the price of grain, I want the information disclosed.

If you will read the table I put in the RECORD yesterday you will see that these Government purchases from day to day had a direct effect upon the price of grain, and when the Government stayed out of the market for a day or two the price went down, and the minute the Government went in, the price immediately bounded and the boys on the inside had the opportunity to get themselves a rich harvest. I for one believe

they ought to be exposed to the people of America without fear and without favor, and let the chips fall where they will.

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

Mr. SMITH of Virginia. Mr. Speaker, I yield three additional minutes to the gentleman from Wisconsin in order that he may answer some questions.

Mr. KEEFE. Yes; I will answer them.

Mr. SMITH of Virginia. I will ask the gentleman to yield to me first.

Mr. KEEFE. Yes.

Mr. SMITH of Virginia. I am glad to hear what the gentleman said about solving any legal difficulties that might arise. We want a thorough investigation. I simply wonder if the gentleman from Wisconsin will not induce his colleagues on the other side to put through a resolution which will give the Secretary of Agriculture the authority he says he needs, so there will be no question about it, the resolution which I introduced on yesterday.

Mr. KEEFE. If I had my way about it, may I say to the gentleman, I would like to see that done, and resolve all this stabbing around in the dark raising legal questions. What the American people want is facts. As this thing is developing, it is casting a cloud of suspicion over every Member of Congress and every man in official life. I for one am not afraid of the cars; I want the facts developed and let the chips fall where they will.

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

Mr. KEEFE. I yield to the gentleman from Georgia.

Mr. PACE. Does not the gentleman agree that if the authority is granted to the Secretary to supply the committee with this information it ought to be supplied in an open, public hearing, and not in an executive session?

Mr. KEEFE. As far as I am concerned, that is the way I would do it. I think that is the way to do it. May I say to the gentleman that there are good lawyers outside the Department of Agriculture who very vigorously maintain and contend, and I believe rightfully, that the Secretary of Agriculture is not barred under any existing law from giving this information right now. It is a rather peculiar situation that faces the American people, who are hungry for facts. They want to know the truth, yet all we are met with is a barrage of legal interpretations.

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

Mr. KEEFE. I yield to the gentleman from Georgia.

Mr. COX. It is my information that the Secretary of Agriculture has agreed, if the Senate insists, to give them the list of speculators, but the Senate refuses to accept it unless it is given to them in executive session. In other words, the Secretary of Agriculture is willing to give the list to the Senate if the Senate will consent to its being given to the public at the same time, but they have refused to accept the information upon such conditions.

Mr. KEEFE. All I am interested in as a little boy from back in the country

is to let my people and the rest of the people of the country know what the facts are. I have nothing to do with the politics that may be involved, and there is no politics as far as I am concerned. I do not know who may be involved. I know they will not find my name on the list; I can tell you that. I feel that the people are entitled to know who these persons are. Let us get these facts to them as rapidly as we can. I have been trying to do it for 2½ years myself.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, no one can quarrel a minute about the high purposes of this proposed legislation which we are now considering. I think we have all witnessed the "crap game" that has been going on in the commodity exchanges to force up to record-breaking levels the products that go into the making of food, which millions of people must buy to live during this year and the coming year.

The point I would like to make, however, is I am afraid that in our haste to do something about the exposure of this "crap game," we are going to cast aside the well-planned organization of congressional machinery. One of the principles of the Reorganization Act was the consolidation of our overlapping, duplicating, crazy-quilt committee structure of the Congress. One of the provisions of the act, which originally was in the bill and which surely expresses the spirit of the act, provided for the channeling through our standing legislative committees of the Congress, who are familiar with all of the aspects of that line of legislation, the job of conducting any particular investigation.

There is nothing that this proposed select committee can do that cannot be done by the Committee on Agriculture itself and particularly by an authorized subcommittee thereof.

I believe we have a fine man as chairman of the Committee on Agriculture. He is one of the finest men who has ever occupied that high position. I might say I have extreme confidence in the gentleman from Kansas [Mr. HOPE], as I have confidence in his next ranking majority Member, the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], the author of this legislation.

I think it is a shame to remove from their jurisdiction this vital problem of investigating the commodity exchange. I believe it is highly important that the Congress do two things: First, to find out who has been acting adverse to the public interest in this "crap game" with human food; and, second, to legislate—to do something to correct abuses.

Mr. Speaker, you cannot do anything with a special committee so far as securing corrective legislation is concerned. There is nothing in this resolution which permits this special committee to report corrective legislation.

But if you permit the regular Committee on Agriculture to set up a subcommittee which everyone knows will be staffed by an able chairman, then you will be able to get corrective legislation.

One of the greatest jobs that was ever done in the House of Representatives

was done by the Committee on Interstate and Foreign Commerce and by our distinguished Democratic leader, the gentleman from Texas [Mr. RAYBURN], the then chairman of that regular committee.

They conducted an investigation of all of the shady practices that went on in the stock market. But they did not stop with publicity alone, but they brought in corrective legislation.

To this day no one can say that the stock market, which for years and years was charged as the cause of our depressions and difficulties in business relationships, has not properly been regulated since in the public interest.

If the gentleman from Ohio will permit me, I would like to offer an amendment to provide that a subcommittee of our Committee on Agriculture should handle this investigation.

I now yield to my colleague the gentleman from Georgia [Mr. Cox].

Mr. COX. I agree with the gentleman completely in what he says so far as which is the proper committee to conduct this investigation. When they appeared on yesterday before the Committee on Rules in an application for a rule, the committee suggested that that probably was the proper committee to make the investigation. However, we were informed that the Committee on Agriculture did not want it.

Mr. BROWN of Ohio. That is correct.

Mr. COX. It was for that reason that we passed the resolution in the form in which it was passed. I think it fair to all that that statement be made.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. BROWN of Ohio. That matter was thoroughly discussed before the Rules Committee, and the Rules Committee was informed and has been informed that the Committee on Agriculture, being busy with other problems, did not want this particular jurisdiction. Therefore, I cannot yield for such an amendment.

The SPEAKER. The time of the gentleman from Oklahoma [Mr. MONRONEY] has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, the Committee on Expenditures in the Executive Departments had full authority to make this investigation but last March the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] came before our committee and wanted to know if we had any objection if he or the committee made the investigation. Our committee, having other work demanding attention, unanimously waived jurisdiction and expressed the hope he would proceed as soon as convenient.

The gentleman from Oklahoma [Mr. MONRONEY] is just so wrong about the law governing investigations that it would be just too bad if the House followed his lead on this. Standing committees do not have authority to subpoena witnesses and procure records equal to the authority granted to a select committee. That is established.

Moreover, if this committee lacks authority and if you gentlemen on my right really want an investigation, in addition to supporting this resolution, you should support House Joint Resolution 283, introduced yesterday, which follows the resolution passed by the Senate, approved July 19, 1932, when it was under the control of the Democratic Party, a joint resolution, authorizing this committee to be appointed under House Resolution 404 to obtain all necessary information from the Department of Agriculture, from the Treasury Department, and from the Internal Revenue Department. Now, if you want action, there is your chance to get it.

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when this resolution comes to a vote, I think it is going to be just about unanimous in whatever form the resolution may be finally put. I do not know any Member on the Democratic side who will vote against it and I do not know any Member on the Republican side who will vote against it. But, while we are doing this thing, why do we not do it right? I am not sure, from the debate I have heard, whether some folks want an investigation or whether they want a muckraking expedition.

I think the American people and I think the vast majority of the Members on both sides of the aisle in this House want to get at the facts in the quickest and simplest way, and give those facts to the public.

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

Mr. SMITH of Virginia. Not at this time.

Now, aside from the incident involved here, I think it is quite serious when, in the debates in the Congress, we cast suspicion on the conduct of our Government. I know of nothing that could do more to destroy the confidence of the people of America in their Government than to have such incidents as we are having here now, unless we investigate them thoroughly and promptly, and if there are any rotten apples in the barrel, let us both, Democrats and Republicans, join together to throw them out. That is the attitude on this side of the aisle.

Now, I do not think that what the gentleman from Ohio is seeking to do is sufficient, although I do not question his motives. I do not think he is doing a complete job. I hope that in the interest of solving this problem I can induce my good friend from Ohio to do what I think should be done. It is a very simple question. Why should we conduct an investigation for 6 months, and the Senate conduct an exactly similar investigation for 6 months, when the answer is so simple that the Secretary of Agriculture says all you have to do is to "untie my hands when you have handcuffed me with a law that you enacted, and give me authority to give you all the information, and it shall be forthcoming."

Is that a reasonable suggestion?

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I certainly yield with pleasure to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman from Virginia, of course, knows that while the Secretary of Agriculture contends that he does not have the authority to furnish these lists, very learned lawyers in this Congress insist that he does have that authority. The gentleman knows, of course, that the information was furnished to the Rules Committee that the Secretary of Agriculture does not have any records of any transactions in the market of less than 200,000 bushels of grain.

Mr. SMITH of Virginia. All right, but what is the objection—I do not yield further—what is the object to giving him the authority that he wants? He says there is doubt about it, and if lawyers differ about it—and goodness knows, there are something like a million lawyers in the United States all of them making a good living out of differences of opinion as to what the law is. With the existence of that difference of opinion why do we muddle around with it? Why does anybody object to giving the Secretary of Agriculture the authority which he says is required to permit him to give you the information you want, to give it to you tomorrow morning instead of fiddling around and having to wait 6 months to get it.

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

Mr. SMITH of Virginia. No; I do not yield.

By giving him the authority he says is necessary you could get the information tomorrow, but here we are going to fiddle around for 6 months keeping the American people in doubt as to the honesty of their Government when it is within your power to get this question settled in 24 hours. Why do you not do it?

And I am going to say further that at the conclusion of this resolution—which all of us on this side of the aisle are going to vote for—I am going, if the Speaker will recognize me, to ask unanimous consent for the immediate consideration of House Joint Resolution 280, which I introduced on yesterday, which will give the Secretary of Agriculture the authority that he asks to give the Congress full information and relieve any doubt about it that might exist in the mind of any of the millions of lawyers in this country.

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

Mr. SMITH of Virginia. I yield.

Mr. McCORMACK. The Secretary of Agriculture has said that if he complies with the law he cannot make the information public. He is obligated to carry out the law. He has asked this Congress for permission; and I ask the gentleman in offering his resolution if it is broad enough to cover all persons? Because the American people are entitled to know all the information.

Mr. SMITH of Virginia. There might be some difference of opinion about whether you ought to publish the names of everybody who bought a share of stock or a bushel of wheat on the stock markets or the commodity markets. So far as I am personally concerned I do not believe in a muckraking investigation

against everybody for doing something that has been done for years, recognized as a legal business transaction; but when it comes down to the question of the involvement of Federal officials, where that involvement affects the integrity of the Government and the confidence of the people in their Government, I say let us turn them all up whether they are members of the Federal Government, whether they are Members of Congress, or members of the executive department. I have no special objection other than that to the inclusion of all persons in the list.

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

Mr. SMITH of Virginia. I yield.

Mr. MANSFIELD. I want to say, as far as I am concerned, that I think the pitiless light of publicity should be thrown on all speculators in the commodity markets whether in the Congress or in or out of the Government. Will the gentleman tell me why we should take the word of lawyers rather than making the voice of Congress heard by correcting the situation?

Mr. SMITH of Virginia. I cannot answer that question because there is not any answer to it. Of course we ought to do it.

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

Mr. SMITH of Virginia. I yield.

Mr. RANKIN. Will this resolution authorize the investigation of the alleged conspiracy between top-flight manipulators on the cotton exchange and top-flight textile industrial enterprises to hold down the price of cotton to the American farmer?

Mr. SMITH of Virginia. I do not know about that.

Mr. RANKIN. It seems to me that if we are going to look after one we should look after the other also.

Mr. SMITH of Virginia. I am offering this resolution for a specific purpose.

I now yield to the gentleman from Ohio, if he wishes me to yield.

Mr. BROWN of Ohio. Yes; if the gentleman will permit an inquiry. The gentleman has just said that he believed it was necessary to enact a joint resolution in order to give the Secretary of Agriculture permission or legal authority to make those lists public; that without that legal authority it would be a violation of law.

Mr. SMITH of Virginia. That is according to the opinion of the Attorney General.

Mr. BROWN of Ohio. Then why, if the Attorney General said it was a violation of law for him to do so did the Secretary offer to make that list available over in the other body, if it was a violation of law?

Mr. SMITH of Virginia. I do not know; maybe they intimidated him when they got him over there.

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

Mr. SMITH of Virginia. I yield.

Mr. RAYBURN. My understanding is that exactly the opposite happened. I am not supposed to know what goes on in the executive session of a Senate committee. My understanding is, and it will probably be in the afternoon pa-

pers, that the committee wanted the Secretary of Agriculture to submit it to them in executive session and the Secretary of Agriculture said, "No," he would not do any such thing.

Mr. RAYBURN of Ohio. My dear sir, I do not have any more information than the gentleman from Texas as to what happened over there. I accepted the information which has been given to me and to the House by the gentleman's side of the aisle to the effect that the Secretary of Agriculture did offer to make that list public this morning.

Mr. RAYBURN. I do not think that is anything like true.

Mr. BROWN of Ohio. I am sorry that the gentleman challenges the statement of his own side.

Mr. RAYBURN. I do not think the Secretary of Agriculture would say in one breath that he did not have the legal authority to do it and then in the next breath he would do it.

Mr. BROWN of Ohio. I am relying on the statement made by that side of the aisle.

Mr. SMITH of Virginia. I hope that the gentleman from Ohio will tell the House in his own time why there is any objection to passing a concurrent resolution to take the handcuffs off the Secretary of Agriculture so that he can give you the information you desire.

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

Mr. SMITH of Virginia. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman from Virginia is a distinguished member of the bar. May I read to him the language to relieve us of any doubt about the authority. This is the pertinent part of the provision:

The Secretary may publish from time to time in his discretion the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public except data and information which would separately disclose the business transactions of any person.

Mr. SMITH of Virginia. Yes.

Mr. PACE. There is no question about that.

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

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. COMBS. Is it not true that this whole hue and cry for months has been concerning the speculation of officials of the Government?

Mr. SMITH of Virginia. Yes; that is what it is all about.

Mr. COMBS. Are we going on a jack-rabbit hunt all over the country?

Mr. SMITH of Virginia. That is exactly it.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I am heartily in favor of the pending resolution. I think it does cover the ground thoroughly. Certainly there should be no exceptions made in any investigation as to Members of Congress or any other individuals in the Government.

Mr. Speaker, statements have been made here which indicate that some

Members of the House feel this investigation should be conducted by the Committee on Agriculture and that the Committee on Agriculture was perhaps dodging responsibility in not undertaking it. I may say in this connection that as chairman of the Committee on Agriculture I was consulted before the resolution was introduced and reported by the Rules Committee. It was my feeling then and it is my feeling now that a special committee is in a better position to carry on the job which should be undertaken here than a standing committee.

The Committee on Agriculture is very busy at this time. It has a number of legislative matters before it and particularly it is engaged in working out a long-time agricultural program which is going to require the best efforts on the part of all the members of the committee if we are going to submit legislation at the next session of Congress. It is my feeling that if the committee should undertake an investigation of the scope and character that should be undertaken in this instance it might interfere seriously with this and other important legislative matters.

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

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman will agree that this matter has not been submitted to the Agricultural Committee, of which my distinguished friend is chairman and of which I am a member, and that the committee has not refused to go into this matter as was suggested a moment ago?

Mr. HOPE. Yes. I am very glad to make the record absolutely clear on that. The question as to whether the investigation should be conducted by the Committee on Agriculture has never been submitted to the committee. I took the responsibility of advising the House leadership that I felt the investigation could best be handled by a special committee. In doing so I was, of course, giving my personal view and not speaking on behalf of the committee or any member thereof other than myself.

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

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, this matter seems to have generated a lot of controversy, and has become something of a free-for-all.

Now, let us just go back a little bit. The President said some very harsh things about speculation on the boards of trade and the commodity exchanges as affecting prices. I certainly hold no brief for speculation, but think it should be said for the managers of the commodity exchanges that immediately following the President's allegation they said, "We want a hearing; we are perfectly willing to disclose everything in connection with our transactions." They took the position that the President's allegation had no factual foundation, and they apparently wanted the people to have the real facts.

Let us take a look at this resolution. From what I have heard here on the floor and my personal conversations with the Members it appears that about everybody is going to vote for it, so the question would seem to me, Is it sufficient? Well, first of all the resolution seeks to inquire into the general effect of Government buying on prices. It also seeks to inquire into the manner of Government buying as it affects prices. As everyone knows, the timing of purchases, as well as volume, affect the general level of prices. Now, certainly no one can complain about that phase of the resolution. The resolution properly seeks to develop information as to the extent of transactions on the commodity exchanges, because it is alleged by some that that has to do with prices.

I think the gentleman from Virginia, in his usually fair manner, pointed this out: Generally speaking, the average individual, who is not in Government and who has no access to so-called inside information, may buy and sell in the commodity exchanges, and I do not know whether that is the business of anybody in particular, except himself. Let me make that clear. While the quantity or sum total of transactions on the exchanges at any particular time might be important for Government to know, the identity of the individual out in the country, who might add to that quantity, I do not believe is of particular consequence in this whole matter. The individual becomes important when he has and is making use of inside information he should not have to his personal gain at the expense of the general public. A distinction must be made between normal legitimate purchases and irregular speculation.

Everyone ought to recognize that Government buying drives prices up. That has been conclusively demonstrated. Now, if anybody on the inside in Government—I do not care whether he is in the legislative or in the executive branch of the Government—has access to advance information as to what the Government program of buying is going to be, he can, of course, rush in and buy those commodities and make himself a fortune. There is already some evidence that possibly this has been taking place.

The point I want to make is simply this, that if anyone in Government has access to that inside information and then rushes in to buy at the very time that the Government is about to buy, he not only feathers his own nest by reason of that inside information, but he aggravates the inflationary effect of the governmental buying on the whole price structure.

There has been a lot of shadow boxing around here. There has been talk about people in the legislative branch being afraid of this investigation. Well, I never bought or sold anything on any commodity market, so that insofar as I am personally concerned, I stand here free of any possible hurt in this connection. But are Members of the legislative branch covered in this resolution? Look on page 2 of the resolution and under (b) beginning on line 5 you will see the words "the private acts." It also says "and of-

cial activities," but I refer particularly to the words "the private acts of any individual in the United States Government in connection with the purchase or sale of commodities." The resolution provides that the investigation shall cover such "private acts."

Where do we Members of the House get our checks? We are paid by the United States Government. We are certainly in that classification on page 2 of the resolution, where reference is made to "the activities of any department or agency of the United States Government." I do not think the language is broad enough to include the legislative branch as such. But that isn't important, as the legislative branch does no commodity exchange buying. I am certain, however, that words on page 2 that I just read are sufficiently broad to cover Members of the legislative branch.

The point I am making is that what we ought to do through this committee is find out, first, what is the effect of Government buying on prices, second, what has been the effect of the manner of that governmental buying, and third, what people are there in the Government, if there are any place, who not only have profited personally because of the inside information they had but who have aggravated the inflationary effect on the whole price structure that results from this sort of dealing.

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

Mr. HALLECK. I yield to the gentleman from Texas.

Mr. COMBS. Does the gentleman contend that this committee would have any right to investigate a Member of the other body, or that their committee would have the right to investigate a Member of this body?

Mr. HALLECK. I do. I have seen here in my time investigating committees on the other side of the Capitol send for Members of this body and investigate into their matters.

There has been a lot of talk here about amendments. I do not know what sort of rushing around Secretary Anderson is doing or what sort of smoke screen he is trying to throw up, but as far as I am concerned, I am willing to go along with a committee of this House of Representatives in the discharge of its official duty to obtain the information, and then give the people the true facts and reveal the names of any individuals whose activities have been such that their names can properly, and in the public interest, be divulged. So as far as I am concerned, there are no amendments that are needed to this resolution. I cannot think of any that ought to be adopted.

Mr. BROWN of Ohio. If the gentleman will yield, the question was asked on the other side as to whether there is any power or authority to investigate the actions of a Member of another body. Will the gentleman advise me whether the other body did not investigate the activities of a gentleman from the House by the name of May not long ago?

Mr. HALLECK. I do not want to go into that.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, apparently there is no need to go into a discussion of the merits of this resolution. The Members seem to be for it and want the investigation and disclosures made upon the facts found by the committee that will conduct the inquiry.

I should like to point out to some of the gentlemen who may be in doubt about what the attitude of Secretary Anderson was in providing the list yesterday when he said he did not have authority under the law to furnish the list of so-called speculators without special action of Congress, but today, apparently, according to a report handed to me by a United Press reporter, the Secretary has changed his opinion or reversed himself, and is willing to make the list public to the press and to the Congress. I do not know who made the mistake in the decision of yesterday or in the decision of today. The Secretary now feels that he has the authority, if the report given me by the United Press reporter is correct.

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

Mr. AUGUST H. ANDRESEN. I cannot yield to the gentleman at this moment.

Mr. COMBS. The gentleman is incorrect. Will he yield for a correction?

Mr. AUGUST H. ANDRESEN. In the second place, the Secretary could only give a list today of the names of individuals and concerns in the futures market who held grain in a quantity over 200,000 bushels. Now that is not peanut stuff. Most of the dealings in the grain market, at least, and I take it it would be true in the cotton market, would be much under a commodity that would have a total value of around \$500,000 or \$600,000.

This resolution is directed to investigate all commodity transactions, whether they be in or out of Government service.

I recognize that the commodities market is also a useful and necessary instrumentality in the merchandizing of commodities, and that there are legitimate businesses and individuals engaged in transactions in the commodities market. I also recognize that there are a class of speculators who provide the hedges, as insurance, for sellers and buyers of grain and grain products. These speculators carry the risk. As far as this committee is concerned, I am sure that they will treat both groups of the investigations with due fairness and respect.

I do not suppose there is anyone here who can defend a Government official of the United States who possesses inside information on what the Government is going to do and who acts on such information and profits thereby. That is one part of the inquiry provided by this resolution and it will affect not only Members of Congress but also members of any governmental agency or their relatives or friends, if such information can be uncovered.

Our Committee on Agriculture possibly should have had jurisdiction of this investigation. A subcommittee of the Committee on Agriculture has gone into the matter in part as far as it could go. But the committee does not possess the power to subpoena individuals and books and records. Therefore, when the matter first came to my attention, I took it up with the chairman of the committee, the gentleman from Kansas [Mr. HOPE], who raised the point that we did not have the subpoena power. I told him I intended to introduce a resolution providing that the matter should be handled by our committee. Our committee had jurisdiction over the Commodities Exchange Commission and over most of the affairs of the Department of Agriculture and would have been the proper place for the investigation. But after discussing the matter with the gentleman from Kansas [Mr. HOPE] we came to the conclusion that due to the large number of activities of the committee, it would be advisable to have a special committee with full power to proceed with an investigation. So I changed my resolution as it appears here today, and provided for a select committee of the House to be appointed by the Speaker. In view of recent events, the proposed investigation of commodity transactions is desirable and necessary at the present time, and I therefore urge the passage of the resolution.

Mr. MACKINNON. Mr. Speaker, House Resolution 401 was the first resolution submitted to this Congress calling for an investigation of activities on the commodity exchanges of the Government and those with inside information. That resolution was introduced by me on December 11, 1947. The resolution being presently considered follows House Resolution 401 very closely. The only substantial difference is that a select committee is substituted for the Committee on Banking and Currency.

SECRECY COMPLEX OF ADMINISTRATION

In dealing with the subject of this congressional investigation, there is one aspect of the situation that I wish to call attention to. That is to the secrecy complex that is developing in the present administration. We in Congress note it at every turn of the road. There have also been public exhibitions of this.

Only recently the press of the Nation, in a remarkable exhibition of journalistic achievement, unmasked an attempt by this administration to set up standards of secrecy in the Veterans' Administration. The Administration there proposed to handle as secret and confidential any matter which might be damaging to the Administration. That attempted action discloses a very queer philosophy of government. One which would completely deny access to the public to ordinary public records, if the records were damaging to the administration.

Also, on numerous occasions when employees of individual departments have recently appeared before committees of this Congress they have attempted to carry out this secrecy philosophy by

questioning the authority of Congress to require the presentation of ordinary everyday letters concerning the normal transactions of these departments. They always have some excuse why the information should not be furnished. They say it is "important" or "confidential," or they did not write the letter or give some other ingenious excuse. At every turn of the road there is an attempt being made by this administration to thwart the publication of matters relating to public business.

I submit that this Congress, as the representative of the people, would be derelict in their duty if they did not vigorously attack these attempts by bureaucratic officials to hide public records from the public. Public affairs should be subject to public scrutiny. It is a damaging admission on the part of this administration that their agents are so reluctant to let their activities be made public.

The situation before the House today is briefly this: The Secretary of Agriculture upon being requested to furnish certain information in his possession, as an official of the Government has given a lame excuse for not furnishing it. No person on the floor of this House has risen and defended the legality of the position taken by the Secretary of Agriculture. They have said there are differences between lawyers, but none of the lawyers who have arisen have supported the position of the Secretary of Agriculture. They are not willing to risk their legal reputation by saying that they concur in any construction of the law that would not require the Secretary to furnish the information. Oh, no, they quote others—anonymous individuals—except they say somewhere along the line that the Attorney General has given an opinion. If he has given any such opinion it has not been made public to my knowledge, and if he did give the opinion then why did the Secretary of Agriculture offer to furnish the information under certain conditions? Evidently the Secretary does not have much faith in whatever opinion he was hiding behind.

WHY THROTTLE CONGRESS?

