By Mr. MANSFIELD:

H. R. 2473. A bill for the relief of Virgil L. Hesterly; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 2474. A bill for the relief of Frank E. Blanchard; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 2475. A bill to authorize and direct the Secretary of the Interior to sell to Albert M. Lewis, Jr., certain land in the State of Florida; to the Committee on Public Lands.

By Mr. VINSON:

H. R. 2476. A bill to authorize certain personnel and former personnel of the Naval Establishment to accept certain gifts and a foreign decoration tendered by foreign governments; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

44. By Mr. BARRETT of Wyoming: Memorial of the Thirtieth Legislature of the State of Wyoming, memorializing the Congress of the United States of America to enact legislation appropriating money to complete the building of the Eden Valley irrigation project; to the Committee on Appropriations.

45. By Mr. BUCKLEY of Illinois: Resolution adopted by the House of Representatives of the State of Illinois, urging the Congress to take steps to repeal the Taft-Hartley Act; to the Committee on Education and Labor.

46. Also, petition of the City Council of the City of Chicago, to pass the General Pulaski's Memorial Day resolution now pending in the United States Congress; to the Committee on the Judiciary.

47. By Mr. HAYS of Arkansas: Memorial of the House of Representatives of the General Assembly of the State of Arkansas, memorializing the Congress of the United States not to federalize the practice of medicine; to the Committee on Interstate and Foreign Commerce.

48. By Mrs. NORTON: Petition of the Board of Commissioners of the City of Jersey City, N. J., memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

49. By the SPEAKER: Petition of Walter C. Peterson, city clerk, Los Angeles, Calif., petitioning consideration of his resolution with reference to the adoption of legislation now pending before the Congress relative to granting the consent of Congress to joinder of the United States in suit in the United States Supreme Court for adjudication of claims to waters of the Colorado River system; to the Committee on the Judiciary.

SENATE

TUESDAY, FEBRUARY 8, 1949

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

Almighty God, hallowed be Thy name. In our wayward hearts Thou hast implanted a love for truth and beauty and goodness. May Thy truth make us free—free from pride and prejudice, and from all the ugly sins of disposition that do so easily beset us. May the lure of Thy beauty lift us above the mud and scum of mere things to the realm of the excellent and the lovely. In a deceitful world which offers its cheap and empty prizes, where each ounce of dross counts its ounce of gold, enrich us with those durable satisfactions of life, so that the multiplying years may not find us bankrupt in the things that matter most, the golden currency of faith and hope and love. We ask it in the Name that is above every name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 7, 1949, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 22) suspending legislative budget until May 1, 1949, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Murray
Anderson	Holland	Myers
Baldwin	Humphrey	Neely
Brewster	Hunt	O'Conor
Bricker	Ives	O'Mahoney
Bridges	Johnson, Colo.	Pepper
Broughton	Johnson, Tex.	Reed
Butler	Johnston, S. C.	Robertson
Byrd	Kefauver	Russell
Cain	Kem	Saltonstall
Capehart	Kerr	Schoeppel
Chapman	Kilgore	Smith, Maine
Chavez	Knowland	Smith, N. J.
Connally	Langer	Sparkman
Cordon	Lodge	Stennis
Donnell	Long	Taft
Douglas	Lucas	Taylor
Eastland	McCarthy	Thomas, Okla.
Ecton	McClellan	Thomas, Utah
Ellender	McFarland	Thye
Ferguson	McGrath	Tobey
Flanders	McKellar	Tydings
Frear	McMahon	Vandenberg
George	Magnuson	Watkins
Gillette	Malone	Wherry
Gurney	Martin	Wiley
Hayden	Maybank	Williams
Hendrickson	Miller	Withers
Hickenlooper	Morse	Young
Hill	Mundt	

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. JENNER] is necessarily absent.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

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

VOLUNTARY PLANS COVERING ALLOCATION OF STEEL PRODUCTS

A letter from the Attorney General, transmitting, pursuant to section 2 (e) of Public Law 395 (80th Cong.), an amendment, a request, and the letter of compliance with the amendment and request, to the voluntary plans for the allocation of steel products for United States Atomic Energy Commission projects, the requirements of the armed forces, and the requirements of the National Advisory Committee for Aeronautics (with accompanying papers); to the Committee on Banking and Currency.

REPORT OF MARITIME COMMISSION ON ACTIVITIES UNDER MERCHANT MARINE ACT, 1936

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, a report on action taken by that Commission under section 217 of the Merchant Marine Act, 1936, as amended (Public Law 498, 77th Cong.) (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A resolution of the Legislature of the State of Nebraska favoring increase in the allotments to Nebraska for the purpose of improving and maintaining roads in Thurston County, Nebr.; to the Committee on Public Works.

(See resolution printed in full when presented by Mr. BUTLER on February 7, 1949, p. 826, CONGRESSIONAL RECORD.)

A concurrent resolution of the Legislature of the State of Arkansas, memorializing the Congress not to federalize the practice of medicine; to the Committee on Labor and Public Welfare.

(See concurrent resolution printed in full when presented by Mr. MCCLELLAN on February 7, 1949, p. 825, CONGRESSIONAL RECORD.)

A joint memorial of the Legislature of the State of Idaho, relating to a series of four dams on the Snake River, Idaho; to the Committee on Public Works.

(See joint memorial printed in full when presented by Mr. MILLER on February 7, 1949, p. 826, CONGRESSIONAL RECORD.)

A joint memorial of the Legislature of the State of Wyoming; to the Committee on Appropriations:

"Enrolled Joint Memorial 1

"Joint memorial memorializing the Congress of the United States of America to consider and pass legislation appropriating money to complete the building of the Eden Valley irrigation project

"*Be it resolved by the House of Representatives of the State of Wyoming (the senate concurring)*, That the Congress of the United States be memorialized as follows:

"Whereas the building of the Eden project would increase to double its present size this farming community; and

"Whereas the completion of this project would provide farm homes for some 80 new farmers, preference being given to veterans of the World War; and

"Whereas this increased acreage could contribute to the need of the agricultural products in a world already short; and

"Whereas this coal-mining community provides an excellent market for the products raised in Eden Valley, we at the present time being dependent for our milk supply on adjacent States and communities far distant, when Eden Valley has proven its suitability for dairying; and

"Whereas considerable sums have already been expended on this project which now lies idle; and

"Whereas because of existing conditions, that is, lack of drainage and the possible deterioration of the irrigation system should the Government withdraw its support therefrom, there is no agency which will make real-estate loans on property lying within the irrigation project; and

"Whereas, the Federal Land Bank of Omaha, because of conditions as aforesaid, suspended the making of all loans to anyone within the district in the year of 1937: now, therefore be it

"*Resolved by the House of Representatives of the State of Wyoming (the senate concurring)*, That the Congress of the United States of America be, and is hereby, memorialized to appropriate money for the completion of said irrigation project; be it further

"*Resolved*, That copies of this memorial be sent to the President of the United States Senate and the Speaker of the House of Representatives, and to United States Senators JOSEPH C. O'MAHONEY and LESTER C. HUNT, Congressman FRANK A. BARRETT and the Honorable Secretary of the Interior."

Approved, January 26, 1949.

LESTER C. HUNT, *Governor*.

A memorial of the Legislature of the State of Montana; to the Committee on Appropriations:

"House Memorial 1

"House memorial to the President of the United States, Harry S. Truman; Senator James E. Murray, Senator Zales N. Ecton, Congressmen Mike Mansfield and Wesley D'Ewart; Senator Joseph C. O'Mahoney, chairman of the Senate Committee on Public Lands; Julius Krug, Secretary of the Interior; and Michael Straus, Commissioner of Reclamation; requesting the introduction and enactment into law of the necessary and proper legislation authorizing that sufficient appropriations be provided the Bureau of Reclamation for the immediate construction of Yellowtail Dam located in Big Horn County in southern Montana