Now, there have been those on the floor here who have said that we should pass a joint resolution of the two Houses of Congress and that we could then get the information. A joint resolution requires the President's signature. Mr. Speaker, I do not believe that a joint resolution would be a wise thing to do. I believe it would create a bad precedent. It would create a precedent that would tie the hands of Congress in the future. It would mean that any time that any information is wanted from any Department that the committee must face the necessity of passing a resolution through both Houses of Congress and getting it signed by the President. For Congress, by its own action, to create a precedent that would so tie its hands for the future would, in my opinion, be a very disastrous and backward step for it to take. I implore this Congress to not take such action.

WHY DIGNIFY A LAME EXCUSE?

Furthermore I do not believe we should take such action because I do not believe we should so dignify the lame excuse that has been presently offered for refusing Congress this information. It is clear to anyone who reads the law that there is no doubt about the necessity of the Secretary of Agriculture furnishing this information. In this connection I refer you to my remarks at page 11567 in the CONGRESSIONAL RECORD for Wednesday, December 17. I say we should not dignify the lame excuse by recognizing that it has validity when it does not have.

Either body of Congress has authority to get this information without a joint resolution. Why should we run all around Robin Hood's barn and thereby require ourselves in the future to run all around Robin Hood's barn whenever a committee has a legitimate request for governmental information?

ADMINISTRATION'S POSITION

The administration's position on this matter is quoted in the Evening Star for today, December 18, 1947, as follows:

"All that is necessary is the passing of a joint resolution, which the President will approve," Mr. Anderson said.

He contended that would preserve the proper relationship between the legislative and executive branches of the Government.

IS CONGRESSIONAL SUBSERVENCE A PROPER RELATIONSHIP?

A close reading of that quotation makes it very apparent what the administration wants. They say a joint resolution would preserve the proper relationship between the legislative and executive branches. What do they mean by proper relationship? What they obviously want is a preservation of the relationship that existed for the past 15 years. Under that condition the legislative branch was completely subservient to the executive branch. That is what they mean by a proper relationship and that is where we will be if we now set a bad precedent for the future.

And, mind you, while the President may sign this joint resolution, if you establish a precedent by this action of requiring joint resolutions whenever you want information damaging to the administration, then you are going to place in the President's hand the power, through his use of the veto, to hamstring this Congress in carrying out its investigatorial duties. Yes, he will sign this resolution, but he will have the veto power over any future investigation by Congress. That veto power will make the Congress in the future subservient to the President in investigations. I do not consider that would be a proper precedent for this Congress to set. I believe it to be too high a price to pay—let us insist on the clear legal right that Congress has to obtain this information by subpoena.

Mr. Speaker, in closing I urge support for the resolution establishing the investigation.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MONRONEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONRONEY. Mr. Speaker, I was listening carefully, and I did not hear the previous question put.

The SPEAKER. If the gentleman was listening, he would have heard it because it was very clearly ordered.

Mr. MONRONEY. Was it by unanimous consent, Mr. Speaker?

The SPEAKER. By unanimous consent. The gentleman is correct.

AUTHORIZING STUDY OF BLACK MARKET

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 403, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas the continued prevalence of black markets seriously undermines and threatens the national economy of the United States; and

Whereas prices have been inflated and procurement of materials interfered with by black market operations to a point where public works of all kinds have been made exorbitantly expensive and, therefore, practically impossible economically; and

Whereas further authorization of public works by the Congress will be devastatingly retarded if not prevented altogether unless these iniquitous operations and practices can be stopped; and

Whereas it is obvious that unless these flagrant malpractices are eliminated no proper public-works program can be achieved nor can a stable economy be maintained throughout the United States and its possessions: Now, therefore, be it

Resolved, That the Public Works Committee, or any subcommittee thereof, is authorized and directed to make a study of black markets and to search exhaustively into the sources and causes of these destructive tendencies induced by black markets, with a view to reporting as speedily as possible not only their findings but their recommendations for the enactment of measures calculated to eliminate these opprobrious, destructive, and baneful practices. For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, 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. Subpenas may be issued under 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.

With the following committee amendments:

On page 2, line 3, after the word "of" strike out the words "black markets" and insert "conspiratorial or other questionable practices"; and on line 5 after the word "by" strike out "black markets" and insert "conspiratorial or other questionable practices."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The gentleman from Ohio [Mr. BROWN] is recognized for 1 hour.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

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

Mr. Speaker, House Resolution 403, which has been reported by the Rules Committee, provides that authority be granted to the Public Works Committee, or to any subcommittee thereof which may be designated for the purpose, to make a study of conspiratorial and other questionable practices, and to search into the sources and causes of such practices.

To put it in the parlance of the day, this resolution provides for a study and investigation of what some of us have in the past termed "the black market." I think the slang phrase now is "gray market," wherein many commodities are sold through peculiar sources and in peculiar ways at prices much higher than the regular going price.

I do not believe there is anyone in the Congress who can have any objection to this House committee, either as a whole or as a subcommittee, making this investigation. Certainly the light of day should be turned upon these practices which have so much interfered with our construction of homes, in obtaining the supplies that are needed for the relief of other peoples, and for meeting the requirements of our own citizens.

I think if this committee can make even the slightest contribution—and I am sure that it can—toward stamping out these practices, or towards exposing them, it will be very much worth while.

I have served as the chairman of the Select Committee on Newsprint and Paper Supply. We have encountered some of these activities in the field of paper, especially in newsprint. There is no particular law against such activities, and so the spotlight of pitiless publicity, the inquiry and the interest by Congress, will have a great moral effect. Once the information is obtained as to exactly what is going on this committee can determine whether or not legislation is necessary to stamp out these practices. So I hope that this resolution as amended will be adopted.

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

Mr. SMITH of Virginia. Is the gentleman through?

Mr. BROWN of Ohio. I reserve the balance of my own time. I thank the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an article in the Boston Sunday Herald of December 17, written by Thomas E. Maloney, the headline of which reads: "Steel gray market octopus grips industry."

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, this resolution is a very appropriate one, and one that I have no objection to. I shall vote for its passage. I am very glad to note that the Rules Committee struck out the words "black markets" and inserted therein "conspiratorial and other questionable practices." I am glad this was done for two reasons, because last year our Republican friends promised us there would be no black markets with the removal of controls. It would, of course, be a very sad reflection to have a resolution introduced by a prominent member of the Republican Party and reported out by a Republican committee containing the admission that the black market still continues. Furthermore, anyone appearing before the committee might raise the question whether or not their nefarious actions constituted a black market, and the wiping out from the second angle is a matter of great importance because the language recommended by the committee will avoid any such technicality as that being advanced at any time.

The existing situation is very acute. Throughout the country people are being robbed. It is being done under the guise of the law. Outrageous prices are being charged, not only to the public but to legitimate business. For example, I have a friend who is a very substantial contractor, and yet he is an independent one. In order to buy nails he has to pay \$12, \$13, and \$13.50 a keg. I do not know what kind of market that is, but it is a most vicious market. The other day he told me of a company in Boston who called him up—a company he had purchased from through the years. They told him they had 400 kegs of nails and that their allocation to him was 20 kegs. He asked him what the price was and they said \$6 a keg. They were charging the legitimate price—a legitimate company asking only for a legitimate business profit—yet, only a few days before, he had to pay \$13.50 in the gray market, or some other kind of a market, for a keg of nails. He is a contractor of substance who employs anywhere from 750 to 1,500 employees. He told me that if he ordered 1,400 tons of steel—and that is a pretty big order—some contractors are more powerful than he—he cannot get his order from the large steel companies, although these smaller contractors filed their orders months ago. He and other independents or smaller businessmen like himself have on file their orders or requests for steel for months. As a result, they are pushed back many months.

The same situation undoubtedly exists in other sections of the country.

Mr. Speaker, I have before me a letter I recently received from a businessman in which he states as follows:

Transactions that normally flow through two or three parties are now being channeled through as many as six and seven hands, each of whom are adding their own margin of profit.

It is not only the public that is suffering, but also the businessman is suffering as a result of this condition. In my opinion, the independent or small businessman ranges from one who employs 1 to an employer of 5,000 help. That is my idea of a small or independent businessman under our national economy.

This man gives me specific information in his letter with reference to conditions existing in New England. With reference to building materials and nails, he says:

On October 6 I was offered, firm for 48 hours, 60,000 kegs of nails at 9¼ cents per pound. This price was at least 100 percent above the cost of production and 3 cents above the normal existing market price for the same item. I could have sold the entire lot, plus 40,000 kegs additional, within 24 hours on a cash basis.

Since that date transactions have been closed in Boston in which nails have reached as high as 12 cents.

The SPEAKER. The time of the gentleman from Massachusetts has expired. Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. McCORMACK. Mr. Speaker, he goes on to discuss oil tanks of 250 gallons capacity, and states:

The reasonable normal price today for this type of tank should be in the neighborhood of \$27.50. During the past 2 weeks I have been offered in quantities ranging from 500 to 1,000 tanks. The minimum price was \$48.50 and the maximum \$62.50, f. o. b. source.

He goes on and states the following with reference to 12-gage steel used in tank construction:

The present value of this gage steel as quoted me by the Boston office of the Bethlehem Steel Co. on October 27 is approximately \$80 per ton. I have received a request for 200 tons at \$180. During the past week a minimum of six carloads of this material has arrived in Boston, consigned to firms who customarily never specialized in 12-gage steel and who have refused an offer of \$140.

What does he say about plywood?

Fir plywood is practically nonexistent in this market and could be sold at a fantastic price if obtained. On October 14 I was offered 400,000 feet of mahogany plywood, off sizes, at a price 100 percent above the currently quoted mill price.

What does he say about automobiles sold in a town outside of Boston?

Every Monday there is conducted an automobile auction.

He gives the name of the individual, and I will give it to the committee if it so desires. If the committee wants this correspondence I will give it to the members.

He goes on to say:

It was reported to me by reliable dealers that anywhere from 2 to 400 cars are sold weekly.

They come from any number of States to this auction. He further said:

A very high percentage of these sales consist of 1946 model cars. Dealers buy from dealers in private sales prior to the open auction, and prices are quoted to be anywhere from \$250 to \$600 above current list price. In the same town a Chevrolet two-door sedan which sold in February of this

year at \$1,100 delivered is being quoted and sold at over \$2,000, due to the addition of extras which must be purchased.

Now, there is some evidence. The Committee on Rules has rendered a service to the country in reporting out this resolution. A fearless investigation should be carried on. This committee, when appointed, will require a substantial sum of money, because they are going to make a hard and difficult investigation.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

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

Mr. BROWN of Ohio. I appreciate the compliment paid to the Committee on Rules, and I believe it is fair to state to the House that this resolution was reported favorably by the entire membership of the Committee on Rules, of both political parties.

Mr. McCORMACK. Mr. Speaker, a fearless investigation, following the passage of this resolution, will bring great benefits to the country. None of us stand for the practices that are going on. As much as we condemned the black market that unfortunately existed under price control, just as vigorously do we condemn the overcharging by any one of the American people or of American business such as is going on today. This is a matter of primary importance not only to our people, but to our national economy and to the great majority of our businessmen, 99 percent of them, who want to conduct their business in an honorable and a trustworthy manner.

Mr. Speaker, the committee appointed as a result of this resolution can render great service to our people and our country by making a fearless investigation.

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

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

Mr. MONRONEY. I agree completely with the things that the gentleman from Massachusetts has said. I wonder, though, since these things are going on, whether the complete waiving of the Antitrust Act will correct any of it?

Mr. McCORMACK. Not these abuses. This resolution seeks to look into the nefarious conditions that exist, due to the shortages, with a small group engaging in unethical practices which, under price control, would have constituted a black market in violation of the law for which they could have been prosecuted.

Mr. Speaker, the article I referred to is as follows:

STEEL GRAY MARKET OCTOPUS GRIPS INDUSTRY

(By Thomas E. Mullaney)

NEW YORK, December 13.—The black or gray market in basic and finished steel, disclaimed and minimized by the products and fabricators of the vital industrial commodity, is no small enterprise. It is a gigantic octopus whose heart is situated in New York City and whose grasping tentacles control millions of tons of steel in various forms throughout the Nation.

For the last 3 weeks this writer has observed first-hand, scores of local brokers, dealers and "entrepreneurs" from almost

every walk of life trying to peddle fantastic tonnages of real or phantom steel at fabulous prices three and four times the official quotations for the products involved. To declare that perhaps 2,000 people in the city are engaged in this activity may be understatement.

SCRAP, NAILS TOO

Most of the profiteering is being done in sheet and strip steel of the type used by automotive and appliance manufacturers, but the gray market is also strongly active in scrap metal and nails.

Estimating the amount of steel that has been funneled to racketeers is no easy task, because of the multitude of "phony" offers being made. Some steel company spokesmen have guessed that approximately 3,000,000 to 3,500,000 tons of finished steel, or around 5 percent of total output, have gone, unintentionally and unfortunately, into the hands of the profiteers.

One buyer for a number of prominent manufacturing concerns, however, has placed the volume at close to 11,000,000 tons. Very likely the actual figure splits the range.

Be that as it may, the fact is that substantial tonnages of the material which turns the wheels of 40 percent of America's industry have been removed from their normal markets by opportunists who are commanding—and getting—premium prices from the buyers best able to pay. Various sizes and gages of sheet and strip steel, for instance, are being disposed of, easily, at prices running between \$150 and \$350 a ton, whereas the price ordinarily paid for these different products ranges between \$85 and \$95 a ton.

Scrap metal, which currently is quoted at \$40 a ton delivered in the Pittsburgh area, is selling freely in the gray market at levels between \$4 and \$15 a ton above the market price at a time when the domestic steel production is being held to 4 percent under capacity for lack of this critical material. Nails, the valuation of which would not exceed \$4 a keg even under inflated price schedules, are being denied to many construction companies because the gray market has commandeered huge quantities of them and is offering them at \$8 to \$11.75 a keg.

OUTRAGEOUS RACKET

During this 3-week scouting venture in the steel gray market, contact was made with dozens of acknowledged profiteers who came to the office of a New York buyer's representative boldly proffering actual steel at these amazing prices cited. As many, and more, nonprofessionals pretending to have impossible tonnages of critically scarce sheet and strip steel also appeared during this time.

Opportunity was also afforded during the last 3 weeks to examine thoroughly the index cards, correspondence, purchase requests, sales transactions, and other files of this local buyer for industrial companies. The investigation revealed that, in the last 8 months this one purchasing agent has bought 10,000 tons of steel at prices ranging between \$120 and \$320 a ton, with the vast majority of the transactions being consummated at levels above \$250 a ton.

The buyer is Norman J. Edelmann, president of Know-How, Inc., located on the second floor of a four-story brownstone house on East Fifteenth Street. He alleges that his organization, which he calls a finding company, has not engaged in gray market activities except insofar as it has openly bought from these profiteers at the extraordinary prices they have demanded. His only compensation, he maintains, is a regular finder's fee of \$5 a ton for quantities under 1,000 tons found and \$1 a ton when the tonnages exceeded that total.

Edelmann disclosed that he now holds orders for more than 3,000,000 tons of sheet and strip steel from 68 large manufacturing

companies in all sections of the country. The prices they are willing to pay, he said, start at \$120 a ton and mount up to \$260 a ton.

Among his standing purchase orders are one from a Detroit company producing automotive parts asking for 160,000 tons of sheet steel over a 12-month period at \$169 a ton; another offer comes from a national radio manufacturing company seeking steel at \$250 a ton, and a third offer was submitted by a southwest manufacturing group asking for 96,000 tons of hot-rolled, pickled sheets over a long period at a price of \$150 a ton.

The most recent deals completed by Know-How, its 41-year-old president declared, were:

1. The sale of 3,500 tons of sheet steel to an eastern manufacturer at a price of \$260 a ton, on which Know-How realized its usual profit but middlemen received \$11 a ton.

2. The sale of 4,500 tons of steel pontoons for use as scrap to one of the Nation's top steel companies at \$36.50 a ton plus 50 cents a ton to Know-How as a finder's fee. However, the preparation price on the lot will run up to approximately \$8 a ton, making the actual price about \$45 a ton, Edelmans said.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, greed and selfishness have ruined many a nation and many an individual. I am glad that the Committee on Rules has reported a resolution of this kind creating a committee to investigate some of the black market or gray market or greedy practices now found to exist in the United States.

I cannot quite agree with the gentleman from Massachusetts about the black-market operations as the result of the removal of price control, because last fall when we did have price control we had the biggest black market in the United States in a vital necessity, and that was in meat. You could go into any butcher shop in the United States and you would not find any meat. That was under price control, and that was because the black market of this country had taken over from one end of the Nation to the other.

Now, when it comes down to the items mentioned by the gentleman from Massachusetts like steel and nails, I made a little investigation of that matter myself. We recognize that there are certain manufacturing companies in the United States that are engaged in the production of steel of all kinds. They have been in the habit of allocating their steel to legitimate manufacturers throughout the United States. But, the small manufacturers out my way, at least, are having great difficulty in securing enough of this steel to keep running. The result is that many of them have been forced to close down and we are having an unemployment problem on our hands. But, I do find that certain individuals and concerns in the United States are able to get all the steel they want, and they are offering it to my constituents and to your constituents at fabulous prices.

Let me cite gage steel, 18- to 22-gage steel, which is sheet steel.

Let me tell you what is going on in the case of 12- to 20-inch gage steel sheet. It is difficult to believe that we have such greedy individuals in the United States. The light of publicity

should be directed on them and their operations, and they should be investigated to the fullest extent. The regular price charged for steel sheets by the producer to a legitimate dealer or manufacturer runs from \$80 to \$100 a ton, but the legitimate manufacturers are not able to get it. They find that if they will write to, say, the Emergency Steel Co., of Chicago, Ill., and pay \$260 a ton for it they can get all they want. If they write to the Kalden Steel Products Co., of Detroit, Mich., and pay \$240, not \$100 a ton but \$240 a ton, they can get all they want.

The Bell Iron & Metal Co., of Chicago, Ill., is offering to sell large quantities at \$260 a ton. Page Hollister Co., of Chicago, Ill.—strange that there are so many in Chicago, Ill.—is offering to sell it at \$250 a ton. The Esko Co., of Chicago, Ill., Box 2054, no street address, offers it at \$240 a ton. Atlantic Steel Co., 767 Milwaukee Avenue, Chicago, Ill., offers it at \$310 a ton.

Now let us get down to the question of pipe. As you know, cast iron pipe and galvanized pipe are very scarce. The regular price charged for one-half-inch galvanized iron pipe, the legitimate price, is about 7½ cents a foot. The plumbers and the construction industry cannot get very much of this pipe, but they can get all they want, not at 7½ cents but at 32 cents a foot if they will write to the Fox Supply Co., Box 267, Geneva, Ill.

I am giving these names and I have several others here that should be investigated. Their source of supply should be investigated, because there may be a conspiracy on in this country to divert these vital products away from legitimate manufacturers and users into the gray market. These concerns that I have named to you may just be operating as a front for some steel company. I hope the committee will investigate these concerns I have given you and also go into the matter of ascertaining if there is a conspiracy to take these products away from the legitimate dealers and manufacturers of this country on the part of certain steel companies. The time has come to call a halt to this greedy racketeering.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a list of firms who are offering this material for sale.

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

There was no objection.
(The list referred to is as follows:)

Companies operating in the gray market		Per ton
Emergency Steel Co., 2136 Lincoln Park West, Chicago, Ill., Mr. Shane.....		\$260
Kalden Steel Products Co., 1661 National Bank Bldg., Detroit 26, Mich., Louis H. Golden.....		240
Bell Iron & Metal Co., 1552 South Drake, Chicago, Ill.....		260
Page Hollister Co., box 2044, Chicago, Ill., C. Johnson.....		250
Esko Co., box 2054, Chicago, Ill., A. Carlson.....		240
Crylon Steel Co., 179 West St., New York, N. Y., E. Londner.....		220
Atlantic Steel Co., 767 Milwaukee Ave., Chicago, Ill., Lou Gantz.....		310

We have received offerings from the following companies, listing materials for sale at the prices listed below:

	Per ton
Charles M. Williamson and Associates, 111 West Washington St., Chicago 2, Ill.....	\$238
Consolidated Metals Corp., 2619-2625 South Santa Fe Ave., Los Angeles 11, Calif.....	280
Fill-More Sales, 330 South Wells St., Chicago 6, Ill.....	247

Today we received from the Interstate Steel Service, 4525 West Fifth Avenue, Chicago, Ill., offerings as follows:

	Per pound
12 gage 22,000 pounds 17½ by 19½ inch H. R. P. O.....	\$0.105
6,000 pounds 17½ by 84¼ inch H. R.....	.10
43,930 pounds 12¾ by 72 inch H. R.....	.11
70 tons 14 by 168 inch H. R.....	.095
13 gage	
9,000 pounds 12½ by 174 inch H. R.....	\$0.10
5,200 pounds 15 by 48 inch H. R.....	.105
3,000 pounds 22¾ by 90¼ inch H. R.....	.10
10,000 pounds 22¾ by 120 inch H. R.....	.11
7,200 pounds 14¾ by 72 inch H. R.....	.10

The mill price of this steel would run an average of from 5 to 6½ cents a pound.

PIPE

We have just received another large shipment of pipe (galvanized and black) all new and we can make prompt shipments at the following sizes and prices:

	Galvanized		Black	
	Regular price	Gray market price	Regular price	Gray market price
		Per foot		Per foot
¾-inch pipe.....	\$0.0632	\$0.24	\$0.0467	\$0.17
½-inch pipe.....	.0757	.32	.0587	.28
¾-inch pipe.....	.0568	.38	.0752	.29
1-inch pipe.....	.1367	.46	.1059	.36
1¼-inch pipe.....	.1835	.69	.1418	.66

This pipe is in 21-foot length and is sold in full length only. Due to the scarcity of steel, pipe will be scarce for the next 6 months, so order your requirements now. Prices subject to change.

FOX SUPPLY CO.,
Box 267, Geneva, Ill.

P. S.—Will be glad to quote prices on larger sizes.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, the Committee on Public Works is keenly aware of the fact that questionable practices are costing the public and the public Treasury large sums of money, and unnecessarily so. The Committee on Public Works has jurisdiction of highways, flood control, river and harbor improvements, and public housing, and all of those constructions are being retarded because of the high cost of materials, among other costs. Black markets have obtained and will obtain with or without price controls.

The resolution under consideration does not provide for a special committee, it reinforces the jurisdiction of the Committee on Public Works by authorizing the use of subpoenas and compelling those who may have information to produce their books and records for the information of the committee. This committee can perform a useful function. The

blessed sunlight of publicity should be turned on questionable practices and black market or gray market operations. We may as well, however, be sure, whether we are consumers, builders, employers, or employees, that after all and fundamentally the black market and other questionable practices will not disappear until there has been a resumption of full production in the United States. Full production is the real remedy for eliminating black markets. Meantime questionable practices can and should be prevented with adequate punishment and publicity.

The worker who must buy food at increased prices is profoundly interested in the resumption of full production, to the end that black markets and other questionable practices may disappear. It has been pointed out here that in places where it might least be suspected, these questionable practices obtain. Black markets are almost universal. I commend the gentleman from New York [Mr. MACY] for his investigation that has resulted in the introduction of the resolution now under consideration. If properly conducted, as I am sure this investigation will be, and if those who are under cover now, with all their questionable practices, can be exposed to the light of day, I believe a public service will be rendered. I support the resolution.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, when this resolution, to investigate black markets was introduced, a copy of it was referred to the Committee on Public Works. The author of the resolution, as all of you know, is the gentleman from New York [Mr. MACY]. When it came to our committee, we met and discussed this question at considerable length. After full and complete consideration of the subject, the committee endorsed unanimously the objective of this proposal—whether the work was to be performed by the Committee on Public Works or any other committee which the House of Representatives might choose to designate.

The Committee on Public Works is not an investigatory committee, but it does have under its jurisdiction, as already so ably pointed out by the gentleman from Mississippi [Mr. WHITTINGTON], all public buildings of the United States, which include post offices, Federal court houses, customs houses, and other buildings. Whatever goes into the cost of building such public structures does involve the subject which this committee has under its jurisdiction. I want to commend the gentleman from New York [Mr. MACY] for the public service which he has rendered the people of the United States in the introduction of this resolution and compliment him for being the author of this measure.

Legitimate industry and business in this country deplore the existence of black markets as they exist in this country today.

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

Mr. DONDERO. I yield.

Mr. WHITTINGTON. I believe it is due to legitimate business where there are some clouds and links between legitimate business and black market operators that have an opportunity to show the public, the people of the United States, that they are not connected with it, so that the cloud may be removed.

Mr. DONDERO. I agree with the gentleman. I think this will have a very wholesome effect upon business and industry of the country. Case after case was cited before the Committee on Public Works showing the deplorable conditions and exorbitant prices being charged for some commodities which affect and contribute to the high cost of living in the country. Soil pipe in the plumbing field, automobiles, steel, and lumber are being sold at prices and under conditions which are unconscionable. In my own home city of Royal Oak, Mich., a small manufacturer told me that he uses a considerable amount of steel. The price on the market was \$55 a ton. He could not buy an ounce, but he said that he could buy all the steel he wanted if he was willing to pay \$255 a ton. Of course, he could not pay that amount, and the result is that his factory stands still and the machinery is idle.

A lumber dealer in my State was compelled to pay \$1,000 in addition to the list price for lumber in order to get material for the manufacture of windows and window sash. Of course, legitimate dealers deplore that condition. They shrink from it. It means only one thing, that the cost of commodities rises in this country, and the ultimate consumer must pay it.

I am satisfied that this committee which will be appointed under this resolution to investigate such conditions will have an opportunity to perform a service to the people.

May I say in answer to the gentleman from Massachusetts [Mr. McCORMACK] that the conditions which he described existed long before January 1, 1947, particularly in the meat industry.

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

Mr. DONDERO. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. It has been brought to the attention of members of our committee that where dealers who have been in business for years have submitted bids, within 24 hours one of these black market operators shows up, and that leads us to believe that there is some connection between the manufacturers and these black market operators. Otherwise, they would not know that the order had been placed.

Mr. DONDERO. The situation such as the gentleman describes exists right here in the District of Columbia.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. JENKINS of Ohio. I am glad the gentleman's own committee is going to take upon itself the responsibility of making this investigation, because I know it will be well done.

Mr. DONDERO. I thank the gentleman from Ohio.

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

Mr. DONDERO. I yield.

Mr. MATHEWS. Will this cover Army and Navy installations and Veterans' Administration installations?

Mr. DONDERO. The Rules Committee changed the language of the resolution which widened the scope sufficient to include such items, in my opinion.

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

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Clerk will report the amendments in the preamble.

The Clerk read as follows:

Strike out "black markets" and insert "conspiratorial or other questionable practices";

Strike out "undermines" and insert "undermine";

Strike out "threatens" and insert "threaten";

Strike out "black market" and insert "conspiratorial or other questionable practices."

The amendments were agreed to.

A motion to reconsider was laid on the table.

Amend the title so as to read: "Resolution to authorize and direct the Public Works Committee, or any subcommittee thereof, to make a study of conspiratorial or other questionable practices."

EXTENSION OF REMARKS

Mr. GRANT of Indiana asked and was granted permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SHORT asked and was granted permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. MACKINNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the debate on the resolution to investigate commodity exchange transactions and have those remarks inserted at that point in the RECORD.

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

There was no objection.

Mr. CLASON asked and was granted permission to extend his remarks in the RECORD and include an article.

Mr. GWINN of New York asked and was granted permission to extend his remarks in the RECORD on labor racketeering and monopolistic practices.

SPECIAL ORDER VACATED

Mr. EBERHARTER. Mr. Speaker, by previous order, I was given permission to address the House today. I wish to advise the Speaker that I do not care to take advantage of that privilege.

The SPEAKER. Without objection, the order will be vacated.

There was no objection.

EXTENSION OF REMARKS

Mr. RAMEY asked and was given permission to revise and extend his remarks

in regard to a bill which he introduced today, amending the Civil Service Classification Act of 1923.

SHIPMENT OF OIL TO FOREIGN COUNTRIES

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. How much longer will the House be in session today?

The SPEAKER. The Chair cannot answer that question. There are over two hours and a half of special orders on the agenda for this afternoon.

Mrs. ROGERS of Massachusetts. Would it be in order at this time to make a brief statement regarding some resolutions of inquiry?

The SPEAKER. The gentlewoman may proceed for 1 minute if she desires to be recognized for that purpose.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am hoping that before the day is over, or by tomorrow morning, information regarding the number of tankers, and so forth, and information regarding oil and the amount being sent to Canada and other countries, will be in the hands of the Committee on Interstate and Foreign Commerce and the Committee on Merchant Marine and Fisheries.

I commend the chairman of the Committee on Interstate and Foreign Commerce for the hearings the committee is holding this afternoon, I understand, in an effort to work out the problem and get the information they wish and that I asked for in my resolution of inquiry. The chairman gave me a brief hearing on my resolution and I have had the hearing transcript that the chairman has held on the whole fuel problem.

At the hearings yesterday of the House Committee on Interstate and Foreign Commerce, one of the department witnesses testified concerning the amount of coal and fuel oil going into Canada from the United States. After considerable cross-examination, it was brought out that exports of fuel oil in 1947 to Canada increased by approximately 385 percent over 1946, and probably very much greater than in previous years, and the exports in 1946 were very high.

You will note the tremendous increase in shipments of oil to Canada in 1947 over the shipments in 1946.

On December 6, 1947, I sent the following telegram to the President in Florida. One of the President's secretaries said that I will hear concerning it today. The telegram is as follows:

WASHINGTON, D. C., December 6, 1947.

Hon. HARRY S. TRUMAN,
The President, Key West, Fla.:

I respectfully request that you prohibit by embargo shipment of oil from United States to foreign countries the same as shipment of soft coal is now prohibited. I also respectfully request that you direct United States Maritime Commission to sell tankers to

Americans and not to foreign persons or governments. I have introduced resolutions in Congress for these purposes, but as congressional action may be delayed, I urge that you act immediately in this emergency.

EDITH NOURSE ROGERS,
Member of Congress.

I have a great deal of that information myself, but I feel that the House is entitled to the information also. I am sure the chairman of the Committee on Interstate and Foreign Commerce wants to help in every way because they are working tirelessly to solve the problem. So I will wait before trying to bring the resolution up until tomorrow, for the chairman of that committee may then be in possession of the information needed as a result of today's hearings and it will be presented to the House, I have learned.

The chairman of the Committee on Merchant Marine and Fisheries also will have information, I understand, at that time; and also the chairman of the Committee on Public Lands will have information from the Interior Department regarding the amount of oil, and so forth, that is in this country. I hope that information will be given to us tomorrow.

One further request, Mr. Speaker: If the President answers my telegrams regarding the embargo on tankers and on oil, that I be allowed to insert it in the RECORD as part of my remarks at this point.

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

There was no objection.*

The SPEAKER. Under an order heretofore entered the gentleman from Wisconsin [Mr. SMITH] is recognized for 30 minutes.

AMERICA AWAKE—COMMUNISM THREATENS OUR NATIONAL SECURITY IN PALESTINE

Mr. SMITH of Wisconsin. Mr. Speaker, this Christmas season finds the Holy Land in the throes of violence and civil war. Arab is killing Jew and Jew is killing Arab. This intense situation was precipitated by the action of the United Nations Assembly when it voted to partition Palestine. The crisis is not a local affair, but it concerns the whole world. From it may flow the causes for World War III. It is of particular concern to the United States as it involves the integrity and good faith of our Government and the delegates that represent us in the Assembly of the United Nations.

As yet, Mr. Speaker, the American people do not understand the full implications of the critical situation to which I have referred. It is my purpose to bring it to their attention and to the Congress and hereafter they shall be on notice of the danger that confronts our Nation in this matter.

On November 29, Mr. Speaker, the Assembly of the United Nations voted to recommend the partition of Palestine. If approved, and implemented by the Security Council, it means the creation of a new Jewish state. The full import of this decision and its impact on world affairs cannot be judged at this time. One writer says that it is one of the most momentous decisions that has ever been

made in modern times. That is a strong statement, but it is fully justified by the facts.

Mr. Speaker, the United Nations Organization has been a glimmering hope of a war-weary world which has looked to it to establish a just and lasting peace. The people of the United States, and of the world, must now realize that it has failed to meet their expectations. Russia by the use of the veto has sabotaged its effectiveness. We now know that it has become the tool of special interests, of groups and individuals who seek to advance their own selfish objectives. As of November 29, 1947, the United Nations is as dead as prohibition. Even major surgery cannot revive it.

Let's take a look at the record, Mr. Speaker, and see what happened in the United Nations Assembly meeting prior to the vote on partition. A two-thirds vote was required to pass the resolution. On two occasions the Assembly was to vote and twice it was postponed. It was obvious that the delay was necessary because the proponents did not have the necessary votes. In the meantime, it is reliably reported that intense pressure was applied to the delegates of three small nations by the United States members and also by officials "at the highest levels in Washington." Now that is a serious charge. When the matter was finally considered on the 29th, what happened? The decisive votes for partition were cast by Haiti, Liberia, and the Philippines. These votes were sufficient to make the two-thirds majority. Previously, these countries opposed the move. Do not forget, Mr. Speaker, that they are considered satellites of our own country. The pressure by our delegates, by our officials, and by private citizens of the United States constitutes reprehensible conduct against them and against us. Ten nations abstained from voting and Russia saw to it that Yugoslavia, its satellite, did not join the supporters of partition. Haiti, Liberia, and the Philippines opposed partition prior to November 29, and the \$64 question is what kind of coercion was used to force a change in their positions, and by whom? Time will tell, and this Congress should authorize a full-dress investigation so that the people of this country may know that the United Nations has been used in this instance as a vehicle of torture and not as an instrumentality of international justice.

Mr. Speaker, the enforcement of partition at this time can only be achieved by the imposition of force. It is reported by Christian missionaries in Jerusalem and Christian educators who know the Near East that the attempt to impose partition will plunge Palestine and that entire area into endless civil war. It has been suggested in reply, however, that the United Nations Assembly action is ineffectual unless approved and implemented by the Security Council. It is true that no actual authority has been taken yet to enforce the recommendations, but, already, Mr. Speaker, those who seek partition are now insisting that the Security Council take action. It is a fact that the Assembly has requested the Security Council "to take the necessary measures as are provided for in the

plan for implementation." Implementation means the use of force, nothing else. Make no mistake about that.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Does the gentleman have figures to show the population of the countries that favor partition and the population of the countries voting against, or abstaining from voting for partition?

Mr. SMITH of Wisconsin. I have them, but I do not have them with me. If the gentleman has them, I will be glad to have him insert them in the RECORD at this time.

Mr. SMITH of Ohio. Would it be convenient for the gentleman to include them in his dissertation?

Mr. SMITH of Wisconsin. Yes.

Mr. SMITH of Ohio. I would appreciate it greatly.

Mr. SMITH of Wisconsin. I will be very glad to do that.

Mr. SMITH of Ohio. I thank the gentleman.

Mr. SMITH of Wisconsin. In other words, refusal by the Arabs to accept partition is to be considered by the Council as an act of aggression directed against world peace under Articles 39 and 41 of the Charter. From this it follows that the Council will take the necessary action to suppress the Arabs.

The Christian Century of December 17, in a leading editorial entitled "The Partition Gamble," says in this connection:

Here is a remarkable situation. The partitioning of Palestine now depends on action by the Security Council. But the Council is regarded by the United States—the nation which forced through the partitioning resolution—as so unworkable that it has just induced the Assembly to form a "little assembly" to bypass the Council. Having accepted the control of the Council over partitioning, the United States sees its whole policy concerning Palestine left at the mercy of the same old veto possibility that has so frustrated it in other matters handled by the council. If Britain, which considered the partition plan so dubious that it abstained from voting, now thinks the Security Council plan of implementation headed for disaster, it can veto. If China, which also abstained, doesn't like the prospect, it can veto. And if Russia grows suspicious of what the United States may be out to gain through Security Council action, it can veto. That is to say, execution of the most inherently difficult, involved, and hazardous project ever undertaken by an international body is left to a Security Council which must proceed under a rule of unanimity—a Council which so far has never been able to attain or maintain unanimity on anything.

What the United States has thus done, by pushing the UN to vote for Palestine's partition on such terms, is to resort to a whole series of desperate gambles.

Mr. Speaker, those who press for enforcement of the partition mandate prayerfully hope that the Arabs will not resist partition but will ultimately comply with the Assembly mandate. If the Arabs refuse, then there is only one action to be taken and that is for the United Nations to impose its will by military force, and what military force, Mr. Speaker? Only two nations will be

called upon for that purpose: to wit, Russia and the United States. Great Britain has already announced that it will withdraw its troops in the Middle East in the very near future, according to Foreign Minister Bevin. Thus, for us, there are ominous implications in this situation.

Mr. Speaker, at this point it seems to me that the President and the State Department have placed this country in a most awkward and inconsistent position. Once again, as at Tehran, Yalta, and Potsdam, we have retreated from the high moral ground upon which we stood when the Atlantic Charter was proposed. We have played into the hands of godless, Communist Russia at the same time, Mr. Speaker, that we are voting millions and billions of dollars to defeat communism in western Europe. It is extremely difficult to understand or make sense out of the conduct of our officials. For more than 2 years we have been a-fussin' and a-feudin' about containing communism. But right here we played into the hands of Stalin and Molotov. It is an historic fact well known by the State Department, the War Department, and the President that Russia has sought foothold somewhere on the Mediterranean. At this very moment we are supporting Greece and Turkey with men and money to prevent Russia from controlling the Dardanelles. Yet, we foolishly play its game in this partition proceedings. This does not make sense, Mr. Speaker. Are we or are we not against communism?

When Russia joined the United States in approving partition, the people and the press of this country could not understand why Russia had agreed to join with us in this move. The reason now is perfectly obvious. If we send American troops to enforce partition, at the request of the UN, then Russia will do likewise. Once Russia sends its military men to Palestine no force on this earth, short of war, can expel them from it. Thus, Russia as a participant with the United States in insisting upon partition will demand a dominant part in military occupation. It will become as obnoxious there as it is now in Germany and Austria. From this the people of our country should understand that the foreign policy of the United States is at the mercy of the Russian military policy in the Middle East. It is a diabolical situation. Consider the paradox—in western Europe we seek to defeat communism; in the Middle East we undercut that policy and make it possible for Russia to gain control of the entire area, not only in Palestine but adjacent thereto. I submit, Mr. Speaker, that this is a real threat to our national security, more so than the present situation in Turkey and Greece.

And again, Mr. Speaker, I cite the editorial of the Christian Century in connection with the dangers confronting the future of the United Nations as a result of our action in this matter. I quote:

We are gambling with the future of the United Nations. We are gambling with its hope to gain moral authority in international affairs, for the imposition of partition against the opposition of two-thirds of the inhabitants of Palestine makes the announced de-

votion of the UN to the democratic principles of self-determination and majority rule look like unblinking hypocrisy. And we are gambling with its hope to gain functional authority, since we have committed it to a course where, in case its proposals are defied, it will have to choose between admitting its helplessness or ordering a war (to subdue Arab aggression) that might involve every nation from Morocco to the Philippines.

These are all gambles, desperate gambles. At the moment, we confess to most anxiety with regard to the gamble partition takes with the future of the Jews. We are aware that most of world Jewry is today swept by transports of rejoicing that this gamble has been taken. Or rather, that most Jews insist there is no danger; that in an independent Jewish state they will be able to take care of themselves. We wish it were true. No people on earth deserves the refuge of peace as do the Jews who have managed to survive the horrors of their recent experiences in Europe. We are convinced, however, that partition will expose the Jews to dangers as terrible as any they faced from Hitler. Not only in Palestine and other parts of the Near and Middle East. If partition involves sending an American army to Palestine and drags the United States into war there, the effect on the position of Jews in this country may be tragic.

None of these considerations can alter the fact that the decision has been taken, and that it is primarily a decision made by the United States. Partition is to be attempted. Against all our expectations, we cling with despairing hope to the possibility that the assurances of a rapid Arab acquiescence will prove well founded. But if not, what then? Will an American army be sent to enforce a United Nations Security Council directive? Will we allow a Russian army to be sent for the same purpose? It is too late to turn back now. The die has been cast. But the future is dark, very dark. And there is the smell of blood in the air.

Mr. Speaker, the editorial that I have just quoted must bring home to every citizen of this country the dangers that are involved if we pursue the course suggested by our delegates of the United Nations Assembly and our own State Department and our own President. The reports which come out of Palestine every day indicate that if the United Nations Security Council attempts to impose this partition decree a war of annihilation will result and it will call again for the expenditure of money and lives of our own sons. The situation is critical. It demands attention. You need not take my word for it, but I offer in the RECORD, at the conclusion of my remarks, the views of our newspapers and editorial writers. Is it not strange, Mr. Speaker, that the British, who have exercised a mandate over Palestine since World War I, should decline to assist in the enforcement of partition of Palestine?

Mr. Speaker, the Congress of the United States is charged with knowledge that a considerable lobby exerted pressure on the three nations that I have mentioned. Mr. Drew Pearson, in his release of December 3, goes into some detail in pointing out those who were instrumental in forcing partition and I quote in full his statement on this situation and I offer it, Mr. Speaker, at this point:

LOBBYING FOR PALESTINE

Only a few people knew it, but President Truman cracked down harder on his State

Department than ever before to swing United Nations votes for the partition of Palestine.

Truman called Acting Secretary of State Bob Lovett over to the White House on Wednesday and again Friday, warning him he would demand a full explanation if nations which usually line up with the United States failed to do so on Palestine. Truman had in mind the fact that such countries as Liberia, wholly dependent on the United States; Greece, which would fall overnight without American aid; Haiti, which always follows Washington's lead; and Ethiopia, also indebted to the United States, were stepping out of line on Palestine. Half a dozen Latin American countries were doing likewise, and Truman had inside word that the reason was secret sabotage by certain State Department officials.

Mrs. Roosevelt was among those who urged Truman to get busy. She informed the President that she would have to resign from the American delegation if partition of Palestine failed because of State Department fumbling.

MANY USED INFLUENCE

In the end, a lot of people used their influence to whip voters into line. Harvey Firestone, who monopolizes the rubber plantations of Liberia, got busy with the Liberian Government. Adolph Berle, adviser to the President of Haiti, swung that vote. Freda Kirchwey, editor of the Nation, called Foreign Minister Cal Berenson of New Zealand on the trans-Pacific telephone and won New Zealand's vote. China's Ambassador Wellington Koo warned his government that he would resign if China failed to take a stand on Palestine. He did not succeed. French Ambassador Bonnet pleaded with his crisis-laden government for partition, despite Moslem threats in north Africa which faced harassed France. He did succeed.

However, the two men who swung the most important influence were Foreign Minister Evatt of Australia, who was defeated for the presidency of the United Nations, and his friend Oswaldo Aranha, who defeated him—both of whom worked together to put across Palestine partition.

NOTE.—This is the first major instance since San Francisco in which the United States of America and the Union of Soviet Socialist Republics worked together. Both countries took the same stand on Palestine.

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

Mr. SMITH of Wisconsin. I am glad to yield to the gentleman.

Mr. GOSSETT. I hope the gentleman will pardon me for supplementing this report of Mr. Drew Pearson's account of what happened in the United Nations. I was most interested to note the following statement in Mr. Ernest Lindley's column in the Washington Post of December 12. Of course, Mr. Ernest Lindley and the Washington Post both have been friendly toward the administration's policies. I quote now from Mr. Ernest Lindley:

The policy and tactics of the United States in the Palestine controversy were, of course, influenced greatly by American Zionists. Domestic politics rather than a considered analysis of the interests of the United States had been the predominant factor in our policy concerning Palestine.

He seems to corroborate the proposition that the gentleman is making that we were playing domestic politics with an international issue fraught with dynamite.

Mr. SMITH of Wisconsin. I thank the distinguished gentleman from Texas for his contribution.

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

Mr. SMITH of Wisconsin. I yield.

Mr. JAVITS. Is it not a fact that the gentleman's whole argument is premised on the fact that the United Nations or someone else will ask the United States to send troops into Palestine? If that be the fact, is it not true also that no one as yet has asked the United States or anybody else to send troops into Palestine and that the Jewish people of Palestine show every willingness to fight and die themselves for what they believe in?

Mr. SMITH of Wisconsin. In reply, I can only say to the gentleman's question that I have personally heard radio commentators make the statement that certain Zionists are about to request the United States for support in the United Nations Assembly of the fact that troops might be sent in there to support partition.

Mr. JAVITS. Will the gentleman yield further?

Mr. SMITH of Wisconsin. Yes; I yield.

Mr. JAVITS. Does the gentleman believe it is fair to attack a cause fought for so hard and so long upon the rumors of radio commentators?

Mr. SMITH of Wisconsin. I am interested especially only because partition has caused a critical situation. I am thinking about the welfare of my own country. We have spent weeks in considering measures to contain communism in western Europe. If this partition goes through, we put the Russians in Palestine and on the Mediterranean.

Mr. JAVITS. Is it not true that the gentleman is building his whole argument on sand, because no one has asked for troops from anybody, and when someone asks for troops I assure the gentleman this is my country, too, and I will be just as exercised, just as solicitous, and just as vigilant of the rights and interest and security of the United States as he is, when the time comes to worry about it. No one has asked yet. The gentleman says he has it from radio commentators.

Mr. SMITH of Wisconsin. Of course, that is not true. Already the Security Council has been asked to implement the action of the United Nations Assembly. From there on it follows, as a matter of course, in my opinion, that a request for troops will be made. Of course, you are entitled to your opinion.

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

Mr. SMITH of Wisconsin. I yield.

Mr. GOSSETT. If the gentleman is not worried about this situation, there is something terribly wrong with his mental processes. Many of the best folks in America have been losing sleep over this diplomatic blunder which we made in forcing the partition in the United Nations.

Mr. SMITH of Wisconsin. I thank the gentleman.

Mr. Speaker, World Report of December 16 carries this important observation regarding official pressure:

Virtually every one of the American officials who supported the proposal for the partitioning of Palestine before the United Nations was acting under orders. Privately they expressed a serious concern over the plan's political and military implications. The final decision to insist on partitioning was made at the highest levels in Washington.

Mr. Speaker, when the second session of the Eightieth Congress convenes next year, I propose to offer a resolution which would authorize a full and complete investigation of the acts of public officials and private citizens in this lobby for the partition of Palestine. We have a right to know how our Department of Defense feels about it. The people of this country and the Members of this House are on notice as to what has transpired. Acting Secretary of State, Robert Lovett, is reported to have played an important part and the Congress is entitled to know the reasons for such action. If Mr. Pearson is right when he says that Mrs. Roosevelt urged Truman to get busy, then, I believe, that Mrs. Roosevelt should have the opportunity to testify as to her position. The same goes for Mr. Harvey Firestone, Mr. Adolph Berle, and others who have been mentioned.

Mr. Speaker, America must awake to the dangers involved in this matter. We have been led down the road to another war. We have, by our actions, sabotaged the United Nations organization. We have placed Russia in a highly strategic position and have thereby nullified all that has been done in western Europe to defeat communism. Finally, we have alienated 700,000,000 Moslems in an area stretching from the Atlantic Ocean across North Africa, the Near East, the Middle East, across India and China and on to the Pacific. To them this a holy war. Time is running out, and a great responsibility rests upon this Congress.

Mr. Speaker, at this point I wish to insert several newspaper editorials and articles: One from the Washington News entitled "Palestine and World War"; another an editorial by Mr. Peter Edson in the Washington News as of December 12, entitled "Disposed of, Not Settled"; also several others, one an editorial from the New York World entitled "Palestine and World War"; one from the New York Times as of December 4, entitled "Arms for Zionists Held World's Job"; two articles appearing in PM, one entitled "Heat Put On United States to Line Up Zion Vote"; another entitled "Unmasking the Sell-out on Palestine"; another item from the New York Times as of December 3 entitled "Washington Rows on Palestine View"; and finally, another news item from the New York Times entitled "Hold in Palestine for Soviet Feared," under date of December 2.

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

There was no objection.

(The matter referred to follows:)

[From the Washington Daily News of December 3, 1947]

PALESTINE AND WORLD WAR

Now comes the problem of enforcing the United Nations Assembly decision partitioning Palestine. The bloody riots in Jerusalem and elsewhere, the Arab nations' refusal to accept partition and the Moslem religious leaders' call for a holy war, are sharp reminders of the enforcement problem. Particularly, it should be faced soon by the United States, whose Government was influential in the Assembly vote and many of whose Jewish citizens assert a special relationship to the problem.

First it should be made clear to all American citizens that the United States itself now has no separate obligations in Palestine, that the responsibility rests with the UN. Secondly, it should be understood that the UN responsibility for order is of two kinds, internal and external.

Part of the UN responsibility for internal order after British withdrawal is still without force. The original American proposal for a voluntary international constabulary was not accepted, except for the international zone of Jerusalem. Each of the two new states is to provide its own forces under high commands chosen by the UN Commission. But with Arab boycott of partition, the UN Commission—if the UN is to make good—will have no alternative except to govern and provide a police force for the new Arab state. Also it will have to be ready to preserve order in the Jewish state, which will have a large Arab minority, if Jewish authority is inadequate.

No American troops, as such, should be used for police purposes. Likewise, no Russian or other nation's troops, as such, should be used. When the UN Commission organizes an international Palestinian constabulary, of course, Americans and Russians could be accepted as volunteers. For the same reason that no big power representative is on the UN Commission, the command of the international constabulary should be chosen from citizens of small neutral nations.

In addition to internal enforcement in Palestine, the UN has the obligation of providing security against foreign aggression. Neither the United States nor Russia has the right to intervene on its own; such intervention would constitute foreign aggression even though it were in the name of defense. Foreign forces could not be used lawfully except under the UN—under Security Council order or, in event of one-power veto of Security Council action, by nations acting under their joint responsibility to uphold the UN Charter and Assembly decision.

This bar to separate individual action by any foreign nation is all important because its observance can prevent Palestine strife from causing the world war which is otherwise probable. Neither the Jews nor the Arab neighboring nations are equipped for large-scale war. Neither can carry out serious aggression without the direct or secret aid or connivance of one of the big powers.

The danger is that present big-power rivalry in the Mideast, especially over major oil and strategic areas, will tempt some big power to use either the Jews or Arabs or both for its own aggressive purpose. Russian propagandists charge the United States and Britain with such designs. And many Americans and Britons on the basis of Russia's recent expansionist record, fear that is the Kremlin's plan.

Under these explosive conditions the United States scrupulously should avoid any interference in Palestine independent from the UN, and should be equally alert to see that other powers do likewise. The alternative is

to risk another world war, and meanwhile to divide our own Nation on the poisonous issue of Semitism versus anti-Semitism.

[From the Washington Daily News]

DISPOSED OF, NOT SETTLED

(By Peter Edson)

The longer you look at the United Nations partition of Palestine, the more doubts you have about it. The issue may have been disposed of. It has by no means been settled.

The UN had four possible solutions. Let the Jews run Palestine. Let the Arabs run it. Partition. Do nothing at all.

Since the British had decided to pull out in 1948, the last choice might have meant full-scale war. Neither Arabs nor Jews were willing to let the other run things, and they wouldn't cooperate on a jointly controlled state. So partition won. Not because it was the best solution. It was the only one left.

Many predictions that partition will lead to war are being discounted by responsible officials.

They say American oil interests will not be damaged. The Arabs want to sell their oil. They have to sell for United States dollars because in today's world that's the only money that will buy anything. British pounds or Russian rubles will do the Arabs no good.

Disorders and guerrilla fighting between Jew and Arab are expected to die down.

The United States Joint Chiefs of Staff fear that Russia, which backed partition, will take the initiative and move troops into Palestine in case disorders get worse, has been discounted. It is said to have caused guffaws in the State Department.

This may be too optimistic an appraisal. Russia is known to want domination over the Moslem countries, from Turkey to Pakistan. So far they have made no headway. Arab rulers probably fear Communists worse than they fear the Jews.

In event the Arab League countries mobilize an army to drive the Jews out of Palestine, it is an issue for the UN Security Council. Russia is most conveniently situated and it has the men mobilized to take fast action in repelling an invasion of Palestine. If Russian Jews start emigrating to Palestine, or if a big Russian embassy is set up, watch out.

In the UN General Assembly, proposals for recruiting an international brigade of mercenaries for police duty in Palestine were heard in all seriousness. The UN commission assigned to administer neutral Jerusalem and oversee the economy unity of Arab and Jewish states in Palestine is made up of representatives of Bolivia, Czechoslovakia, Denmark, Panama, and the Philippines. How fast an international police force could be recruited from the armies of those countries, and how effective it would be, is uncertain.

A Czech battalion might be withdrawn in time. But if Russian troops ever got into Palestine, how would they ever be put out? Nobody else would want the Palestinian police job—unless American Jews would be willing to enlist in a strictly Jewish army.

But assuming all these little details can be taken care of, partitioned Palestine still has its biggest test ahead in proving it can provide a homeland for the Jewish people.

Jewish Palestine has a population of 600,000 Jews and 400,000 Arabs. The Arabs are said to be there by choice, because they can make a better living than in the Arab states. So they offer no problem, unless the Jews start driving them out to make room for more Jews. But how fast can the homeland absorb immigrants?

The several thousand who tried to run the British blockade and are now held on Cyprus presumably have first chance. Behind them

in Europe are a million displaced Jews, clamoring to get in.

[From the New York World-Telegram of December 3, 1947]

PALESTINE AND WORLD WAR

Now comes the problem of enforcing the United Nations Assembly decision partitioning Palestine. The bloody riots in Jerusalem and elsewhere, the Arab nations' refusal to accept partition, and the Moslem religious leaders' call for a holy war, are sharp reminders of the enforcement problem. Particularly, it should be faced soon by the United States, whose Government was influential in the Assembly vote and many of whose Jewish citizens assert a special relationship to the problem.

First, it should be made clear that the United States has no separate obligations in Palestine, that the responsibility rests with the United Nations. Secondly, it should be understood that the UN responsibility for order is of two kinds, internal and external.

Part of the UN responsibility for internal order after British withdrawal is still without force. The original American proposal for a voluntary international constabulary was not accepted, except for the international zone of Jerusalem. Each of the two new states is to provide its own forces under high commands chosen by the UN Commission. But with Arab boycott of partition, the UN Commission—if the UN is to make good—will have no alternative except to govern and provide a police force for the new Arab state. Also, it will have to be ready to preserve order in the Jewish state, which will have a large Arab minority, if Jewish authority is inadequate.

No American troops, as such, should be used for police purposes. Likewise no Russian or other nation's troops, as such, should be used. When the UN commission organizes an international Palestinian constabulary, of course, Americans and Russians could be accepted as volunteers. For the same reason that no big power representative is on the UN commission, the command of the international constabulary should be chosen from citizens of small neutral nations.

In addition to internal enforcement in Palestine, the United Nations has the obligation of providing security against foreign aggression. Neither the United States nor Russia has the right to intervene on its own; such intervention would constitute foreign aggression even though it were in the name of defense. Foreign forces could not be used lawfully except under the United Nations—under Security Council order or, in event of one-power veto of Security Council action, by nations acting under their joint responsibility to uphold the UN charter and assembly decision.

This bar to separate individual action by any foreign nation is all-important, because its observance can prevent Palestine strife from causing the world war which is otherwise probable. Neither the Jews nor the Arab neighboring nations are equipped for large-scale war. Neither can carry out serious aggression without the direct or secret aid or connivance of one of the big powers.

The danger is that present big power rivalry in the Mideast, especially over major oil and strategic areas, will tempt some big power to use either the Jews or Arabs, or both, for its own aggressive purpose. Russian propagandists charge the United States and Britain with such designs. Any Americans and Britons, on the basis of Russia's recent expansionist record, fear that is the Kremlin's plan.

Under these explosive conditions, the United States scrupulously should avoid any interference in Palestine independent from the United Nations, and should be equally alert to see that other powers do likewise.

[From the New York Times of December 4, 1947]

ARMS FOR ZIONISTS HELD WORLD'S JOB—HADASSAH SEES RESPONSIBILITY TO PROVIDE DEFENSE AGAINST ARAB PROVOCATEURS

Mrs. Samuel W. Halprin, president of Hadassah, the Women's Zionist Organization of America, Inc., declared yesterday that the world has the responsibility to provide arms and equipment needed by Jews to defend their newly created Jewish state against Arab provocateurs.

Mrs. Halprin announced that her organization had requested its 900 chapters in the United States to increase their financial goals voluntarily by 50 percent in the next 12 months to protect the young Jewish democracy and prepare for every eventuality.

The organization's president spoke at a victory-day reception arranged by the national board of Hadassah for members of the executive of the Jewish Agency for Palestine and the political committee of the World Zionist Organization in the home of Mrs. S. C. Lamport, 1125 Fifth Avenue.

Mrs. Halprin said 10,000 trees would be planted in the new Jewish state by Hadassah and named in honor of the United Nations. Paying tribute to the United Nations for sanctioning a Jewish state, the speaker added:

"We give notice that means must be found to make the Arab masses understand they cannot get away with pillage and murder, mob violence, and threat. Haganah [Jewish military group] will protect what we have built with so much blood and tears, whether the British continue to keep law and order as they promised or not."

Moshe Shertok, head of the political department of the Jewish Agency, lauded David Ben Gurion, chairman of its executive group, as a Zionist leader. Another speaker was Eliezer Kaplan, treasurer of the agency.

Meanwhile, the political advisory committee of the World Zionist Organization, headed by Dr. Israel Goldstein, emphasized in a statement the difficulties, hardships, and hazards which will beset the establishment of a Jewish state and particularly the initial chapter of its existence.

The New York Board of Rabbis, Inc., declared yesterday that the United Nations decision represented a victory for righteousness, justice, and truth.

"We rejoice that in this victory our beloved land played a major role," the rabbis said. "For the Jews it marks a new era which will radically change their fortunes and status in the world. The curse of homelessness, of wandering aimlessly without a place to call home, is at last brought to an end."

The Mizrahi Organization of America, religious Zionist group, announced for next Sunday afternoon a public celebration in Manhattan Center. Rabbi Meyer Berlin, president of the World Mizrahi Organization, recently arrived from Jerusalem, will be the principal speaker.

Hunter College celebrated yesterday creation of the new Jewish state at an assembly sponsored by a joint faculty-student committee.

Mrs. Tamar de Sola Pool, an alumna of the college and a past president of the Hadassah, declared that while there is blood and fire in Palestine today, it will not be long before peace is established between the Arabs and the Jews.

Speaking "with humility as a Christian," Dr. George N. Shuster, president of the college, commented that the Jew has come home again, but that the homecoming was not something the beleaguered and imperiled world has yet attained.

[From the New York PM of November 28, 1947]

HEAT PUT ON UNITED STATES TO LINE UP ZION VOTE—PRESIDENT ASKED TO ORDER AIDES TO LINE UP THE NECESSARY BACKING

(By Victor H. Bernstein)

A move to strip the camouflage from United States policy on Palestine gathered strength today as the General Assembly gathered at Flushing for the final and fateful vote on partition.

Irked by continued defection on the issues of countries normally in the United States orbit—particularly those of Greece and the Philippines—partition supporters both within and without the Truman administration were putting pressure on the White House to demand that the President order his subordinates to get out and win. (See editorial, p. 12.)

Yesterday the President and his immediate advisers were in close touch with leading United States partisans of partition who insisted that the President's own prestige was at stake.

VOTES OF THE PAST TO BE RECALLED

These leaders—some of them Government officials—reminded the President that the vote on partition at the Assembly today would be watched in the light of other votes in the past weeks on issues on which the United States wanted very much to win.

The killing of the United States-opposed anti-Franco resolution by a switch of votes by Honduras and Ecuador recently was pointed out as example of United States power when it chose to exercise it.

Ecuador and Honduras were this morning still on the abstention list of a dozen nations whose switches to the yes column could assure passage of the partition plan.

HAITI PREPARED TO SHIFT TO YES VOTE

Others on the abstention list were Argentina, China, Colombia, El Salvador, Ethiopia, Liberia, Luxemburg, Mexico, the United Kingdom, and Yugoslavia. China, in the abstention column, will remain there, according to the foreign office in Nanking.

Luxemburg was considered a certain switch to a yes vote. Haiti, according to dispatches yesterday from Port au Prince, is prepared to switch from no to yes on the final ballot.

But these developments still left the issue in extreme doubt as reports continued to circulate that Liberia intended to switch from abstention to no and that at least one other South American country was considering a similar move.

GREECE OWES SOMETHING TO ARABS

This morning the count of already committed votes stood at 28 for, 15 against, and 12 abstentions. If the Port au Prince dispatches are correct and Haiti switches from the no column, passage of partition was assured provided no other switches occurred.

Under General Assembly rules of procedure, all important issues must be approved by two-thirds majority of all present and voting, so that abstentions are not reckoned. Under this procedure, passage of an important measure requires twice as many yes votes as opposition votes.

Greece's switch from abstention to no hit hard at the faith of partisan supporters in United States leadership on the issue.

It is true that Greece has Moslem neighbors in Macedonia and that a wealthy Greek colony, numbering more than 100,000, exists in Egypt.

But it is equally true that Yugoslavia, as much a part of the Slav bloc as Greece is part of the United States bloc, also has its qualms on the partition issue. Nearly 1,000,000 Moslems form part of its population.

Yet Yugoslavia has contented itself with abstaining so far in the balloting, and there

are reports that it will shift over to the "yes" column if its one vote is needed for passage of partition. Greece, on the other hand, on Wednesday switched from abstention to "no." Observers insist that they have a legitimate right to raise their eyebrows at the sudden emergence of the Greek Government's "independence."

Today's general concern with United States policy on Palestine is not the first time the policy has been called into question during this session of the Assembly.

The hot-and-cold tactics pursued at UN provoked concern early in the session, before the United States delegation's first statement on the issue.

MORE KIDS TO PALESTINE

Approximately 1,500 Jews, including 450 infants, are en route to Palestine today from the internment camps of Cyprus. Another 150 infants and their families are scheduled to leave Cyprus soon.

In all, 3,500 Jewish internees will come to Palestine as a result of the Palestine Government's decision to admit orphans and infant refugees. This decision resulted from recommendations by the Joint Distribution Committee, United States agency aiding distressed Jews abroad, and the Jewish Agency for Palestine to the British Government of Palestine that all Jewish infants be evacuated from the British internment camps in Cyprus. The recommendation followed JDC investigation of the mental health of Cyprus.

ASK PROBE OF ARABS

In a memorandum submitted to the General Assembly of the UN, the Nonsectarian Anti-Nazi League, Inc., charges that various Arab agencies in the United States of America are working in close harmony with and through domestic racial-hate groups to promote anti-Jewish feeling.

The memorandum demands that the United States Government take action under the Foreign Agents Registration Act with a view to determining whether they should be prosecuted for failing to register.

[From the New York PM of November 28, 1947]

UNMASKING THE SELL-OUT ON PALESTINE

(By I. F. Stone)

WASHINGTON.—If a two-thirds vote for partition of Palestine is not obtained at the UN today, you may expect to hear on the floor of Congress what is already widely known in the Capital:

The State Department bureaucracy, notably the Division of Near Eastern and African Affairs under Loy W. Henderson, has been the Achilles heel of the Truman administration's efforts to achieve a Palestine solution through UN.

Indicative of an attitude all too general within the State Department was the answer given by a Department official to the head of a small country's delegation to the UN in a conference here recently. When this official was asked for guidance on the Palestine issue at UN, his answer was: "We don't care how you vote on it."

When the President of the United States goes on record for one policy and a State Department official tells the representative of another country that "we don't care how you vote on it," the diplomat can only conclude that the permanent officials of the Department, the men with whom he must actually deal, are hostile to the announced policy and would welcome its failure.

TRUMAN WAS WARNED OF SABOTAGE BY STATE DEPARTMENT BUREAUCRACY

It is no secret that leading political figures, concerned about the next election and well

aware of similar experiences under the Roosevelt administration, warned President Truman that his Palestine policy would be sabotaged by the State Department bureaucracy if he did not take preventive steps in advance.

One of the steps taken by the President and Secretary of State Marshall was to assign John H. Hilldring, Assistant Secretary of State for Occupied Areas, to assist Herschel V. Johnson on the Palestine question at UN. Hilldring is an Army man and trusted by Marshall.

But the devoted efforts made by General Hilldring and by Johnson at Lake Success and Flushing have been undercut by the State Department crowd in Washington. The "Little Assembly," Balkan frontier, and Franco disputes at UN have demonstrated the vigor with which the Department can collect votes in support of policies it really favors.

In the case of Palestine, it would be bad enough if the State Department crowd had merely been lackadaisical. But in the past few days, since Secretary Marshall left for London on Friday, things have happened which indicate that they have been actively hostile. Before Marshall left, it was arranged to send Assistant Secretary of State Norman Armour and several aides to the UN Assembly in a vote-getting drive. They were to have been in New York on Tuesday. They never showed up. On Wednesday, Loy Henderson was at the White House warning, cryptically, that any further pressure to line up votes for Palestine might endanger American defense preparations.

Strangest of all was the fact that several small countries entirely dependent on the United States of America suddenly announced that they would vote against partition. The most striking examples were Greece and the Philippines. Liberia is reported ready to follow them.

WHAT'S BEHIND THE DARING OF THE OPPOSING COUNTRIES?

"It would be very naive to believe," said one administration official who has been on several foreign assignments, "that these countries would dare to oppose American policy unless they had been made to understand by the men with whom they deal at the State Department that a 'no' vote would be welcome to them."

These small countries depend for all kinds of help and favors on day-to-day contacts with minor permanent officials in the State Department. There are many ways in which such an official can let a foreign diplomat know that, despite the declared policy of the United States Government, nobody would mind if he used his sovereign power to vote the other way.

It is known here, for example, that when Prime Minister Tsaldaris of Greece was in this country, he apologetically explained that Greece would like to abstain from a vote on Palestine. Various excuses were given, but the real one lies in the influence of the British Embassy in Athens.

During the recent fight at the UN over the resolution reaffirming the UN's opposition to Franco, the U. S. A. brought pressure on Greece (as on several Latin American countries) to vote with the U. S. A. against the resolution. The Greeks had abstained in committee, but voted "no" in the Assembly, and the resolution failed by one vote.

But although the Greeks are now asking increased relief and military help from the U. S. A. and United States experts are drawing up the new Greek budget, the Greeks this week announced that, instead of abstaining on Palestine, they would vote against the declared American position.

Administration figures outside the State Department in close touch with Greek affairs regard this sudden independence with

cynicism. They won't say so for the record but they have said privately that there is only one explanation. The Greeks have been invited to be independent by someone in the State Department.

UNAUTHORIZED SWITCHING OF SIGNALS BY SOMEONE IN THE STATE DEPARTMENT

Similarly, it is taken for granted here that Haiti, Liberia, and the Philippines do not take a position against the United States of America when it is made clear to them that they are voting against American policy. What the White House was told privately yesterday was that someone at the State Department had been doing some unauthorized switching of signals.

What's their game? The view prevailing in informed circles here is that the State Department bureaucracy sees eye to eye on Palestine with the British rather than with Truman. The British want the partition plan to fail. There will be disorder in Palestine. They hope to be asked to stay. They will reluctantly agree to keep troops there if the United States of America takes care of the cost.

In that event, the British will spring a compromise plan which will turn out to be the old Morrison-Grady plan neatly rewrapped for the UN. This plan gave the Jews no assurances on immigration beyond a first 100,000 and it gave the Arabs no assurances on self-government. Its revival would infuriate the Arabs fully as much as partition, but its virtue for the British is that it would leave them the controlling authority for 10 years and after that until the Arabs and Jews can agree, which promises to be a long time. Thus we would have neither an Arab nor a Jewish Palestine, but a British Palestine, for use as a middle-eastern military base with Uncle Sam footing the bill.

[From the New York Times of December 3, 1947]

HOLD IN PALESTINE FOR SOVIET FEARED—UNITED STATES MILITARY OBSERVERS SAY RUSSIA MIGHT OFFER TO SEND TROOPS IN CASE OF WAR

WASHINGTON, December 2.—United States military observers pointed today to the possibility that a war in Palestine might bring Soviet Army units into the country, ostensibly to protect the projected new Jewish state against the Arabs.

The move would put Russian troops on the Mediterranean within flying minutes of the Suez Canal, and within easy striking distance of American oil concessions in Saudi Arabia.

The possibility that Russia would offer to intervene was being freely discussed in Washington today. A highly placed officer, who could not be identified said: "It can be expected within 90 days, if real fighting breaks out in Palestine. It will be very embarrassing for both the British and ourselves."

NO UNITED NATIONS FORCE

There is no joint United Nations military force yet organized to maintain order anywhere in the world.

Presumably, the United States observers believed that Russia might offer to send her own troops to Palestine in lieu of a United Nations military force.

Britain has announced her intention to withdraw her forces, estimated now at 80,000 men, from Palestine before next August. The actual removal of British units probably will begin before then.

France maintains sizable forces, including some regiments of the Foreign Legion, in north Africa, but they are needed for the protection of Algeria and Tunisia. Fighting

in Palestine might set the whole Middle East aflame.

The United States has no troops in the area.

Some hope is being expressed here that the Jews will be strong enough to protect themselves. The projected state would have a population of more than 1,000,000. It is surrounded by more than 30,000,000 Arabs.

ARAB STRENGTH ASSESSED

However, none of the Arab nations has a trained army, equipped with modern weapons. The nearest approach to it is the British-trained Arab Legion, in Trans-Jordan, a state no larger than the proposed Jewish state.

Although numerically inferior, the Jews could put into the field at least one regular army unit and thousands of tough, experienced guerrilla fighters. They have the Jewish brigade, trained and equipped by Britain, which fought with recognized success in the last stages of the Italian campaign.

Their irregulars, the majority of whom served in other European armies before the last war, have been the spearhead in the underground operations of the last two years.

But United States observers believe that even a large-scale guerrilla struggle between Arabs and Jews would bring from Moscow the offer to station Russian troops in Palestine.

"They might come in on a temporary basis," experts said, "and then you'd never get them out."

[From the New York Times]

WASHINGTON ROWS ON PALESTINE VIEW—OFFICER'S THEORY THAT RUSSIAN TROOPS WILL ENTER MID-EAST HIT BY STATE DEPARTMENT

WASHINGTON, December 3.—A behind-the-scenes row between State Department officials and the Army appeared to be shaping up tonight over a high Army officer's prediction that Russia would use civil war in Palestine as an excuse to seize a bridgehead on the Mediterranean.

The Army officer, who declined the use of his name, said the General Staff was gravely concerned about a possibility that Soviet troops would move into the Holy Land under the pretext of preventing bloodshed between Jews and Arabs over partition.

But responsible State Department officials, who likewise insisted on remaining anonymous, discounted these fears and said that such statements amounted to a needless stirring up of trouble. They hinted that the whole matter might be taken up between high officials of the two departments.

REACTION IN CONGRESS DIVIDED

Congressional reaction was split almost evenly. Some members of the House and Senate deplored the Army officer's statement. Others heartily agreed with it.

Senator WALTER F. GEORGE, Democrat, of Georgia, a veteran member of the Senate Foreign Relations Committee, said it was "unfortunate to ascribe such motives to Russia at this time," and added that the officer's statement "could in itself be a provocation" to trouble.

He said he was confident the United Nations would be able to handle the Palestine situation by creating an international security force in which all of the big powers would be represented by troops.

Representative FRANCES P. BOLTON, Republican, of Ohio, a Member of the House Foreign Affairs Subcommittee that visited the Holy Land last summer, said: "The only conceivable reason Russia joined in this thing (the United Nations plan to partition Palestine) was to get into that area in some superficially legitimate manner. It

was foreseen by many people in the Holy Land."

State Department sources pointed out that any Soviet move to enter Palestine by force would be a clear violation of the United Nations Charter, and they appeared confident that Soviet leaders would avoid such action. The Army officer had contended that Russia's army would move into Palestine within a few months under a "cloak of legality" and that "nobody will be able to get her out."

BRITISH SMILE AT ANXIETY

LONDON, December 3.—Wry smiles greeted a British press report today that the United States congressional and administration circles were alarmed over the prospect of Soviet troops moving into Palestine as part of an international police force. One official remarked to an American correspondent:

"You people plunged into this thing with such great enthusiasm and now that you are beginning to see some of the delicacies of the situation you are becoming apprehensive. I imagine some of your legislators awoke out of a bad dream in which they saw hordes of Red soldiers crawling all over the Middle East."

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

Mr. SMITH of Wisconsin. I yield.

Mr. GOSSETT. I have here a copy of a letter written by a very prominent official of the Trans-Jordan Pipeline Co. to his wife on the day following the partition vote, in which he depicts a lot of riots and destruction of property over what has been carried in the public press, evidencing the reaction of Arabia to our activity. He says:

This puts everyone down on the United States. Why the United States wants to meddle in affairs like this is beyond me.

Then I have here a clipping I wanted to ask the gentleman's opinion about, appearing in the Evening Star of December 13, entitled "American Jews Ask \$283,000,000 for Palestine Aid and Arms." It seems that the United Jewish Appeal Committee is now asking for \$28,000,000 immediately to arm the Jewish people in Palestine for the avowed purpose of carrying on at least a guerrilla warfare. If we are going to send arms or permit American citizens to send shipments of arms to persons in Palestine, are we not going to further antagonize and alienate the good will and friendship of the Arabian world?

Mr. SMITH of Wisconsin. I am sure that follows as a matter of course.

I would be glad to include the correspondence the gentleman refers to if he wishes me to do so.

Mr. GOSSETT. I want to commend the gentleman for a very excellent dissertation.

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

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to revise and extend the remarks he made earlier in the afternoon.

SPECIAL ORDER

Mr. HOLIFIELD. Mr. Speaker, I have a special order immediately following the gentleman from Illinois [Mr. PRICE]. I ask unanimous consent that the re-

marks and the matter therein contained which I intended to deliver be inserted in the RECORD at a point following the remarks of the gentleman from Illinois [Mr. PRICE].

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HOLIFIELD]?

There was no objection.

Mr. KLEIN. Mr. Speaker, I have a special order for today. I ask unanimous consent that I may insert my remarks in the RECORD at the point where I would be recognized under my special order today.

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

There was no objection.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

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

There was no objection.

RULES COMMITTEE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file a rule.

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

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, is it the purpose of the Committee on Rules to bring in the Senate bill?

Mr. HALLECK. Well, of course, I cannot answer for the Committee on Rules. The Committee on Rules will act, of course, as they determine they should act, and that is no equivocation with respect to the answer. That is the only answer I can make on any occasion.

Mr. SMITH of Ohio. Is it my understanding that the proposition is to bring this bill in and pass it in the form that it passed the Senate, in the event it does pass the Senate, so that there would be no conference on it at all? Is that the strategy?

Mr. HALLECK. I am not going to enter into a discussion with the gentleman about that, because there has been no determination in that regard.

Mr. SMITH of Ohio. Well, I do not want to throw any wrench into the party machinery, but this thing all the way through does not look very good to me. It does not look very forthright to me, and I feel that everything that can humanly be done ought to be done to call the attention of the people of this country to what is going on down here in Washington. Therefore, Mr. Speaker, I will have to object.

CONSIDERATION OF CONFERENCE REPORT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time after they are presented, notwithstanding the provisions of clause 2, rule XXVIII.

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

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, if the gentleman will exclude any possible conference report that might be made regarding the so-called anti-inflation bill, I shall not object. If that is not excluded, I must object.

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

Mr. SMITH of Ohio. I object, Mr. Speaker.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

IN COMMEMORATION OF ONE HUNDREDTH ANNIVERSARY, DECEMBER 30, OF THE BIRTH OF JOHN PETER ALTGELD, GOVERNOR OF ILLINOIS, 1893-97

Mr. PRICE of Illinois. Mr. Speaker—
Sleep softly, eagle forgotten, under the stone,
Time has its way with you there, and the clay
has its own,
Sleep on, O brave-hearted, O wise man, that
kindled the flame—
To live in mankind is far more than to live
in a name,
To live in mankind, far, far more, than to
live in a name.

Mr. Speaker, those are the closing lines of the poem, The Eagle That Is Forgotten, by Vachel Lindsay. They were written about a great American born December 30, 1847, just a few days shy of 100 years ago.

That man was John Peter Altgeld, born in Germany, reared in abject poverty in the United States, self-educated, elected to the highest office in the State of Illinois, defeated, vilified, and crucified. At his death, Clarence Darrow was the funeral speaker. Ministers, we are told by historians, feared the wrath of their congregations were one of them to officiate.

Yet, in the words of the poet, Lindsay, "To live in mankind, far, far more than to live in a name." John Peter Altgeld did live in mankind, he lived only in mankind for years. Now he emerges to live in a name, in his rightful name as one of those men who rise in an emergency to fight for justice and freedom, to fight against oppression, tyranny, and greed.

What was the spark in John Peter Altgeld which makes his name and fame grow with the years, despite the fact he was held in practical disrepute at the time of his death?

The bare facts of his life reveal a familiar story—the great American success story of the immigrant lad, poverty-stricken in his youth, who rose to riches and prominent position. In the case of John Peter Altgeld, however, the story took a sharp twist from pattern, for he lost both his wealth and his prominent position before he died. But the spark that set him off from other men is not revealed in either the familiar pattern nor the deviation from that pattern during the later years.

He was elected Governor of Illinois in 1892—the first Democratic governor after the Civil War. This fact did not set him apart from other men in political

life—not even the fact that his was the first Democratic victory after the great strife of the 1860's.

The thing that sets him off was his devotion to principle, and the principle of fighting for human rights. His opposition to special privilege was the thing that, through the years, has endeared him to the normal citizen—the citizen without wealth or power of any sort.

It was his great devotion to principle which caused his political downfall and gave his enemies a popular issue for use against him. The first evidence of this devotion to principle came a few months after his inauguration when he pardoned three men convicted of conspiracy in connection with the famous Haymarket riot of 1886. His review of the case remains to this day a masterpiece of analysis. But his reasons were most succinctly summed up when he spoke to one-time neighbors in Richland County, Ohio, several days after the pardoning, at the funeral of his mother:

Those fellows did not have a fair trial and I did only what I thought was right.

Considerations of guilt or innocence, nor the political views of the prisoners—they were popularly referred to as anarchists—did not enter into his decisions. He was only sticking devotedly to one of the principles upon which this Nation was founded, that all those accused are guaranteed a fair trial.

This was the beginning of his downfall. His enemies, those who feared his liberalism, now had something with which to attack him. He was called an anarchist, and worse. He was vilified by high and low.

A second instance of his devotion to duty was his sharp criticism of President Cleveland for sending troops to break the Pullman strike. He held to the principle that the Federal Government had not the right to send troops into any State unless requested so to do by the chief executive of that State. It mattered not that President Cleveland was, like Altgeld, a Democrat. Principle to Altgeld was greater than partisan politics.

His administration made a memorable record for itself. Consider the scope of the laws enacted during his 4-year term: Laws regulating labor by women and children and requiring factory inspection; laws establishing an inheritance tax and setting up a probation system; laws establishing the beginnings of State civil service and bringing new standards of humanity to charitable and penal institutions. All these things, plus his unyielding opposition to bills which granted special privileges to monopolies and trusts, and his fights against trusts, made his administration indeed the first New Deal in America.

Irving Dilliard, writing in *Survey Graphic*, August 1942, said, and I quote:

He took to the State capitol in Lincoln's Springfield a quiet and abiding love of fairness and an unyielding devotion to the welfare of ordinary people; it is significant that his parents brought him, a baby 3 months old, from Germany in the spring of 1848. Did any American ever come up a harder way? The poverty that cradled him in Ohio

was the most abject kind. He had virtually no schooling and worked his way to Missouri as an itinerant, penniless farm hand. His appearance was against him and a heavy German accent was a constant handicap.

His German ancestry was used against him time and time again by his political enemies, who had not the courage to fight him on the issues. His lack of education was also used against him, yet by self-education—pulling himself up by his own bootstraps, if you will—he had become one of the most gifted speakers of his time, and authored a booklet on oratory.

His enemies, by innuendo and by direct application, tried to appeal to bigotry, prevalent then as now, by citing his German birth, despite the fact his philosophy was basic Americanism. His democracy was the democracy of Jefferson and Jackson. He was as Jeffersonian as the Sage of Monticello, except that Jefferson concerned himself with agrarian reforms while Altgeld came along in the midst of the great industrial revolution in this country.

His belief in free enterprise was in the real American tradition. Altgeld, as all real progressives do, believed in free enterprise, but he opposed special privileges to free enterprise, which he knew in the end would lead to its self-destruction. He opposed special privilege in the face of great temptations.

He was in the forefront of the fight against industrial monopolies, characteristic of the eighties and nineties. This was a major battle in Illinois—Union Stockyards, a giant combine in itself, was owned by the principal stockholders of the Nation's railroads, according to a United States Senate committee; the Pullman monopoly of sleeping cars was brought to light by the strike; the absentee and centralized ownership of Illinois coal mines, with their squalid company towns. And in Chicago there was the rise of the Gas Trust and the Yerkes traction combine.

At Springfield, in February 1893, the legislature opened an investigation of the Whisky Trust which resulted in remedial legislation. But the most sensational battle occurred in the late spring of 1895 when the Chicago gas and traction interests attempted to secure an undisputed monopoly through extensive franchise and related legislation which could only come from the State legislature. The traction company sought a 99-year franchise, while the Gas Trust sought similar privileges, aimed at stifling competition.

Altgeld's reaction to these bills is described by Harvey Wish, writing in the July 1941, issue of the *American Historical Review*, who reports, and I quote:

As the monopoly bills were introduced into the legislature, the huge element of official bribery soon attracted popular attention and aroused a hostile press; nevertheless, under careful legislative sponsorship, the gas and traction bills passed both houses. Altgeld's silence on the subject and the well-known fact that his cousin and business partner, John W. Lanehart, was affiliated with the Ogden Gas Co., an interested concern in the Springfield proceedings, appeared ominous to certain reformers. Then occurred a start-

ling development. Both traction and gas representatives approached the Governor with offers of huge bribes should the desired special legislation become law; the traction interests offered Altgeld \$500,000, while similar financial inducements came from the gas companies.

The Governor's hostile reply, despite the sudden collapse of his wealth due to the depression and because of his preoccupation with official duties, came emphatically in a stinging triple-barreled veto message which consigned the Yerkes and Gas Trust bills to oblivion as far as his administration was concerned. All three bills, gas, streetcar, and elevated, involved the same principle; he charged the legalization of monopoly, "a flagrant attempt to increase the riches of some men at the expense of others by means of legislation." Government must protect all interests alike; if any group deserved protection, it was the weak rather than the strong. Denouncing the existing monopolies, he proposed municipal ownership of public utilities as a desirable alternative—a cause which he espoused unsuccessfully to his final years.

Wish, in a footnote to his article, relates another instance in the career of Altgeld which typifies the strength of forces opposed to him, and the lengths to which those forces would go to achieve their own, selfish aims. Wish noted—and I quote:

During the latter part of Altgeld's administration several representatives of the Alton glass industry approached the Governor to request that the factory law remain unenforced. One manufacturer threatened that "if the law was not held up they would be obliged to close their factories which would be quite a serious matter to their communities." Altgeld replied sardonically, "Very well, close your factory and nail a notice on the outside saying, 'This factory is closed because the Governor of Illinois will not allow us to employ babies.'"

Governor Altgeld's program of labor legislation was not only progressive in its day, it was still considered progressive when it was put into effect by the late President Roosevelt. It was, of course, fought and opposed by the same forces which fought Roosevelt and which are opposing the efforts of President Truman to protect these inalienable rights.

The Factory Inspection Act of 1893, which the glass makers were trying to circumvent, prohibited the manufacture of certain articles of clothing in private homes, except by families living therein; children under 14 years of age were forbidden factory employment; and women could not be employed more than 8 hours daily in any factory or more than 48 hours per week. He provided for a State board of mediation to arbitrate labor-management disputes. His legislature in 1893 passed an act protecting employees from dismissal because of union membership, a forerunner to the same provisions of the National Labor Relations Act—United States labor's magna carta.

It is interesting to note that Altgeld, once a common laborer, never lost his interest in the welfare of labor, even though he became moderately wealthy. In fact he always insisted upon hiring union labor for State projects. He had had experience with extensive building

operations as a real-estate promoter. This convinced him, as he had once remarked, that union labor is always the best labor.

Altgeld's refusal to place partisan politics above the public interest was evidenced by his efforts at civil-service reform, despite the patronage demands from leaders of a party which had been out of power for 36 years. In his inaugural address he called for placing all State and municipal employees under the merit system, except those on the policy-making level. He followed this up with legislative recommendations to abolish useless offices and by his appointments on the basis of ability rather than party. Many important administrative positions were held by Republicans and even women, in a day long before the enactment of the nineteenth amendment. It should be noted that a similar policy in Washington has been followed by a spiritual descendent of Altgeld.

The character of John Peter Altgeld was not alone felt by the State of Illinois, but it was felt by his own political party, for he was the first in many years to draw a definite distinction between the two major parties, to break up a tweedledee-tweedledum political alignment which existed then as it did in a later day. Up until Altgeld's successful campaign for governor in 1892 there was little to choose between either party. As an aftermath of the Civil War, Republicans painted the Democrats as the rebel party. Every Governor of the State had been a veteran of that struggle and the old campaign hat and the bloody shirt were the basis of the political campaigns. When Altgeld came along—although he, too, had fought in the Union Army—he never at any time mentioned the fact, despite wounds which left him with physical impairment. His campaign was pitched on the issues of the day.

Four years later, after his break with President Cleveland, he was the dominant figure of the 1896 convention, and probably would have been nominated for the Presidency instead of William Jennings Bryan, despite the Cross of Gold speech, had it not been for the Constitutional hurdle of his birth in Germany.

Harry Barnard wrote and the Bobbs-Merrill Co. published in 1938 a definitive biography of Governor Altgeld entitled "Eagle Forgotten." Referring to the 1896 Democratic National Convention, conducted in Chicago, Barnard says:

What was of lasting importance in the Chicago convention is the fact that it meant demarcation of an era in American politics in terms of economics and social attitudes. From the reign of Andrew Jackson until the Chicago convention of 1896, there had been no distinction between the major parties on these issues. The party of Tilden and Cleveland was as conservative, avowedly so, as the party of Blaine and Mark Hanna. But by the action of the Chicago convention the party of Tilden and Cleveland was doomed. The democracy was returned to Jefferson and Jackson, although in terms of industrialism rather than the disappearing agrarianism. And for the first time since the rise to dominance of industrialism, of monopolies and corporations and corporation finance, one of

the major parties took a clear stand on the basic economic issues which were dividing the Nation between the haves and have-nots.

It was this return on a modern economic basis to the Jefferson-Jackson principles—the causing of the party to stand for the people rather than the classes—which constituted the revolutionary character of the 1896 convention. This was its historical significance. But it was the platform as a whole, not the free silver plan alone, nor Bryan, that symbolized what was done.

The pronouncements on labor, on the courts, on injunctions, on civil and personal liberties, and notably on that "communistic" thing, the income tax—these were the items of the platform which indelibly stamped a new character under the party. These were what the conservative minority had in mind in characterizing the platform "extreme and revolutionary of the well-recognized principles (hitherto) of the party." And for that achievement, more than to any other leader of the time, the credit goes to John Peter Altgeld.

His was the brain and the will; his the dominating force behind the platform. It was he who laid out the program of the convention, dictated the platform, and impressed his personality upon the policy adopted.

Thus it was that the 1896 convention brings out the curious fact that William Jennings Bryan rose to fame as a result of two unrelated facts. One was his undoubted oratorical ability; the other was the accident of Altgeld's birth in Germany. Even with the great Bryan oratory, Altgeld, had he been born within the borders of the United States, would have been the Democratic nominee that year, so great was his dominance over the convention, a dominance achieved by the sheer power of his personality and the logic and fairness of his views.

There is a monument to John Peter Altgeld, a monument of which Illinois and the Nation is justly proud. That monument is the great institution known as University of Illinois. It was John Peter Altgeld, the immigrant, itinerant farm laborer, who took his education where he could find it, who gave the impetus which has resulted in one of the Nation's finest institutions of higher learning.

When he became governor, the university occupied four buildings and had a faculty of 48. When he was defeated 4 years later, six new buildings had been provided and, more important, the faculty was increased to 170. During his term appropriations for the university amounted to \$722,700, as against \$201,350 the preceding 4 years. He was instrumental in founding the college of law. He proposed organization of schools of pharmacy and medicine.

John Peter Altgeld was born December 30, 1847, at Nieder Selters in Nassau, Germany, the son of John Peter and Mary Altgeld. At 3 months he was brought by his parents to Richland County, Ohio, where he grew to maturity with little formal education and much labor. Until he was 21 he worked for his father, except for service with an Ohio volunteer regiment. In 1869 he drifted westward, working as laborer, school teacher, and law student.

He was elected State's attorney for Andrew County, Mo., in 1874, but left there

a year later to remove to Chicago, where he practiced law, entered real-estate operations, and prospered. He was elected to the superior court of Cook County in 1886, and, when he resigned in 1891, he was chief justice of this court.

After his four stormy years as governor, he was renominated in 1896, but defeated by John R. Tanner, the Republican candidate. He died suddenly in 1902, after a speech in Joliet, Ill., in advocacy of Boer independence. He was survived by his wife, Emma Ford, a friend of his childhood, and a graduate of Oberlin College.

The last words of his Joliet speech—his last public words—sum perfectly his political philosophy:

Wrong may seem to triumph. Right may seem to be defeated. But the gravitation of eternal justice is toward the throne of God. Any political institution which is to endure must be plumb with that line of justice.

WHO IS LOYAL TO AMERICA?

Mr. HOLIFIELD. Mr. Speaker, the hope of our democracy lies in the intelligent interest and participation of our young people. One of the outstanding groups of young citizens in southern California are the San Gabriel Valley Young Democrats. I know many of these fine young men and women personally. They are alert to the danger to our civil liberties which exists in the present wave of hysteria which sweeps our country. They are pro-American and anti-Communist in the truest sense of the term.

I recently received from the officers of this club an article which appeared in Harpers magazine, September 1947 issue. This article was written by Henry Steele Commager and the title is "Who Is Loyal to America?"

After reading this article, I was convinced that the major portion was so worth while that I have requested the required time to read the same into the CONGRESSIONAL RECORD:

WHO IS LOYAL TO AMERICA?

(By Henry Steele Commager)

On May 6 a Russian-born girl, Mrs. Shura Lewis, gave a talk to the students of the Western High School of Washington, D. C. She talked about Russia—its school system, its public-health program, the position of women, of the aged, of the workers, the farmers, and the professional classes—and compared, superficially and uncritically, some American and Russian social institutions. The most careful examination of the speech—happily reprinted for us in the CONGRESSIONAL RECORD—does not disclose a single disparagement of anything American unless it is a quasi-humorous reference to the cost of having a baby and of dental treatment in this country. Mrs. Lewis said nothing that had not been said a thousand times in speeches, in newspapers, magazines, and books. She said nothing that any normal person could find objectionable.

Her speech, however, created a sensation. A few students walked out on it. Others improvised placards proclaiming their devotion to Americanism. Indignant mothers telephoned their protests. Newspapers took a strong stand against the outrage. Congress, rarely concerned for the political or economic welfare of the citizens of the Capital City, reacted sharply when its intellectual

welfare was at stake. Congressmen RANKIN and DIRKSEN thundered and lightened; the District of Columbia Committee went into a huddle; there were demands for housecleaning in the whole school system, which was obviously shot through and through with communism.

* * * More ominous was the reaction of the educators entrusted with the high responsibility of guiding and guarding the intellectual welfare of our boys and girls. Did they stand up for intellectual freedom? Did they insist that high-school children had the right and the duty to learn about other countries? Did they protest that students were to be trusted to use intelligence and common sense? Did they affirm that the Americanism of their students was staunch enough to resist propaganda? Did they perform even the elementary task, expected of educators above all, of analyzing the much-criticized speech?

Not at all. The District Superintendent of Schools, Dr. Hobart Corning, hastened to agree with the animadversions of Representatives RANKIN and DIRKSEN. The whole thing was, he confessed, "a very unfortunate occurrence," and had shocked the whole school system. What Mrs. Lewis said, he added gratuitously, was repugnant to all who are working with youth in the Washington schools, and the entire affair contrary to the philosophy of education under which we operate. Mr. Danowsky, the hapless principal of the Western High School, was the most shocked and regretful of all. The District of Columbia Committee would be happy to know that though he was innocent in the matter, he had been properly reprimanded.

It is the reaction of the educators that makes this episode more than a tempest in a teapot. We expect hysteria from Mr. RANKIN and some newspapers; we are shocked when we see educators, timid before criticism and confused about first principles, betray their trust. And we wonder what can be that philosophy of education which believes that young people can be trained to the duties of citizenship by wrapping their minds in cotton wool.

Merely by talking about Russia Mrs. Lewis was thought to be attacking Americanism. It is indicative of the seriousness of the situation that during this same week the House found it necessary to take time out from the discussion of the labor bill, the tax bill, the International Trade Organization, and the world famine, to meet assaults upon Americanism from a new quarter. This time it was the artists who were undermining the American system, and Members of the House spent some hours passing around reproductions of the paintings which the State Department had sent abroad as part of its program for advertising American culture. We need not pause over the exquisite humor which Congressmen displayed in their comments on modern art; weary statesmen must have their fun. But we may profitably remark the major criticism which was directed against this unfortunate collection of paintings. What was wrong with these paintings, it shortly appeared, was that they were un-American. "No American drew those crazy pictures," said Mr. RANKIN. Perhaps he was right. The copious files of the Committee on Un-American Activities were levied upon to prove that of the 45 artists represented "no less than 20 were definitely New Deal in various shades of communism." The damning facts are specified for each of the pernicious 20; we can content ourselves with the first of them, Ben-Zion. What is the evidence here? "Ben-Zion was one of the signers of a letter sent to President Roosevelt by the United American Artists which urged help to the U. S. S. R. and Britain after Hitler attacked Russia." He was, in short, a fellow-traveler of Churchill and Roosevelt.

The same day that Mr. DIRKSEN was denouncing the Washington school authorities for allowing students to hear about Russia ("in Russia equal right is granted to each nationality. There is no discrimination. Nobody says, you are a Negro, you are a Jew") Representative WILLIAMS, of Mississippi, rose to denounce the Survey-Graphic magazine and to add further to our understanding of Americanism. The Survey-Graphic, he said, "contained 129 pages of outrageously vile and nauseating anti-southern, anti-Christian, un-American, and pro-Communist tripe, ostensibly directed toward the elimination of the custom of racial segregation in the South." It was written by "meddling un-American purveyors of hate and indecency."

All in all, a busy week for the House. Yet those who make a practice of reading their Record will agree that it was a typical week. For increasingly Congress is concerned with the eradication of disloyalty and the defense of Americanism, and scarcely a day passes that some Congressman does not treat us to exhortations and admonitions, impassioned appeals and eloquent declamations, similar to those inspired by Mrs. Lewis, Mr. Ben-Zion, and the editors of the Survey-Graphic. And scarcely a day passes that the outlines of the new loyalty and the new Americanism are not etched more sharply in public policy.

And this is what is significant—the emergence of new patterns of Americanism and of loyalty, patterns radically different from those which have long been traditional. It is not only the Congress that is busy designing the new patterns. They are outlined in President Truman's recent disloyalty order; in similar orders formulated by the New York City Council and by State and local authorities throughout the country; in the programs of the DAR, the American Legion, and similar patriotic organizations; in the editorials of the Hearst and the McCormick-Patterson papers; and in an elaborate series of advertisements sponsored by large corporations and business organizations. In the making is a revival of the Red hysteria of the early 1920's, one of the shabbiest chapters in the history of American democracy; and more than a revival, for the new crusade is designed not merely to frustrate communism but to formulate a positive definition of Americanism, and a positive concept of loyalty.

What is the new loyalty? It is, above all, conformity. It is the uncritical and unquestioning acceptance of America as it is—the political institutions, the social relationships, the economic practices. It rejects inquiry into the race question or socialized medicine, or public housing, or into the wisdom or validity of our foreign policy. It regards as particularly heinous any challenge to what is called "the system of private enterprise," identifying that system with Americanism. It abandons evolution, repudiates the once popular concept of progress, and regards America as a finished product, perfect and complete.

It is, it must be added, easily satisfied. For it wants not intellectual conviction nor spiritual conquest, but mere outward conformity. In matters of loyalty it takes the word for the deed, the gesture for the principle. It is content with the flag salute, and does not pause to consider the warning of our Supreme Court that "a person gets from a symbol the meaning he puts into it, and what is one man's comfort and inspiration is another's jest and scorn." It is satisfied with membership in respectable organizations and as it assumes that every member of a liberal organization is a Communist concludes that every member of a conservative one is a true American. It has not yet learned that not everyone who saith Lord, Lord, shall enter into the kingdom of heaven. It is de-

signed neither to discover real disloyalty nor to foster true loyalty.

II

What is wrong with this new concept of loyalty? What, fundamentally, is wrong with the pusillanimous retreat of the Washington educators, the barbarous antics of Washington legislators, the hysterical outbursts of the D. A. R., the gross and vulgar appeals of business corporations? It is not merely that these things are offensive. It is rather that they are wrong—morally, socially, and politically.

The concept of loyalty as conformity is a false one. It is narrow and restrictive, denies freedom of thought and of conscience, and is irremediably stained by private and selfish considerations. "Enlightened loyalty," wrote Josiah Royce, who made loyalty the very core of his philosophy, "means harm to no man's loyalty. It is at war only with disloyalty; and its warfare, unless necessity constrains, is only a spiritual warfare. It does not foster class hatreds; it knows of nothing reasonable about race prejudices; and it regards all races of men as one in their need of loyalty. It ignores mutual misunderstandings. It loves its own wherever upon earth its own, namely loyalty itself, is to be found." Justice, charity, wisdom, spirituality, he added, were all definable in terms of loyalty; and we may properly ask which of these qualities our contemporary champions of loyalty display.

Above all, loyalty must be to something larger than oneself, untainted by private purposes or selfish ends. But what are we to say of the attempts by the NAM and by individual corporations to identify loyalty with the system of private enterprise? Is it not as if officeholders should attempt to identify loyalty with their own party, their own political careers? Do not those corporations which pay for full-page advertisements associating Americanism with the competitive system expect, ultimately, to profit from that association? Do not those organizations that deplore, in the name of patriotism, the extension of Government operation of hydroelectric power expect to profit from their campaign?

Certainly it is a gross perversion, not only of the concept of loyalty but of the concept of Americanism, to identify it with a particular economic system. This precise question, interestingly enough, came before the Supreme Court in the Schneiderman case not so long ago—and it was Wendell Willkie who was counsel for Schneiderman. Said the Court:

"Throughout our history many sincere people whose attachment to the general constitutional scheme cannot be doubted have, for various and even divergent reasons, urged differing degrees of governmental ownership and control of natural resources, basic means of production, and banks and the media of exchange, either with or without compensation. And something once regarded as a species of private property was abolished without compensating the owners when the institution of slavery was forbidden. Can it be said that the author of the Emancipation Proclamation and the supporters of the thirteenth amendment were not attached to the Constitution?"

There is, it should be added, a further danger in the willful identification of Americanism with a particular body of economic practices. Many learned economists predict for the near future an economic crash similar to that of 1929. If Americanism is equated with competitive capitalism, what happens to it if competitive capitalism comes a cropper? If loyalty and private enterprise are inextricably associated, what is to preserve loyalty if private enterprise fails? Those who associate Americanism with a particular program of economic practices

have a grave responsibility, for if their program should fail they expose Americanism itself to disrepute.

The effort to equate loyalty with conformity is misguided because it assumes that there is a fixed content to loyalty and that this can be determined and defined. But loyalty is a principle, and eludes definition except in its own terms. It is devotion to the best interests of the commonwealth, and may require hostility to the particular policies which the Government pursues, the particular practices which the economy undertakes, the particular institutions which society maintains. "If there is any fixed star in our constitutional constellation," said the Supreme Court in the *Barnette* case, "it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion, or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception they do not now occur to us."

True loyalty may require, in fact, what appears to the naive to be disloyalty. It may require hostility to certain provisions of the Constitution itself, and historians have not concluded that those who subscribed to the higher law were lacking in patriotism. We should not forget that our tradition is one of protest and revolt, and it is stultifying to celebrate the rebels of the past—Jefferson and Paine, Emerson and Thoreau—while we silence the rebels of the present. "We are a rebellious Nation," said Theodore Parker, known in his day as the great American preacher, and went on:

"Our whole history is treason; our blood was attained before we were born; our creeds are infidelity to the mother church; our constitution, treason to our fatherland. What of that? Though all the governors in the world bid us commit treason against man, and set the example, let us never submit."

Those who would impose upon us a new concept of loyalty not only assume that this is possible, but have the presumption to believe that they are competent to write the definition. We are reminded of Whitman's defiance of the "never-ending audacity of elected persons." Who are those who would set the standards of loyalty? * * *

What do men know of loyalty who make a mockery of the Declaration of Independence and the Bill of Rights, whose energies are dedicated to stirring up race and class hatreds, who would straitjacket the American spirit? What indeed do they know of America—the America of Sam Adams and Tom Paine, of Jackson's defiance of the court and Lincoln's celebration of labor, of Thoreau's essay on Civil Disobedience and Emerson's championship of John Brown, of the America of the Fourierists and the Come-Outers, of cranks and fanatics, of Socialists and Anarchists? Who among American heroes could meet their tests, who would be cleared by their committees? Not Washington, who was a rebel. Not Jefferson, who wrote that all men are created equal and whose motto was "rebellion to tyrants is obedience to God." Not Garrison, who publicly burned the Constitution; or Wendell Phillips, who spoke for the underprivileged everywhere and counted himself a philosophical anarchist; not Seward of the Higher Law or Sumner of racial equality. Not Lincoln, who admonished us to have malice toward none, charity for all; or Wilson, who warned that our flag was "a flag of liberty of opinion as well as of political liberty"; or Justice Holmes, who said that our Constitution is an experiment and that while that experiment is being made "we should be eternally vigilant against attempts to check the expression of opinions that we loathe and believe to be fraught with death."

III

There are further and more practical objections against the imposition of fixed con-

cepts of loyalty or tests of disloyalty. The effort is itself a confession of fear, a declaration of insolvency. Those who are sure of themselves do not need reassurance, and those who have confidence in the strength and the virtue of America do not need to fear either criticism or competition. The effort is bound to miscarry. It will not apprehend those who are really disloyal, it will not even frighten them; it will affect only those who can be labeled "radical." It is sobering to recall that though the Japanese relocation program, carried through at such incalculable cost in misery and tragedy, was justified to us on the ground that the Japanese were potentially disloyal, the record does not disclose a single case of Japanese disloyalty or sabotage during the whole war. The warning sounded by the Supreme Court in the *Barnette* flag-salute case is a timely one:

"Ultimate futility of such attempts to compel obedience is the lesson of every such effort from the Roman drive to stamp out Christianity as a disturber of pagan unity, the Inquisition as a means to religious and dynastic unity, the Siberian exiles as a means to Russian unity, down to the fast failing efforts of our present totalitarian enemies. Those who begin coercive elimination of dissent soon find themselves exterminating dissenters. Compulsory unification of opinion achieves only the unanimity of the graveyard."

Nor are we left to idle conjecture in this matter; we have had experience enough. Let us limit ourselves to a single example, one that is wonderfully relevant. Back in 1943 the House Un-American Activities Committee, deeply disturbed by alleged disloyalty among Government employees, wrote a definition of subversive activities and proceeded to apply it. The definition was admirable, and no one could challenge its logic or its symmetry:

"Subversive activity derives from conduct intentionally destructive of or inimical to the Government of the United States—that which seeks to undermine its institutions, or to distort its functions, or to impede its projects, or to lessen its efforts, the ultimate end being to overturn it all."

Surely anyone guilty of activities so defined deserved not only dismissal but punishment. But how was the test applied? It was applied to two distinguished scholars, Robert Morss Lovett and Godwin Watson, and to one able young historian, William E. Dodd, Jr., son of our former Ambassador to Germany. Of almost three million persons employed by the Government, these were three whose subversive activities were deemed the most pernicious, and the House cut them off the pay roll. The sequel is familiar. The Senate concurred only to save a wartime appropriation; the President signed the bill under protest for the same reason. The Supreme Court declared the whole business a "bill of attainder" and therefore unconstitutional. * * *

Finally, disloyal tests are not only futile in application, they are pernicious in their consequences. They distract attention from activities that are really disloyal, and silence criticism inspired by true loyalty. That there are disloyal elements in America will not be denied, but there is no reason to suppose that any of the tests now formulated will ever be applied to them. * * *

Who are those who are really disloyal? Those who inflame racial hatreds, who sow religious and class dissensions. Those who subvert the Constitution by violating the freedom of the ballot box. Those who make a mockery of majority rule by the use of the filibuster. Those who impair democracy by denying equal educational facilities. Those who frustrate justice by lynch law or by making a farce of jury trials. Those who

deny freedom of speech and of the press and of assembly. Those who press for special favors against the interest of the commonwealth. Those who regard public office as a source of private gain. Those who would exalt the military over the civil. Those who for selfish and private purposes stir up national antagonisms and expose the world to the ruin of war.

Will the House Committee on Un-American Activities interfere with the activities of these? Will Mr. Truman's disloyalty proclamation reach these? Will the current campaigns for Americanism convert these? If past experience is any guide, they will not. What they will do, if they are successful, is to silence criticism, stamp out dissent—or drive it underground. But if our democracy is to flourish it must have criticism, if our Government is to function it must have dissent. Only totalitarian governments insist upon conformity and they—as we know—do so at their peril. Without criticism abuses will go unrebuked; without dissent our dynamic system will become static. The American people have a stake in the maintenance of the most thoroughgoing inquisition into American institutions. They have a stake in nonconformity, for they know that the American genius is nonconformist. They have a stake in experimentation of the most radical character, for they know that only those who prove all things can hold fast that which is good.

IV

It is easier to say what loyalty is not than to say what it is. It is not conformity. It is not passive acquiescence in the status quo. It is not preference for everything American over everything foreign. It is not an ostrich-like ignorance of other countries and other institutions. It is not the indulgence in ceremony—a flag salute, an oath of allegiance, a fervid verbal declaration. It is not a particular creed, a particular version of history, a particular body of economic practices, a particular philosophy.

It is a tradition, an ideal, and a principle. It is a willingness to subordinate every private advantage for the larger good. It is an appreciation of the rich and diverse contributions that can come from the most varied sources. It is allegiance to the traditions that have guided our greatest statesmen and inspired our most eloquent poets—the traditions of freedom, equality, democracy, tolerance, the tradition of the higher law, of experimentation, cooperation, and pluralism. It is realization that America was born of revolt, flourished on dissent, became great through experimentation.

Independence was an act of revolution; republicanism was something new under the sun; the Federal system was a vast experimental laboratory. Physically, Americans were pioneers; in the realm of social and economic institutions, too, their tradition has been one of pioneering. From the beginning, intellectual and spiritual diversity have been characteristic of America as racial and linguistic. The most distinctively American philosophies have been transcendentalism—which is the philosophy of the higher law—and pragmatism—which is the philosophy of experimentation and pluralism. These two principles are the very core of Americanism: the principle of the higher law, or of obedience to the dictates of conscience rather than of statutes, and the principle of pragmatism, or the rejection of a single good and of the notion of a finished universe. From the beginning Americans have known that there were new worlds to conquer, new truths to be discovered. Every effort to confine Americanism to a single pattern, to constrain it to a single formula, is disloyalty to everything that is valid in Americanism.

The SPEAKER pro tempore (Mr. NICHOLSON). Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

USE OF GRAIN IN MANUFACTURE OF DISTILLED LIQUORS SHOULD BE STOPPED NOW

Mr. REES. Mr. Speaker, I have today introduced in the House a joint resolution that authorizes and directs the President to withhold for the period of 1 year the use of grains of all kinds for the manufacture of distilled liquors. I think this legislation is necessary in view of the impending shortage of grain for food, not only to fulfill our commitments abroad, but to supply our needs at home.

The distillers for the past 2 years have been using grain at the rate of 5,000,000 bushels per month. During the period from October 1 to October 25, the distillers used grain at the rate of 10,000,000 bushels per month. The amount actually used from October 1 to October 25 was 8,000,000 bushels. That is 300,000 bushels per day. The so-called Luckman committee last fall asked for an agreement to reduce the output of distilled liquors. In order to have a supply on hand because of the impending agreement, the distillers speeded up their activity as fast as they could during the 24 days in October. This illustrates their attitude about saving grain.

According to the best figures I am able to obtain from governmental agencies, distillers now have on hand in barrels and tanks 475,000,000 gallons of whisky together with an 8-month supply of neutral spirits for blending purposes. This is equivalent to 110,000,000 bushels of grain. Incidentally, this 110,000,000 bushels is more than the carry-over of wheat on July 1, 1947.

I am informed the distillers have more than 2½ years supply, even at the highest rate of distilled liquor that was ever used. The Secretary of Agriculture, Mr. Anderson, estimates there is a 6-year supply of distilled spirits on hand.

The so-called Luckman committee entered into an agreement with the distillers for a reduction in the use of grain for 60 days. That agreement expires on December 25. We are informed today that the distillers would not even agree to reduce the use of grain to 2,500,000 bushels per month. So the holiday ends and instead of saving 100,000,000 bushels of grain, when the holiday ends there will be no saving at all and the pledge would not have been kept. I would like to add right here that the distillers took great credit for turning over a few carloads of wheat to the Government when the agreement was made. The New York Journal of Commerce of December 11, 1947, carries the following statement in an article about the meeting held on December 10 by the President's Food Committee and the Department of Agriculture with the distillers' representatives:

Some liquor distillers are headed for full-blast operations as soon as voluntary shut-down of the distilleries end on Christmas Day, it was learned today. During a stormy

meeting of the Distillers Coordinating Committee and the Cabinet Food Committee, one large distiller completely rejected the proposal for a voluntary allocation plan. While still another very large operator advised the committee it refused to be bound by its recommendations.

This article goes on to say that unconfirmed reports state that some distillers were ordering substantial quantities of grain in anticipation of full-scale operations during January. The article further states that during the December-March 1946-47 period, the industry consumed roughly 30,000,000 bushels of grain. According to figures submitted by the Alcohol Tax Unit, the distilleries consumed during 1947, 2,974,000,000 pounds of grain which translated into bushels is between 80,000,000 and 100,000,000 bushels of grain.

The need for the adoption of this resolution is imminent. The people of this country, and rightly so, are being asked to conserve food, especially grain. Farmers are requested to cut down their rations to livestock in order that we may have more wheat and corn and other grains to provide food for starving people abroad. Furthermore, the outlook for the supply of wheat is not encouraging. It will be less in 1948 than 1947, and the demand is greater. Stocks of corn on hand are less than they have been for years, and yet if no action is taken we are going to permit 100,000,000 bushels of grain to go for unessential purposes at the same time we find this country with a shortage of grain for food.

Mr. Speaker, it has been contended that 100,000,000 bushels of grain is not a large part of the entire production. I call your attention to the fact that the carry-over of grain for July 1, 1947, was estimated at less than 100,000,000 bushels. A member of the Kansas City Board of Trade who testified recently before a committee of Congress said that if the carry-over for July 1, 1948, were less than 235,000,000 bushels it would be reckless. Secretary Anderson expressed alarm that our supplies of grain would be depleted to a dangerous point by next July, and yet if we do not take action the distillers will be operating full tilt after next week, using grain needed for food and for feed for livestock. It should be observed a bushel of wheat will provide nourishment for a starving child for 1 month.

Mr. Speaker, let us use a little common sense in dealing with this question. I appeal to the good judgment of the Members of this House. The farmers of this country have done a splendid job in their efforts to produce grains and food of all kinds. Is it not just a little unfair at this crucial time to permit grain valued at more than \$300,000,000 to be used in this manner. We tell our farmers they must conserve their grain; that they must cut down the rations to livestock, and yet we approve the use of grain for unnecessary purposes. Then, to make the thing utterly unreasonable, is the fact I mentioned in the first instance, that the distillers have from 2 to 3 years' supply of distilled spirits on hand now.

Distillers make a good deal over the idea they are willing to substitute and cut the consumption of wheat. I remind you all grain is either good for food or for feed for livestock, which is thereby transformed into food.

The facts are we should have taken action a year ago. We would then have 100,000,000 bushels more of grain in storage than we have today. The price of grain would be lower and the cost of living affected thereby.

Mr. Speaker, this is an emergency measure. There should be no delay. In order to stop a diminishing supply of grain and in order to take care of our commitments to needy people abroad, as well as to care for the folks at home, this resolution should be approved now. We need more food and less liquor.

Mr. Speaker, this resolution is in the public interest. The conditions and the times require its approval. We must have action now.

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

Mr. REES. I am glad to yield to the distinguished gentleman, chairman of the Committee on Agriculture and a colleague from my own State of Kansas.

Mr. HOPE. I am sorry I was not in the Chamber at the time the gentleman began speaking. I rise now to inquire if he has called the attention of the House to the fact that the crop report which came out yesterday reduced the estimated wheat crop for 1947 in a very substantial amount.

Mr. REES. I appreciate having this information.

Mr. HOPE. As I recall the figure—and I hope the gentleman will verify it, the reduction in the estimate for 1947 is 41,000,000 bushels below the last estimate. That, of course, gives added force to what the gentleman has just said, with which I am in hearty agreement.

Mr. REES. I appreciate the gentleman's statement.

A few moments ago I called attention to the fact that we had in 1947 the smallest corn crop for a period of 11 years, and that the outlook for the wheat crop for next year was not as good as we would like.

TAFT-HARTLEY ACT SHOULD BE REPEALED

Mr. KLEIN. Mr. Speaker, when the Hartley labor bill was before the House early in this Congress, a number of us warned you and the country that the bill would be used to wreck unions, to defeat collective bargaining, and to foment industrial strife, and that the ultimate result would be reduction of wages, reduction of purchasing power, and reduction of production.

On April 15, 1947, I said in the well of this House:

Our unions stand as the strongest bulwark for economic and political democracy because, without strong unions our economy will collapse through further drops in wages and purchasing power.

In the fifth month of the law's operation we can see before us the effort of a number of large companies to break the

unions in their plants throughout the country. Their tool is the Taft-Hartley law.

These employers are impartial. They use the law as a tool to smash at the unions which have chosen to use the machinery of the National Labor Relations Board. They use the law as a tool to smash at the unions which have elected not to use the NLRB facilities.

The International Longshoremen's Association, affiliated with the American Federation of Labor, voted in convention to submit to the Taft-Hartley Act. It was the first union to feel the heavy hand of the new law. The National Labor Relations Board obtained an injunction to break a 10-day strike in Albany. This injunction was signed by a court 300 miles away from the scene of the strike. The union had no opportunity to know what was in the injunction papers, or to take part in the hearing before it was granted.

The International Brotherhood of Electrical Workers, A. F. of L., is being sued for \$700,000 in a Federal district court by another union over work jurisdiction, under provisions of the law.

The NLRB applied just last month for an injunction to prevent A. F. of L. carpenters in Chattanooga, Tenn., from picketing and boycotting a firm which had refused to sign a contract with the union. The carpenters have agreed to submit to the Board's jurisdiction.

On the other hand, the CIO Steelworkers Union is not submitting to the Board. The Globe Co., of Chicago, has filed a \$75,000 damage suit against the United Steelworkers because they struck for a wage increase.

The United Mine Workers Union has elected not to use the Board. The NLRB has sought an injunction against mine-workers to prevent picketing of a mine which refused to sign a union contract. The Sentry Coal Co. has filed suit against the miners on charges of unfair labor practices under the Taft-Hartley Act.

Because an independent union, the Brotherhood of Shoe and Allied Craftsmen, refused to take a wage cut in the face of skyrocketing living costs, the Regal Boot and Shoe Co. has announced it will cut wages and operate on an open-shop basis.

LAW PLACES PREMIUM ON EXPLOITATION

Because great metropolitan daily newspapers are involved, as well as a highly skilled and long-organized trade with an honorable history running back for many years, the dispute between the International Typographical Union and the publishers and printing shops has been most widely publicized. Here the publishers clearly are trying to force the return of the open shop.

The Remington Rand Co. has broken off all negotiations with the CIO United Electrical, Radio and Machine Workers of America, has repudiated an agreement signed last July 26, and is now preparing to attempt to operate its vast industrial empire without any union contracts. UE elected not to use the Board facilities.

I could go on at length describing other instances which involve A. F. of L., CIO, and independent unions. They involve

unions submitting to the Board and unions rejecting the Board's jurisdiction. They involve crafts and industries, and they occur in almost every industrial State.

These cases have one common characteristic: They all show that under a law which encourages employers to destroy long-established contracts, to drive down working standards, to avoid collective bargaining, and which places a premium on exploitation, many employers will take immediate advantage of the opportunity.

The ultimate result is that, under competitive conditions, other employers who would infinitely prefer to maintain harmonious labor relations and to preserve stability are forced to take the same action.

This is not a law to give new rights to workers, as was claimed during debate on the bill by its friends, who are necessarily friends of the NAM. It is not merely a law to restrain labor leaders.

It is, on the other hand, a law directed against the rank and file men and women workers of this country with grave implications for the future of the national economy.

REMINGTON RAND: AUTHOR OF THE "MOHAWK VALLEY FORMULA"

Mr. Speaker, the pattern of union-breaking by big companies under the sanction of this iniquitous law is most clearly seen in the history of the negotiations between Remington-Rand, Inc., and the United Electrical Workers, and I propose to describe more fully that history.

Remington Rand has a long and notorious history in labor relations.

The story begins, for my purposes here, with 1932 and 1933, when the National Association of Manufacturers took the lead in opposing section 7 (a) of the National Industrial Recovery Act, which guaranteed freedom of association to workmen.

James Rand, Jr., president of Remington Rand, served on a special committee appointed at an NAM conference held April 28, 1933. This committee strenuously opposed the labor provisions of NRA, as reported in report 6, part 6, Senate Committee on Education and Labor, Seventy-sixth Congress, first session, Violations of Free Speech and Rights of Labor, page 76.

In the same pattern of stubborn resistance to a free labor movement, the manufacturers organized united opposition to enforcement of the National Labor Relations Act immediately after its passage in 1935, after having vigorously opposed its enactment. Eighty-three injunction suits were brought against the Board in 1935, 1936, and 1937. Among the companies which attempted to block the Board's work by injunction was Remington Rand, again as attested by the Senate report already cited.

In the period from 1933 to 1937 the NAM opposition to all progressive labor legislation was financed by a group of 262 corporations. James H. Rand, Jr., was active in the fund-raising campaign of the association as a member of the national industrial information committee.

BY BRUTE FORCE

Remington Rand's resistance to the law was not confined to organizing and financing the national propaganda campaign.

In 1936, this company, through the use of strikebreakers, detectives, munitions, street blocks, and planned violence, devised the ill-famed "Mohawk Valley formula" for strikebreaking and resistance to union organization.

The National Labor Relations Board found the company had violated the law. The Court of Appeals for the Second Circuit enforced the Board's order in 94 F. (2d) 862, and certiorari was denied by the Supreme Court.

The La Follette committee, after extensive testimony, reported:

Official records contain few more comprehensive accounts of the purpose and function of strikebreakers and the strike guard than the Board's decision in this case.

In its concluding remarks, on page 123 of the report, the committee said:

As at the other plants of the corporation, the strikebreakers at Middletown were used as part of Rand's comprehensive design to provoke violence, shake union morale, and deceive the community. They were an implement of his deliberate intent to destroy the collective bargaining agencies set up by his employees.

Such is the background of the employer in the latest and perhaps most serious dispute between labor and management in the jurisdiction of the Taft-Hartley Act.

REMINGTON RAND AND THE UNION

Peaceful collective bargaining relationships were, however, established with Remington Rand, during the last 10 years, and the union which represents the 10,000 workers of the company in seven plants—at Tonawanda, North Tonawanda, Ilion, and Syracuse, N. Y., and at Benton Harbor, Mich. Contracts beneficial to the workers have been negotiated at each of these plants.

Last spring a national pattern of an 11½-cent an hour wage increase, with six paid holidays, was set in the electrical, radio, and machine industry.

General Electric, Westinghouse, the electrical divisions of General Motors, and others agreed. Remington Rand refused.

WAGE AGREEMENT SIGNED AFTER STRIKE

On June 18, 1947, the United Electrical Workers Union locals in Remington Rand plants went out on strike for a wage increase of 11½ cents an hour and six paid holidays. The strike lasted 6 weeks.

The company then signed a strike settlement agreement with UE which provided for the six paid holidays, an immediate increase of 8 cents an hour, and an increase of 3½ cents an hour to begin on November 1. The company also agreed to negotiate local issues within 2 weeks and to submit any unsettled issues to arbitration at the end of that time, and to enter into negotiations for a national contract to expire April 1, 1949.

At this point, Mr. Speaker, I wish to insert a copy of the agreement between the union and the company.

UE-REMINGTON RAND AGREEMENTS

JULY 26, 1947.

James H. Rand, Jr., president of Remington Rand, Inc., and Albert J. Fitzgerald, president of the United Electrical, Radio and Machine Workers of America and other representatives of the company and the union after concluding 12 hours of continuous discussions on issues relating to the current strike of the company's employees represented by the union have entered into the following memorandum of understanding, subject to ratification by the union's locals involved:

1. A general wage increase of 8 cents an hour plus six paid holidays effective as of the date of the employees return to work. The paid holidays shall be New Years Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, Christmas, when they fall on or are observed on a working day.

2. The parties shall submit the following issue to an arbitrator mutually agreed upon for final and binding decision:

How much, if anything, between 8 cents an hour and six paid holidays, and the 15 cents an hour package as requested by the union shall be granted to company employees represented by the union. Any award made by such arbitrator shall be effective as of November 1, 1947. Any such award shall be made on or before September 1, 1947.

3. The parties shall enter into a collective-bargaining agreement expiring April 1, 1949, covering all terms and conditions of employment of the company employees represented by the union. Such agreement shall be subject to reopening on wages and other money issues on April 1, 1948, upon 30 days' notice by either party. Any agreement thereon shall be effective April 1, 1948; if the parties cannot agree on or before April 1, 1948, the union shall have the right to strike, otherwise no strikes to be called for 2 years. The other provisions of such agreement shall continue in full force and effect during the life of such agreement.

4. All employees of the company represented by the union shall, upon ratification of this understanding, return to work without any discrimination by either party.

5. Local issues affecting employees at the respective plants of the company shall be negotiated by the respective union locals and plant management and any issues unresolved within 2 weeks from the date of this memorandum of understanding shall be submitted for final and binding decision to an arbitrator mutually agreed upon by the parties.

J. H. RAND, JR.,
For Remington Rand, Inc.
A. J. FITZGERALD,
For United Electrical, Radio
and Machine Workers of America.

JULY 26, 1947.

It is agreed by the company and the union that the company shall grant an additional general wage increase of 3½ cents per hour to all employees represented by the union effective as of November 1, 1947, to such employees then employed who are working on November 1, 1947, for all services rendered thereafter.

For Remington Rand, Inc.:

J. H. RAND, JR.

For United Electrical, Radio and Machine Workers of America:

A. J. FITZGERALD.

COMPANY REPUDIATES SIGNED AGREEMENTS

Mr. Speaker, less than 2 weeks later the company unilaterally terminated the agreements and so notified the UE locals.

On August 29 Remington Rand submitted to the union proposals which show the full potential of the Taft-Hartley Act for retrogression in labor relations.

First. The company's proposed contract gave Remington Rand the absolute right to set all the important working conditions; none would be subject to grievance procedure.

Second. It gave the company the right to speed up incentive production or to cut rates.

Third. The proposals would mean other serious wage cuts by eliminating two 10-minute wash-up periods daily, the equivalent of a 6 cents an hour wage cut to each employee, and cutting the 10 cents an hour bonus to second shift employees for the two hours after midnight to 5 cents; group leaders would receive a bonus of 10 cents above their own rate instead of 10 cents above the maximum of the rate range; and the company would be able to change or add to job classifications, descriptions, and rates arbitrarily and unilaterally and without negotiation.

Fourth. Other established working conditions would be seriously weakened, with restrictive conditions placed on vacations and holidays; such privileges as smoking, lunch wagon, and group insurance would be canceled; and the paid 2 hours' voting time would be canceled.

Fifth. Seniority as a determinant in lay-offs, recalls, transfers, and promotions would be scrapped.

Sixth. Grievance procedure was watered down to a point where the union's only part would be to have representatives present at discussions.

Seventh. The union would completely give up the right to strike.

THE PAY-OFF

In return for all this sacrifice of hard-won union gains, the company offered the union the check-off privilege.

The union rejected the company's proposals.

On September 8 the company posted notices on all its plant bulletin boards which declared to the workers that "the Labor-Management Relations Act of 1947 has thrown off your shackles."

It notified the workers that no collective bargaining contracts exist in any plant, boasted that workers do not have to belong to a union, and said that workers can settle individual grievances without a union, among other things.

This, Mr. Speaker, is turning the clock back with a vengeance.

The union having rejected the company's proposed contract, Remington-Rand filed with the National Labor Relations Board a petition for an election of collective-bargaining agent.

However, the regional director of the board at Buffalo rejected the petition because the union had already elected not to use the service of the Board.

PERIL TO OUR ECONOMY

I have gone into such detail of the UE-Remington Rand situation, Mr. Speaker, because of the profound significance of the negotiations to the Nation as a whole. The moral is unmistakable.

Not one word uttered last spring in opposition to the Hartley bill was exaggerated or unfounded.

The so-called Labor-Management Relations Act of 1947 is revealed for what it is—a terrible weapon of oppression and exploitation handed to employers to turn the clock of history back to the industrial chaos of 20 years ago.

The pattern of its application began to emerge rapidly as the provisions of the law became effective.

Here in the Remington Rand negotiation you see it building to the climax.

During the 10 years of labor-management peace under the old Wagner Act, Remington Rand had never raised the issue of the right of UE to represent its workers. However, when the union rejected the company's retrogressive contract proposals, the company immediately turned to the NLRB and resorted to out-worn propaganda.

The Remington Rand objectives are clear: to drive down wages and the standards of working conditions.

Equally clear is the peril to the national economy.

Never in history has there been so high a proportion of any nation's population gainfully employed in the production of needed articles. Never before has there been such a huge mass buying power.

This unprecedented prosperity is based on the American formula of high wages, high efficiency, high production.

Now short-sighted employers like Remington Rand want to toss that proven formula of success into the wastebasket of historical oblivion and go back to sweatshop standards. That is the line of the NAM.

Last April 15 I told the House, Mr. Speaker, of how the paid representatives of the National Association of Manufacturers had drafted this law in a smoke-filled room in the House Office Building, and I warned that it did not even represent the desires of the vast majority of employers.

CHAOS TOO BIG A PRICE

The law is now beginning to reap its fruits, but not in benefits for the working men and women of this country.

The only benefits of the law have been to the selfish interests of those who wrote the act and lobbied it through—the NAM. Even employers know now, and increasingly recognize that chaos is a huge price to pay for such benefits.

We have heard it said, over and over again, that the country needs production; but you cannot have production if your labor relations are in constant turmoil.

That is why it is vitally important that the Taft-Hartley law should be repealed, and I will move soon after the Congress reconvenes that legislation to that end, already introduced, be given hearings before the Committee on Education and Labor, of which I have the honor to be a member.

PERMISSION TO COMMITTEE ON RULES TO FILE REPORT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, I objected to this request a few moments ago. I

have learned, however, that if the objection stands, the House will recess and permit the Rules Committee to deliberate the bill that is under consideration in the other body at the present time and report to the House, at which time the House will be reconvened by the Chair. They are still debating this proposition over on the other side of the Capitol, and I do not know how long they will debate it. I do not want to inconvenience the Members of the House. That being the procedure, I shall not object at this time.

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

There was no objection.

CONSIDERATION OF CONFERENCE REPORTS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time after they are presented, notwithstanding the provisions of clause 2, rule XXVIII.

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

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, that is the same request I objected to before and unless it is changed to exclude a conference report relating to the so-called anti-inflation bill that is under consideration by the Senate, I will have to object. At this time I object.

RESIGNATIONS FROM COMMITTEES

The SPEAKER laid before the House the following communications which were read:

DECEMBER 18, 1947.

HON. JOSEPH W. MARTIN, Jr.,

Speaker, House of Representatives.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on the Judiciary.

Respectfully,

ANGIER L. GOODWIN.

DECEMBER 18, 1947.

The SPEAKER: I hereby tender my resignation as a member of the Committee on House Administration effective immediately.

FRED E. BUSBEY.

DECEMBER 18, 1947.

HON. JOSEPH W. MARTIN,

*Speaker, House of Representatives,
Washington, D. C.*

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Banking and Currency.

Respectfully yours,

ELLSWORTH B. FOOTE.

HON. JOSEPH W. MARTIN,

*Speaker of the House of Representatives,
Washington, D. C.*

MY DEAR MR. SPEAKER: I beg leave to inform you that I am hereby tendering my resignation as a member of the Committee on Expenditures in the Executive Departments to become effective today, December 18, 1947.

With great respect,

MITCHELL JENKINS.

The SPEAKER. Without objection, the resignations will be accepted.

There was no objection.

ELECTION OF MEMBERS TO COMMITTEES

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 411) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Banking and Currency: DONALD W. NICHOLSON, Massachusetts.

Expenditures in the Executive Departments: RALPH HARVEY, Indiana.

House Administration: RALPH HARVEY, Indiana.

Interstate and Foreign Commerce: FRED E. BUSBEY, Illinois.

Judiciary: ELLSWORTH B. FOOTE, Connecticut; and WILLIAM M. McCULLOCH, Ohio.

Merchant Marine and Fisheries: CHARLES E. POTTER, Michigan.

Ways and Means: ANGIER L. GOODWIN, Massachusetts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a statement that he made before one of the committees.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes after any special orders heretofore entered for today.

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

There was no objection.

The SPEAKER. Under previous order of the House, the gentlewoman from California [Mrs. DOUGLAS] is recognized for 15 minutes.

CONTROLLING INFLATION

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to include as part of my remarks a table prepared for me by the legislative reference service of the Library of Congress showing how big business and monopoly interests have increased their earnings since 1939.

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

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, we have just come through a devastating and world-shaking war. Because we have failed to fully recognize the effect that the war had on our economy we have inflation today.

We should have learned in the last 2½ years that our economy cannot be picked up just where we left off. Because we haven't recognized this all-important fact our economy today is in danger of pulling apart. Prices are going through the ceiling and the consumer is being priced out of the market.

I warned last March—10 months ago—that if the Eightieth Congress did not take steps to control prices we were headed for inflation. Well, Congress didn't act and we have inflation. I say now that if Congress does not act we are headed for a crack-up within 6 months.

Congress gives no evidence that it has learned anything from its mistakes of this past year. Indeed, Congress has given every evidence in these last few weeks of continuing its reckless course in utter disregard of the welfare of the American people.

Mr. Speaker, there have been a lot of speeches against communism on this floor. You have to do more than make speeches against communism in order to preserve democracy. Specifically, we must buttress our democracy by an economy that is sound. In a democracy a sound economy is one that is supported by the purchasing power of all the people. The people today are being priced out of the durable market. Their purchasing power is evaporating. In the face of these facts Congress cannot stand idly by and do nothing. The recovery of the world—peace itself—depends upon the stability and health of our economy.

Mr. Speaker, I have introduced a tax bill which places its emphasis upon this crucial problem—the drawing together of the consumer and the market. My tax bill helps in two ways to bring the consumer and the market together. In the first place it grants relief through a cost-of-living credit to everybody and this is particularly important for the middle- and low-income taxpayer. At the same time it restores the ability of these groups to remain in the market by reducing the incentive for high prices through its imposition of an excess-profits tax.

The excess-profits tax is in this instance not a punitive measure but it is a positive step toward controlling runaway prices and a positive step toward saving business—big and little. If such a step is not taken, I tremble for the free enterprise system.

Why should we have an excess-profits tax in December 1947?

Corporations in 1947 will have profits after taxes which are 170 percent of their wartime peak. 1947 profits will be nearly double those for 1945, 3½ times the figure for 1939, and 7 times that for 1938.

Corporate profits after taxes, 1929, 1934, 1939—47:

1929	\$8,420,000,000
1934	977,000,000
1939	5,005,000,000
1940	6,447,000,000
1941	9,369,000,000
1942	9,433,000,000
1943	10,363,000,000
1944	9,928,000,000
1945	8,939,000,000
1946	12,639,000,000
1947 (estimated)	17,000,000,000

I am including a table showing how big business and monopoly interests have increased their earnings since 1939.

I want to emphasize that these high current profits do not arise from increased production. Federal Reserve indexes show that the volume of physical

The excess profits tax is in this int-time level. These profits are based on unfair and inequitable prices. These inflated prices will destroy the savings of the people and American business itself.

Controls imposed during the war generally prevented corporations from extracting the prices that a short supply and

heavy demand would encourage. An excess-profits tax helped to mop up surplus-profits and assisted in keeping prices down. But with the end of the war, and in the face of the greatest consumer demand in history—and incidentally the greatest profit period—controls were abolished and the excess-profits tax repealed.

All corporation income taxes, including the excess-profits tax, which produced \$14,800,000,000 in fiscal 1944, \$16,000,000,000 in 1945, fell to \$12,600,000,000 in 1946, and \$9,600,000,000 in 1947. An excess-profits tax now would raise an additional \$6,000,000,000 which could go a long way to finance the Marshall plan of aid to Europe, to pay off the debt, and to provide the basis for reducing the tax on low-income groups which are suffering most from inflation.

In spite of reduced corporation taxes, prices generally have advanced 24 percent since VJ-day. Food has gone up 40 percent. At the same time average

weekly earnings of factory workers which in early 1945 exceeded \$47 are now only about \$50, a rise of 6 percent.

The mulcting of the general public must be prevented if our economy is to survive.

One way to absorb for the benefit of all the people the superprofits resulting from unreasonable price advances is to reimpose an excess-profits tax. The knowledge that excessive profits will be taxed would result in a lowering of prices and a restoration of profits to a just normal.

Without such a preventive we will continue in the least intelligent way to distribute goods in short supply—by inflation. This way will destroy the accumulated savings that hard-working labor built up during the war.

In destroying the savings of the people, business is laying the groundwork for the next depression.

Mr. Speaker, I have offered a tax bill that will help the American people in

this crisis. I would like to hear one good reason from the other side of the aisle as to why this bill should not be passed.

I include now, Mr. Speaker, the table showing how big business and monopoly interests have increased their earnings since 1939. This table was compiled for me by the Legislative Reference Service of the Library of Congress.

APPENDIX A

1947 CORPORATION PROFITS

This is a selected list of manufacturing and mining companies earning profits at rate in excess of \$5,000,000 per year in 1947. The list, for the most part, is confined to corporations whose profits so far as reported in 1947 exceed those for the corresponding period in 1946. Data for the full year 1939 are also given. The reference 2 following the name of a company indicates it is one of the 50 largest (in assets) manufacturing companies in the United States. Data on these 50 companies are reported even though 1947 profits are still unreported or, if reported, are less than the figures for 1946.

OIL COMPANIES

Corporation	1947		1946		1939 ¹	
	Number of months	Profits	Number of months	Profits	Number of months	Profits
Amerada Petroleum Corp. (and subsidiaries)	9	\$10,371,503	9	\$5,597,069	12	\$1,230,764
Atlantic Refining Co. (and subsidiaries) ²	9	10,836,518	9	4,922,652	12	5,028,212
Barnsdall Oil Co.	9	6,281,252	9	3,535,553	12	1,720,292
Continental Oil Co. (and subsidiaries)	9	24,889,113	9	12,061,245	12	6,304,504
Gulf Oil Corp. ²	6	42,510,375	6	26,746,013	12	15,315,781
Mid-Continent Petroleum Corp. (and subsidiaries)	9	12,763,617	9	7,662,872	12	2,630,502
Ohio Oil Co.	6	13,246,116	6	8,263,962	12	1,492,068
Phillips Petroleum Co. ²	9	25,706,157	9	14,765,153	12	9,835,314
Pure Oil Co. ²	6	8,161,608	6	6,985,280	12	8,290,410
Richfield Oil Corp.	9	7,940,170	9	4,473,441	12	2,601,323
Shell Union Oil Corp. ²	9	38,676,876	9	23,981,773	12	11,805,713
Sinclair Oil Corp. (and subsidiaries)	6	20,476,207	6	12,051,203	12	7,540,881
Skelly Oil Co.	9	13,448,167	9	6,484,106	12	2,360,783
Socony Vacuum Oil Co., Inc. ²	9	66,000,000	9	36,000,000	12	34,459,710
Standard Oil Co. of California ²	9	66,544,580	9	48,990,458	12	17,882,505
Standard Oil Co. of Indiana ²	6	40,936,450	6	33,668,845	12	34,142,643
Standard Oil Co. of New Jersey ²	6	140,000,000	6	88,000,000	12	53,577,293
Standard Oil Co. of Ohio	6	7,191,037	6	5,154,885	12	5,602,499
Sun Oil Co. (and subsidiaries)	6	11,360,170	6	4,360,212	12	6,959,677
Texas Co. ²	9	78,396,388	9	50,360,115	12	32,886,807
Tide Water Associated Oil Co. (and subsidiaries)	6	11,235,945	6	8,188,182	12	9,975,887
Union Oil Co. of California ²	6	8,543,594	6	3,805,117	12	4,006,789

STEEL AND OTHER METALS COMPANIES

Allegheny Ludlum Steel Corp.	9	\$4,553,972	9	\$4,599,139	12	\$2,093,518
Aluminum Co. of America ²	(¹)	(¹)	12	11,581,237	12	14,801,970
American Rolling Mill Co. (and subsidiaries) ²	9	18,165,398	9	12,488,684	12	4,011,909
American Smelting & Refining Co. (and subsidiaries)	6	20,896,033	6	1,867,778	12	13,057,145
Anaconda Copper Mining Co. ²	9	34,473,066	9	13,159,083	12	20,239,552
Bethlehem Steel Corp. ²	9	38,710,728	9	29,794,650	12	24,638,384
Inland Steel Co. (and subsidiaries)	6	10,171,288	6	4,973,300	12	10,931,016
Jones & Laughlin Steel Corp. (and subsidiaries) ²	9	16,682,738	9	6,109,260	12	3,188,944
Kennecott Copper Corp. ²	6	46,086,826	6	4,508,933	12	33,947,443
Keystone Steel & Wire	12	6,087,002	12	2,777,605	12	927,542
National Lead Co.	6	6,479,049	6	5,069,455	12	5,780,500
National Steel Corp. (and subsidiaries) ²	9	19,903,655	9	13,941,320	12	12,581,636
Republic Steel Corp. (and subsidiaries) ²	9	23,111,631	9	9,494,414	12	10,671,343
Revere Copper & Brass, Inc.	9	6,676,295	9	3,198,104	12	1,615,069
St. Joseph Lead Co. (and domestic subsidiaries)	6	6,706,815	6	2,793,061	12	5,292,908
Sharon Steel Corp. (and subsidiaries)	9	4,756,350	9	2,042,349	12	255,497
United States Steel Corp. (and subsidiaries) ²	9	43,678,696	9	12,443,381	12	41,119,934
Wheeling Steel Corp.	9	8,430,261	9	3,188,041	12	5,560,753
Youngstown Sheet & Tube Co. ²	9	19,446,836	9	9,176,395	12	5,004,484

AUTOMOBILE MANUFACTURERS

Chrysler Corp. ²	9	\$47,873,089	9	\$10,292,645	12	\$36,879,829
Ford Motor Co. ²	(¹)	(¹)	(¹)	(¹)	12	16,402,746
General Motors Corp. ²	9	213,217,476	9	14,012,370	12	183,403,399
Hudson Motor Car Co.	9	5,158,854	9	560,192	12	¹ 1,356,750
Mack Trucks, Inc.	9	5,265,883	9	316,626	12	682,987
Studebaker Corp.	9	5,152,043	9	251,770	12	² 2,023,251
White Motor Co. (and subsidiaries)	9	3,926,586	(¹)	(¹)	12	² 2,412,618

Footnotes at end of table.

OTHER MANUFACTURERS, ETC.

Corporation	1947		1946		1939 ¹	
	Number of months	Profits	Number of months	Profits	Number of months	Profits
Allied Chemical & Dye Corp. ²	(9)	(9)	12	\$26,706,691	12	\$21,042,211
American Can Co. ²	(9)	(9)	12	8,828,883	12	18,284,964
American Cyanamid Co.	9	\$6,294,571	9	6,191,005	12	5,524,941
American Tobacco Co. ²	9	24,178,000	12	29,886,557	12	26,427,034
American Viscose Corp. (and subsidiaries)	9	14,549,882	9	8,149,612	12	4,057,164
Anderson, Clayton & Co. (and subsidiaries)	12	19,787,529	12	14,006,598	(9)	(9)
Armour & Co. ²	(9)	(9)	12	20,791,128	12	8,285,167
Bendix Home Appliances, Inc.	6	7,127,044	12	3,178,180	12	4,311,035
Borden Co.	9	\$9,975,000	6	\$8,875,000	12	7,979,838
Borg-Warner Corp. (and subsidiaries)	9	15,707,583	9	4,152,614	12	5,683,801
Caterpillar Tractor Co.	10	6,458,128	10	4,975,559	12	3,285,709
Celanese Corp. of America	9	16,628,579	9	11,573,513	12	6,374,101
Colgate-Palmolive Peet Co.	6	9,783,002	6	6,311,156	12	6,632,655
Commercial Solvents Corp. (and subsidiaries)	9	6,217,560	9	3,008,669	12	1,600,390
Continental Can Co., Inc. (and subsidiaries)	12	9,240,040	12	3,576,763	12	8,635,787
Corn Products Refining Co.	9	13,092,583	9	5,592,283	12	10,120,398
Crane Co. (and domestic subsidiaries)	12	10,758,787	12	7,017,586	12	4,612,555
Cuban American Sugar Co.	12	6,206,103	12	2,222,044	12	716,953
Curtis Wright Corp. ²	9	\$465,315	9	5,151,643	12	5,218,259
Distillers Corp. Seagrams Ltd. (and subsidiaries)	12	43,112,502	12	24,530,122	12	6,566,313
Dow Chemical Co.	12	12,729,991	12	6,707,215	12	4,178,485
E. I. du Pont de Nemours & Co. ²	9	88,220,501	9	82,179,876	12	93,218,664
Eastman Kodak Co. ²	6	20,299,661	6	15,992,656	12	21,537,577
Eaton Manufacturing Co. (and subsidiaries)	9	5,548,192	9	1,793,730	12	2,707,340
Firestone Tire & Rubber Co. ²	6	14,168,206	6	12,845,926	12	6,722,046
General Cable Corp.	9	4,627,400	9	1,333,719	12	733,166
General Electric Co. ²	9	56,459,434	9	404,109	12	40,860,754
Gillette Safety Razor Co.	9	7,617,903	9	7,513,639	12	2,941,890
Goodrich (B. F.) Co. ²	6	11,264,245	6	12,470,350	12	6,653,278
Goodyear Tire & Rubber Co. ²	6	11,601,416	6	15,088,189	12	9,838,707
(M. A.) Hanna Co.	9	5,214,971	9	3,919,002	12	1,904,317
Hershey Chocolate Corp. (and subsidiaries)	9	6,017,778	9	4,847,224	12	6,233,304
International Business Machines Corp. (and subsidiaries)	9	17,610,802	9	13,115,986	12	9,092,692
International Harvester Co. ²	(9)	(9)	12	22,326,257	12	7,952,810
International Paper Co. (and subsidiaries) ²	9	43,124,402	9	21,252,904	12	4,893,591
Kimberly-Clark Corp. (and subsidiaries)	12	6,601,962	12	3,228,174	12	2,651,305
Libby-Owens-Ford Glass Co.	9	8,727,826	9	2,616,681	12	8,062,753
Liggett & Myers Tobacco Co. ²	9	16,520,000	12	18,368,928	12	20,705,549
Lone Star Cement Corp. (and subsidiaries)	9	4,536,519	9	3,592,102	12	3,561,093
Long-Bell Lumber Co.	9	8,960,201	9	3,518,804	12	\$ 91,969
Maytag Co.	9	4,459,476	9	2,067,669	12	1,398,981
McKesson & Robbins, Inc.	12	9,694,558	12	8,586,157	12	3,304,790
Minneapolis-Honeywell Regulator Co. (and subsidiaries)	9	4,602,868	9	2,912,165	12	2,158,582
Monsanto Chemical Co.	9	12,395,367	9	6,987,663	12	5,428,914
Nations' Cash Register Co. (and subsidiaries)	6	7,545,688	9	1,315,739	12	1,807,093
National Dairy Products Corp. ²	9	9,649,223	9	11,832,554	12	13,034,157
National Supply Co. (and subsidiaries)	9	6,569,325	9	2,129,571	12	1,190,787
Owens-Illinois Glass Co. (and subsidiaries)	12	16,402,124	12	11,211,455	12	8,434,915
Pacific Mills	9	\$ 5,645,000	9	\$ 4,648,000	12	793,831
Pittsburgh Consolidation Coal Co. (and subsidiaries)	9	9,069,170	9	4,168,712	12	863,915
Pittsburgh Plate Glass Co. (and subsidiaries)	9	21,071,104	9	13,168,435	12	10,766,412
Quaker Oats Co.	12	7,958,588	12	6,471,051	12	5,422,852
Remington Rand, Inc. (and subsidiaries)	6	6,525,727	6	5,770,505	12	1,750,391
Reynolds (R. J.) Tobacco Co. ²	(9)	(9)	12	27,972,599	12	23,645,455
St. Regis Paper Co.	9	11,055,144	9	3,775,622	12	547,820
Schenley Distillers Corp. ²	12	26,844,733	12	49,129,975	12	4,129,080
Singer Manufacturing Co. ²	(9)	(9)	12	15,227,817	12	3,065,105
Squibb & Sons (and subsidiaries)	12	5,525,386	12	5,151,408	12	2,060,978
Stokely-Van Camp, Inc.	12	7,111,911	12	5,204,912	12	\$ 712,905
Swift & Co. ²	(9)	(9)	12	16,394,739	12	10,321,523
Texas Gulf Sulphur Co.	9	16,051,653	9	10,772,189	12	7,847,483
Timken Roller Bearing Co.	9	9,144,682	9	1,194,357	12	7,287,911
Union Bag & Paper Corp.	9	8,787,425	9	3,643,590	12	965,532
Union Carbide & Carbon Corp. (and subsidiaries)	9	54,865,182	9	40,331,671	12	35,847,400
United Merchants & Manufacturing, Inc.	12	21,132,984	12	8,733,786	11	1,466,197
United States Gypsum Co.	9	11,685,500	9	8,719,659	12	7,365,849
United States Rubber Co. ²	6	11,020,729	6	9,906,886	12	10,218,849
Warner Bros. Pictures, Inc. (and subsidiaries)	9	19,134,639	9	14,749,202	12	1,740,908
Western Electric Co., Inc. ²	(9)	(9)	12	12,336,076	12	16,476,086
Westinghouse Air Brake Co. (and subsidiaries)	9	9,780,117	9	6,748,715	12	2,765,629
Westinghouse Electric Corp. ²	12	30,900,893	12	17,356,278	12	13,854,365
West Virginia Pulp & Paper Co. (and subsidiaries)	9	7,878,734	9	7,695,219	12	1,095,389
Worthington Pump & Machinery Corp.	9	4,742,426	9	2,289,616	12	816,706
Wm. Wrigley, Jr., Co.	9	6,058,494	9	4,813,106	12	8,650,976

¹ Calendar or fiscal year ending in 1939.

² 1 of 50 largest manufacturing companies in volume of assets.

³ Estimated.

⁴ No statement.

⁵ Deficit.

The SPEAKER pro tempore [Mr. NICHOLSON]. Under previous order of the House, the gentleman from Massachusetts [Mr. McCORMACK] is recognized for 10 minutes.

Mr. McCORMACK. Mr. Speaker, the testimony given yesterday by Lt. Gen. Albert C. Wedemeyer on aid to China, before the Senate Committee on Appropriations, is important and significant. General Wedemeyer is well qualified to testify and his views are worthy of deep consideration. He went to China on a special mission for our country, being

assigned to that important duty after General Marshall's trip and mission to China. General Wedemeyer has rendered a great public service by his testimony. He has recalled to the minds of Americans the important part China played in the war and is now playing in fighting the challenge that atheistic communism, backed by the Soviet Union, has hurled at the rest of the world. He refreshed our memory, although it was not necessary in my case, that China, under Generalissimo Chiang Kai-shek, kept 1,500,000 Japs engaged or tied up, pre-

venting their use against our boys in the Philippines and elsewhere in the Far East. He further testified:

He has fought communism all his life, and he stood by us as an ally in the war when he might have accepted favorable peace terms from Japan, thereby releasing 1,500,000 Japanese soldiers to be used against our boys in the Philippines and elsewhere in the Pacific.

If Generalissimo Chiang Kai-shek had made peace terms with Japan the war in the Far East would have been longer and tens of thousands of our boys now alive would have either been killed or wounded.

His further testimony is significant. In speaking of Chiang, General Wedemeyer said:

He is a fine character, the logical leader of China today, and I say this as one who was prepared not to like him when I went over there.

General Wedemeyer was emphatic that we should help China from a military and from an economic angle. The American people are being given a lot of false propaganda today about China. Of course, all things are not all right there. It will take a long time with the best of leadership to rub out generations of entrenched selfishness and exploitation. We have been given a great deal of false information, nothing but vicious propaganda by some Chinese who have visited the United States. And there is at least one here now who has shifted from side to side as expediency prompted him, and whose recent statements leave only one impression, that he is trying to stick a dagger in the back of Generalissimo Chiang Kai-shek.

One big test of decent leadership is whether the people of a country are given the right of religious freedom, freedom of their own religious conscience, and the freedom to exercise it attending the services of their church. Under Chiang and his government, that exists in China, and there must be a strong government there because of the chaotic conditions—only a strong government could exist—complete freedom both of conscience and the exercise of it exists. This does not exist in the Communist-dominated part of China. The missionaries of all creeds are treated with complete freedom under the Chiang government. They are captured, imprisoned, and even killed in those areas of China where the Communists are in control. Certainly it is for our national interest in hurling back the challenge of atheistic communism to support Chiang and his government. We should extend military aid to his government at once. We have plenty of military equipment and implements of a military nature that are surplus so far as our Government is concerned in the Far East that could be utilized in effectively carrying out our national policy of enabling countries to prevent aggression being used against them and in the rehabilitation economically of countries in order that they might take their normal place among the decent nations of the world.

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

Mr. McCORMACK. I yield.

Mr. KEEFE. The question of aid to China came before the House Deficiency Subcommittee on Appropriations, of which the gentleman who is now speaking is a member. We were only able to get very sketchy information. The gentleman is aware of the fact that a reduction in the amount of the appropriation below the authorization estimate of \$597,000,000 was made and adopted by the House. I was pleased to say on the floor of the House that I was in hopes that the Senate would see fit to place some provision after thorough investiga-

tion for the relief of China in the bill as it will ultimately be passed.

Mr. McCORMACK. May I say I thoroughly agree with the gentleman. I hope that is done because I think it would at least have a very good psychological effect.

Mr. KEEFE. May I say to the gentleman who is prominent in the councils of the executive department of the Government—

Mr. McCORMACK. If the gentleman will pardon me for interrupting him, the gentleman pays me a compliment which probably exceeds the position that I occupy.

Mr. KEEFE. The gentleman quoted from the testimony of General Wedemeyer before the Senate committee.

Mr. McCORMACK. The gentleman from Massachusetts is making his own remarks now.

Mr. KEEFE. I understand that, and I am in accord with what the gentleman is saying.

Mr. McCORMACK. I am sure that later on when I make some suggestions concerning the State Department that my friend will be in accord with them too.

Mr. KEEFE. What I am worried about is the fact that General Wedemeyer, who in my opinion is one of America's ablest men—

Mr. McCORMACK. And I agree with the gentleman in that.

Mr. KEEFE. I am worried about the fact that General Wedemeyer went to China to make an investigation, and report, and he testified before the Senate that he was placed under an injunction by General Marshall and by the President not to disclose what that report is. We were told in our committee by the representative of the State Department that we could not have that report made available to us; that it was of the highest confidential character, and had been impressed and sealed by orders of the President. Now, what does the gentleman conceive could possibly be in a report that was made by General Wedemeyer that should cause the Administration to place the seal of security upon that report, so that even General Wedemeyer could not tell a Senate committee of the United States or the American people his views which he obtained as the result of going there and making the investigation so that the Congress and the people could be advised. I regret that we did not have the benefit of that information so that we could have acted intelligently in this House on that subject, and could have shown the people of China and the people of this country that this House wanted to do something for China.

Mr. McCORMACK. I cannot answer the gentleman's inquiry as to why the report is considered highly confidential. I assume, without knowing, that in the minds of some there is a justifiable reason. I am not saying that if I knew I would agree with that. We can discuss this without impugning the motives of anyone who is charged with responsibility, and I think my friend from Wisconsin will agree that General Wede-

meyer's testimony yesterday gave to the people, particularly those who are discerning and who can interpret, valuable evidence. I was deeply impressed with it.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

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

There was no objection.

Mr. McCORMACK. I was so impressed with it that I asked for a special order, which is probably the second or third I have ever asked for in my 20 years here, because, as the gentleman knows, I like to participate under the 5-minute rule or on the amendment stage of the proceedings. But I thought possibly I might make some slight contribution by some observations I might make. I felt it was my duty, carrying out the dictates of my judgment and my conscience, to get a special order in order to make the observations which I have made and which I shall make. But you and I and others have got enough from General Wedemeyer's testimony to know how he feels when he said he went over there to China as he did, and I quote: "As one who was prepared not to like him when I went over there." Then he says, "He (Chiang) is a fine character and the logical leader of China today." Then he gave his other testimony and you and I got a clear insight as to his state of mind and probably some of the important aspects of the report which he made.

Mr. KEEFE. I want to compliment the gentleman for making this statement. It is that very statement of General Wedemeyer's which disturbed me, because the gentleman is aware of the fact that he was our commander in China, in that area, and he was there and he had contact with General Chiang Kai-shek. He then came back and was given this assignment, after the assignment of General Marshall collapsed and failed. I wonder whether he referred to the fact, when he said he went there with a preconceived notion of not liking him, or words to that effect, whether he meant that he went there on this last visit or whether that was his idea when he went over there and was assigned to be commander in chief of our forces in China.

Mr. McCORMACK. I would infer from his testimony that it was on his last visit, because he was testifying in relation to his last visit when he was over there on an important mission representing our country. I quote again:

He is a fine character, the logical leader of China today, and I say this as one who was prepared not to like him when I went over there.

From that I would assume he meant when he went over there on the special mission. That is very evident.

Furthermore, you and I know that the very first thing that vicious and harsh dictatorial and totalitarian government

attacks is religion, organized religion. They want to destroy the dignity of the individual, for it is known that as long as there is religious freedom the dignity of the individual exists. Here we have in China a very basic thing, a very basic principle; that the dignity of the individual is dependent upon the right of a free religious conscience and the free exercise of it existing in China. The missionaries I have met—and I have met many—they are friends of mine, Catholics, Protestants, and yes, even Jews, but principally Catholics and Protestants in China, tell me there has never been any interference with them in China as far as the existence of complete religious conscience is concerned and, more important, the free exercise thereof; because a country may say they give freedom of religious conscience and then take it away from them by saying there shall be one priest or one minister for every 75,000 or 100,000 people, and from a practical angle this limits the free exercise of conscience.

Mr. PRIEST. Mr. Speaker, will the gentleman yield.

Mr. McCORMACK. I yield.

Mr. PRIEST. I have appreciated the speech made by the gentleman from Massachusetts. Unfortunately, I was called to the telephone just when he was discussing that phase of his message pertaining to possible military aid. I agree with the gentleman in that respect, we do have military supplies that could be used. If we did so it would be entirely in keeping with the policy we adopted with reference to Greece and Turkey, would it not?

Mr. McCORMACK. Exactly, because our policy is an affirmative policy to assist countries against aggression and then to attempt to rehabilitate them so they can take their proper place as healthy nations in the council of the nations of the world.

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

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

Mr. RICH. I was very much interested in the gentleman's statement in reference to missionaries who were working in China—Catholic, Protestant, and Jewish—if there are any Jewish over there, I do not know; and I was wondering whether they have been free to do their work as they chose in China at the present time.

Mr. McCORMACK. My information from those who have been over there—and I am talking of Catholic priests and Protestant ministers—is that there is no interference. But it is different where the Communists are. As a matter of fact last week on the floor of the House I called attention to the plight of a Catholic priest who had been captured by the Communists and was held prisoner for months. When the Nationalist troops had overtaken the guerrilla band of Communists that had captured them and the Communists were trying to escape the priest fell and hurt himself and they killed him rather than leave him. He died a martyr to his great calling in the service of God and man. And there have been many similar cases I may say. That is not an isolated case but there are

many others. There is no distinction as to creed.

Mr. RICH. Then in the Communist-dominated sections of China they are not free to teach religion or to do the work they are supposed to do.

Mr. McCORMACK. Absolutely. That is my information from those who were over there carrying on that great activity.

Mr. RICH. Have they confiscated their churches?

Mr. McCORMACK. Yes, and burned them, burned them. I was talking with a very fine Presbyterian minister I met the other evening. I met him at a reception to Archbishop Hu Pin of Nanking, a Catholic archbishop of China. His name I suggested to Dr. Montgomery the other day, suggested that he might have him offer the opening prayer in the House some day. His name momentarily escapes me. But he had been over there for years. He was a prisoner of the Japs and interned. He told me that on freedom over there there is no difficulty, and yet that is a country where the percentage of Christians to the total percentage is negligible. I think there are probably around 5,000,000 Catholics and probably not more than 10,000,000 or 12,000,000 Protestants, probably between 15,000,000 and 20,000,000 Christians altogether out of a total population of around 450,000,000 to 480,000,000 people. There is complete freedom and it is essential to any individual to possess that in order to maintain his dignity and personality as an individual.

From reliable information I have received word that time is of essence. We should extend also economic aid, but the first important element is military aid. A stabilized government in China with its people having an undying friendship for us is the best investment we can make and it can be made for both countries not only for our future generations of Americans but for the future generations of Chinese.

If the Senate inserts an appropriation for China in the bill that passed the House yesterday, even if it is a token one, it will have a psychological effect, and I hope the House conferees will accept it. In any event, in the long-range Marshall plan China should receive its proper consideration and our national interest calls for such action.

We must remember that in building up Europe economically those countries must have a foreign trade to sustain a rehabilitated national economy. To build them up and say, "You have to depend upon your own internal trade," will mean useless action. There will be a collapse economically. China and the Far East for years will give to European countries as well as our own country a vast area in which to trade. A peaceful, stabilized China is very important in itself. It is of great importance also in building up the economy of the European countries we are helping and will help.

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

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, an Assistant Secretary of State testified that the State Department is preparing a program for China that will be ready in January. For the benefit of the State Department and those preparing this program I want to suggest to and advise them that the sentiment in the Congress and among our people is very strong for immediate and complete aid to China. I make this observation so that those in the State Department will know and evaluate properly the sentiment for China that exists in this body. The giving of effective military and economic aid to China, our ally and our friend, in the immediate future is a matter of primary importance to the best interest of both countries and to the future peace and security of the world.

The Soviet Union is pulling no punches in its effort to bring about world uncertainty, confusion, and chaos in its vicious imperialistic dream for world domination territorially as well as ideologically. We should not pull our punches in our efforts for stability, security, and peace throughout the world and in acting for our own national interest.

The people of the United States and China are close friends today. America is strong today. China is potentially strong today and will be strong in reality in years to come after its pains of today are over and it can develop and build economically its great natural resources. We want and should strive to have the friendship of these two countries cemented strongly and we can do that by our actions so that the people of the United States and China will have for each other an unbreakable friendship that will last for countless generations to come.

The real test of friendship comes when one friend is in pain, distress, or trouble, and the other friend comes to his aid.

Mr. Speaker, in conclusion I want to make these few significant observations. China is our friend; the United States is China's friend. China is in trouble. We should come to her aid in a practical, realistic, and effective manner.

RECEPTION OF MESSAGES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House today the Clerk be authorized to receive messages from the Senate and in the event such message contains a notification that the Senate has passed Senate Joint Resolution 167 that that joint resolution be printed as passed by the Senate.

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

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks in the Record.

The SPEAKER. Under previous order of the House, the gentlewoman from

Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, many of us favor the passage of the veterans' subsistence allowance bill for the GIs. There are a great many of those veterans in Washington today asking for the passage of the bill. These veterans have come from every State in the Union. They cannot understand why all the money was appropriated for foreign aid and nothing for them. If this legislation is not passed thousands will ask the Members why the legislation was not passed when the Congressmen go home for Christmas.

Mr. Speaker, I have information compiled for me by Dr. T. A. Rousse, University of Texas, at the request of the University Veterans' Advisory Service, University of Texas, Austin, Tex. He states that all Texas universities involving senior colleges, junior colleges, and professional colleges, show the following freshman enrollment: In 1946, 24,731; in 1947, it dropped to 11,362. The University of Texas in 1946, had an enrollment of 3,607, and in 1947, it dropped to 200. The registrar of the University of Texas states that married veterans are dropping out fast.

If legislation be not passed, I think the GI training will come, I am afraid, to a very speedy and sad close. The men cannot live, the married men particularly, on the small subsistence allowance they receive today. They tell me that with the small increase in the Senate bill, and the Meade bill which is similar to the Senate bill in the House, that they can manage it.

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

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. ALBERT. That is exactly the story I get from all over my own State, that the GI program, so far as married veterans are concerned, is going to break down if we do not increase the subsistence allowance, and I do hope that the gentleman can have her bill, or the Senate bill, brought before the House at an early date.

Mrs. ROGERS of Massachusetts. It is the Meade bill in the House. The Committee on Veterans' Affairs has voted it out unanimously, and many Members have said to me that the boys in their States have asked for the passage of this legislation. There is a dead line. Every day brings them nearer to despair. They have done a magnificent job in scholarship.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mrs. ST. GEORGE. What is the increase in the subsistence allowance in the Meade bill?

Mrs. ROGERS of Massachusetts. For the single men it is a \$10 increase, \$15 for a married man with one child, and an additional \$15 for a married man with several children. It is a very small increase and will cost very little to the Government.

Mrs. ST. GEORGE. Does the gentleman consider that that will be sufficient to enable these men to continue?

Mrs. ROGERS of Massachusetts. The men have told me, and I have no doubt that they have told many of the other Members, that they can exist on a small increase, but that they must have that.

Mrs. ST. GEORGE. I sincerely hope that the bill will pass when it comes before the House.

Mrs. ROGERS of Massachusetts. The gentleman always has very constructive suggestions.

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

TANKERS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

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

There was no objection.

Mr. WEICHEL. Mr. Speaker, the gentleman from Massachusetts has made a request with reference to information concerning idle tankers in the hands of the Maritime Commission. I have made a special request upon the Chairman of the Maritime Commission, and he has provided me with that information.

At the present time they have only 13 small tankers of 30,000 barrels each, 1 tanker for the Navy, 2 small tankers, and 2 special-type tankers, outside of 50 that the Navy has for its own use.

Mr. Speaker, I ask unanimous consent to include as part of my remarks a full report with reference to the disposal of tankers since the passage of the Ships Sales Act in March 1946, and a report covering the disposal of tankers since August 1, 1947, to this very date.

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

There was no objection.

Mr. WEICHEL. Mr. Speaker, the report to which I have referred is as follows:

UNITED STATES MARITIME COMMISSION,

Washington, December 17, 1947.

HON. ALVIN F. WEICHEL,
Chairman, Merchant Marine and Fisheries
Committee, House of Representatives,
Washington, D. C.

DEAR MR. WEICHEL: In response to your telephonic request of this date, there is transmitted herewith three attachments (original and three copies) covering the desired information.

Very sincerely yours,

BURTON L. HUNTER,

Chief, Bureau of Purchase and Sales.

Excluding 24 T-2 military-type vessels being readied for Navy use (26 already transferred), the United States Maritime Commission, as of December 17, 1947, owns and has under its control, subject to the Merchant Ship Sales Act of 1946, the following tankers not approved for sale:

One T2-SE-A2, approximate cubic capacity 140,000 barrels, held for possible Navy use.

Thirteen T-1-type vessels with an approximate cubic capacity of 30,000 barrels each.

Two special-type vessels with an approximate cubic capacity of 100,000 barrels each.

Two military auxiliaries with an approximate cubic capacity of 15,000 barrels each.

Sales of tankers formalized by the U. S. Maritime Commission under the Merchant Ship Sales Act of 1946, approved Mar. 8, 1946

To—	T2-SE-A1	Liberty	Other	Total
United States citizens for United States operation.....	186	55	17	258
United States citizens for foreign operation.....	71	-----	1	72
Foreign governments and nationals ¹	133	-----	7	140
Total.....	390	55	25	470

¹ After vessels had been available for a reasonable period of time and no responsible offer had been made therefor by a citizen of the United States.

Sales of tankers formalized by the U. S. Maritime Commission since Aug. 1, 1947, under the Merchant Ship Sales Act of 1946, approved Mar. 8, 1946

To—	T2-SE-A1	Liberty	Other	Total
United States citizens for United States operation.....	129	53	1	183
United States citizens for foreign operation.....	6	-----	-----	6
Foreign governments and nationals ¹	83	-----	3	86
Total.....	218	53	4	275

¹ After vessels had been available for a reasonable period of time and no responsible offer had been made therefor by a citizen of the United States.

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

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

Mrs. ROGERS of Massachusetts. The gentleman has the information that was requested by the Member from Massachusetts. I thank the gentleman very much. Naturally, nothing more need to be done about the resolution, because the House will have the information. I felt that the House was entitled to it and not just a committee of Congress or a Member from Massachusetts.

Mr. WEICHEL. This covers the information requested under House Resolution 381.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

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

Mr. BATES of Massachusetts. May I ask the chairman of the Committee on Merchant Marine and Fisheries whether or not he has received any complaint about the exorbitant prices that are now being charged for petroleum products? We have been able to work out some kind of an agreement whereby tankers will be available for transporting oil from the Gulf to the New England area, but now that we have the tankers we cannot get the oil. I received a letter today from one of our distributors in the Boston area stating that he had been offered No. 2 oil in the Gulf area at 13 cents a gallon, when the market price is less than 7 cents a gallon.

I do not know whether or not the people of the Northeast and the New England area are going to be victimized by black marketing in the oil situation,

but the letter I saw today from this jobber offering this oil at 13 cents a gallon indicated that such may be the case. This distributor has the tanker that was recently given to him under charter hire by the Maritime Commission, but he is unable to fill the tanker because he cannot get oil at the market price. We are told at the same time by the petroleum industry that there is ample oil in storage in the Gulf area, yet these jobbers are stepping in and asking this exorbitant rate of 13 cents a gallon. Has the gentleman heard of anything of that sort going on?

Mr. WEICHEL. We had numerous complaints in view of the fact of the committee investigation with reference to tankers and the export of gasoline, petroleum products, and fuel oil overseas. I have heard some complaint, especially since the special session, and before, with reference to exorbitant prices, and the situation is becoming worse.

Mr. BATES of Massachusetts. I turned this letter over today to one of our Members from Massachusetts, a member of the Committee on Interstate and Foreign Commerce. I hope that if this thing continues and black marketing is going to be injected into our oil-supply situation, there will be a Congressional investigation, because we do not intend to stand idly by and let that thing continue.

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

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

Mrs. ROGERS of Massachusetts. As the gentleman knows, I am trying to secure an embargo on tankers to foreign countries and also on the shipment of oil.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 157. Joint resolution to provide for the regulation of consumer installment credit for a temporary period; to the Committee on Banking and Currency.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1770. An act to amend the National Housing Act, as amended.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, December 19, 1947, at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1155. A letter from the Secretary of Labor, transmitting a report for the fiscal year ended June 30, 1947; to the Committee on the Judiciary.

1156. A letter from the Under Secretary of the Interior, transmitting pursuant to sec-

tion 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Municipal Council of St. Thomas and St. John and the Municipal Council of St. Croix; to the Committee on Public Lands.

1157. A letter from the Secretary of the Treasury, transmitting reports from various departments and independent establishments relative to moneys received during the fiscal year ended June 30, 1947, which were not paid into the general fund of the United States Treasury, and payments, if any, which were made from such moneys; to the Committee on Expenditures in the Executive Departments.

1158. A letter from the Postmaster General, transmitting a draft of a proposed bill to authorize the construction of an addition to the building of the mail equipment shops at Washington, D. C., and for other purposes; to the Committee on Public Works.

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. Lecompte: Committee on House Administration. House Resolution 390. Resolution for the relief of Lucy Rhind; without amendment (Rept. No. 1222). Referred to the House Calendar.

Mr. Lecompte: Committee on House Administration. House Resolution 398. Resolution providing for the payment of 6 months' salary and \$250 funeral expenses to the estate of James H. Neale, late an employee of the House; without amendment (Rept. No. 1223). Referred to the House Calendar.

Mr. Lecompte: Committee on House Administration. House Resolution 399. Resolution providing for the payment to Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late employee of the House, 6 months' salary and an additional sum of \$250 toward defraying his funeral expenses; without amendment (Rept. No. 1224). Referred to the House Calendar.

Mr. Vorys: Committee on Foreign Affairs. House Resolution 365. Resolution providing for an inquiry on dismantling and removal of plants from Germany; with an amendment (Rept. No. 1225). Referred to the House Calendar.

Mr. Hope: Committee on Agriculture. House Joint Resolution 275. Joint resolution to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make loans to fur farmers, and for other purposes; without amendment (Rept. No. 1228). Referred to the Committee of the Whole House on the State of the Union.

Mr. Ploeser: Select Committee on Small Business. House Report No. 1229. Annual Report No. 1, reporting activities of the Select Committee on Small Business pursuant to House Resolution 18. Ordered to be printed.

Mr. Allen of Illinois: Committee on Rules. House Resolution 412. Resolution for consideration of Senate Joint Resolution 167, joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; without amendment (Rept. No. 1230). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE 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. Fellows: Committee on the Judiciary. H. R. 1912. A bill for the relief of John A. Dilboy; without amendment (Rept. No. 1226). Referred to the Committee of the Whole House.

Mr. Fellows: Committee on the Judiciary. H. R. 2557. A bill for the relief of Mable Gladys Vidulich; without amendment (Rept. No. 1227). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. Church:

H. R. 4789. A bill to encourage enterprise capital investment in production facilities, private research laboratories, rental homes, and other long-term assets; to the Committee on Ways and Means.

By Mr. Knutson:

H. R. 4790. A bill to reduce individual income-tax payments, and for other purposes; to the Committee on Ways and Means.

By Mr. Kersten of Wisconsin:

H. R. 4791. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. Martin of Iowa:

H. R. 4792. A bill to amend section 22 (b) (5) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. McMullan of South Carolina:

H. R. 4793. A bill to amend the Railroad Retirement Act of 1937 so as to increase retirement annuities and to permit employees to be eligible for annuities after 30 years of service regardless of their age; to the Committee on Interstate and Foreign Commerce.

H. R. 4794. A bill to grant service pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. Sheppard:

H. R. 4795. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. Weichel:

H. R. 4796. A bill to authorize the Coast Guard to establish, maintain, and operate aids to navigation; to the Committee on Merchant Marine and Fisheries.

By Mr. Folger:

H. R. 4797. A bill to amend section 7 of the act of October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"; to the Committee on the Judiciary.

By Mr. Havenner:

H. R. 4798. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. Kefauver:

H. R. 4799. A bill to amend the Second Decontrol Act of 1947; to the Committee on the Judiciary.

By Mr. Reeves:

H. R. 4800. A bill amending the Federal Unemployment Tax Act so as to allow a 100-percent credit for contributions to State unemployment funds; to the Committee on Ways and Means.

By Mr. Ross:

H. R. 4801. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

H. R. 4802. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mrs. ST. GEORGE:

H. R. 4803. A bill to provide clerical allowances at certain post offices of the fourth class; to the Committee on Post Office and Civil Service.

By Mr. WEICHEL:

H. R. 4804. A bill to allow service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at the Ivigtut cryolite mine, Greenland, during 1940 and 1941; to the Committee on Merchant Marine and Fisheries.

By Mr. ALBERT:

H. R. 4805. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. KING:

H. R. 4806. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

H. R. 4807. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. LANE:

H. R. 4808. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. MacKINNON:

H. R. 4809. A bill to amend the act of February 10, 1920, in order to provide for the free distribution to veterans' organizations of blank ammunition for use in connection with the funeral ceremonies of deceased veterans; to the Committee on Armed Services.

By Mr. RAMEY:

H. R. 4810. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mrs. ROGERS of Massachusetts:

H. R. 4811. A bill to provide for an administrator's advisory group in the Veterans' Administration to insure review by the Administrator of certain decisions of the Board of Veterans' Appeals; to the Committee on Veterans' Affairs.

By Mr. WEICHEL:

H. R. 4812. A bill to give war veterans preference on surplus platted lands, one-family and two-family dwellings, ahead of non-using Government agencies; to the Committee on Expenditures in the Executive Departments.

By Mr. REES:

H. J. Res. 284. Joint resolution to prohibit for 1 year the use of grains for the manufacture of intoxicating liquor and for other non-essential purposes; to the Committee on Agriculture.

By Mr. CASE of New Jersey:

H. Con. Res. 125. Concurrent resolution urging the creation of collective security arrangements in furtherance of the European recovery program and the participation of the United States therein; to the Committee on Foreign Affairs.

By Mr. CASE of South Dakota:

H. Con. Res. 126. Concurrent resolution to provide for the use of surplus eggs and poultry in foreign relief programs; to the Committee on Foreign Affairs.

By Mr. HUGH D. SCOTT, JR.:

H. Res. 408. Resolution to express the sense of the House that the United States should repatriate Hebrew displaced persons in the American zones of occupation by providing for their transportation to Palestine; to the Committee on Foreign Affairs.

By Mr. SOMERS:

H. Res. 409. Resolution to express the sense of the House that the United States should repatriate Hebrew displaced persons in the American zones of occupation by providing for their transportation to Palestine; to the Committee on Foreign Affairs.

By Mr. SUNDSTROM:

H. Res. 410. Resolution for the relief of Louise M. Clarkson; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOMENGEAUX:

H. R. 4813. A bill for the relief of Mrs. Elizabeth C. Grillet; to the Committee on the Judiciary.

By Mr. GOSSETT:

H. R. 4814. A bill for the relief of Walter E. Johns; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 4815. A bill for the relief of Mary Alice Keels; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

980. By Mr. BRADLEY: Petition of 42 residents of the Eighteenth Congressional District of California, urging that legislation establishing a system of universal military training for American young men be enacted; to the Committee on Armed Services.

981. Also, petition of 84 residents of the State of California, urging that legislation establishing a system of universal military training for American young men be enacted; to the Committee on Armed Services.

982. By Mr. BUCK: Petition of 47 residents of Staten Island, N. Y., submitted by the Women's Auxiliary of American Legion, Cotty-Capone-Amodeo Post, No. 1599, urging the enactment of a system of universal military training as recommended by the President's Advisory Commission on Military Training; to the Committee on Armed Services.

983. By Mr. CASE of South Dakota: Petition of Frank Vermillion, Kenel, S. Dak., and 34 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

984. Also, petition of Mrs. A. L. Stueland, secretary, Bloom Prairie Ladies Aid, Toronto, S. Dak., and 29 others, urging enactment of legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

985. Also, petition of Mrs. I. C. Knutson and seven others, of Elson, S. Dak., urging enactment of legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

986. Also, petition of Mrs. Frank McFarland, of Ellingson, S. Dak., and 16 others, urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

987. Also, petition of Irving Cressman, commander of American Legion, Post No. 220, Herrick, S. Dak., and 23 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

988. By Mr. GRAHAM: Petition of 27 residents of New Castle, Lawrence County, Pa.,

in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

989. By Mr. LeCOMPTE: Petition of sundry citizens of Centerville, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

990. Also, petition of sundry citizens of Humeston, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

991. Also, petition of sundry citizens of Grinnell, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

992. By Mr. SMITH of Wisconsin: Petition by the members of Fred Semran Post, No. 361, Wilmot, Wis., urging passage of universal military training legislation; to the Committee on Armed Services.

993. By the SPEAKER: Petition of the business and professional division of the Passaic section of the National Council of Jewish Women, petitioning consideration of their resolution requesting that recommendations of the President's Committee on Civil Rights be immediately translated into law; to the Committee on the Judiciary.

994. Also, petition of the Maine Hospital Association, petitioning consideration of their resolution with reference to inclusion of hospital employees in the coverage of social-security benefits, and that the exemption of nonprofit hospitals should, therefore, be removed for old-age benefits only; to the Committee on Ways and Means.

995. Also, petition of the executive committee of the Maine State Bar Association, petitioning consideration of their resolution with reference to a bill to equalize Federal taxes in view of the community-property system and inequalities caused thereby; to the Committee on Ways and Means.

SENATE

FRIDAY, DECEMBER 19, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

We thank Thee, O God, for the return of the wondrous spell of this Christmas season that brings its own sweet joy into our jaded and troubled hearts.

Forbid it, Lord, that we should celebrate without understanding what we celebrate, or, like our counterparts so long ago, fail to see the star or to hear the song of glorious promise.

As our hearts yield to the spirit of Christmas, may we discover that it is Thy Holy Spirit who comes—not a sentiment, but a power—to remind us of the only way by which there may be peace on the earth and good will among men.

May we not spend Christmas, but keep it, that we may be kept in its hope, through Him who emptied Himself in coming to us that we might be filled with peace and joy in returning to God. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 18, 1947, was dispensed with, and the Journal was approved.