"Whereas Yellowtail Dam site is located in Big Horn County, in southeastern Montana, and Yellowtail Dam will be constructed across the Big Horn River, about three-fourths of a mile above the mouth of Big Horn Canyon—35 miles southwest of Hardin, Mont.; and

"Whereas Big Horn Canyon is the passageway of the Big Horn River between the northern end of the Big Horn Mountains and the Pryor Mountains. For more than 50 miles Yellowtail Reservoir will lie within the rugged, inaccessible canyon, the steep walls of which tower hundreds of feet above the narrow and winding river bed, forming a natural damsite of unique splendor that will in future years provide Montana and Wyoming with one of the greatest lake-recreation areas in the Western Hemisphere; and

"Whereas the United States Bureau of Reclamation was authorized by section 9 of the Flood Control Act of 1944, as a part of the Missouri River Basin project, to prepare preliminary surveys and construction of Yellowtail Dam; and

"Whereas the Bureau of Reclamation has practically completed preconstruction work at the site of Yellowtail Dam. Design specifications for the Dam and power plant have been started. Surveys have been made of the irrigable area, and transmission line location, and plans are ready or completed for construction of access roads, construction camp and other essential base work necessary before actual construction is undertaken; and

"Whereas Yellowtail Dam is being designed to provide for irrigation, hydroelectric power production, flow control, silt retention, conservation of fish and wildlife, recreational development and other related beneficial uses of value to all mankind; and

"Whereas construction of Yellowtail Dam will make possible the irrigation of 45,000 acres of new land along the Big Horn River from the Big Horn Canyon to approximately 10 miles north of the city of Hardin, and supplemental irrigation water for large areas now inadequately served will be also provided. Because irrigation of lands along the Big Horn, Powder and Yellowstone Rivers is dependent upon pumping, a source of low cost power is prerequisite. Construction of Yellowtail power plant will make possible the irrigation of many proposed and desirable projects along these three valuable but presently little utilized rivers; and

"Whereas construction of Yellowtail Dam offers a priceless solution for the equitable interstate use of the waters of the Big Horn by the creation of the Yellowtail Reservoir on the Montana-Wyoming State line; and

"Whereas power generating facilities to be constructed at the Dam will have an installed capacity of at least 120,000 kilowatts, and will produce about 712,200,000 kilowatt-hours of electrical energy annually. The said power produced at Yellowtail Dam will be used for irrigation pumping, and will serve as a part of the Bureau of Reclamation's power system constructed to provide power for construction of other developments and to supply surplus power to principal load centers to permit its use by new and old industries and residents of the area; and

"Whereas the Big Horn River is the greatest silt offender in the entire Yellowstone River system. Retention of silt behind Yellowtail Dam will be of material benefit; and

"Whereas fish and wildlife resources will gain by the dam, fishing and hunting, as well as the many allied recreational opportunities that will follow, will be of immense value to Montana and Wyoming; and

"Whereas Yellowtail Dam as planned will be a concrete arch-type structure towering some 499 feet above the river bed, and will have a crest length of 1,480 feet, and will have a storage capacity of 1,366,000 acre-feet; and

"Whereas the construction of said Yellowtail Dam will attract new industries into southern Montana, and thereby be of great benefit to the entire State of Montana, as well as the entire Nation, by supplying cheap electricity for industrial and home use, and this postwar period is the time to develop such industries: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Montana*, That the Congress of the United States of America be respectfully urged and requested to make sufficient funds available immediately for the construction of Yellowtail Dam in Big Horn County in southern Montana; be it further

"*Resolved*, That a copy of this memorial be submitted by the secretary of state of the State of Montana to the presiding officers of both Houses of the National Congress—ALBEN BARKLEY and SAM RAYBURN, to the chairman of the Appropriations Committee of the House of Representatives in Washington, D. C., to the Commissioner of the Bureau of Reclamation, the Commissioner of the Bureau of Indian Affairs, the Secretary of the Interior, the Governor of the State of Wyoming, and the presiding officers of both houses of the Wyoming State Legislature, and to each of the Senators and Representatives in the Congress of the United States from the States of Montana and Wyoming."

A resolution of the House of Representatives of the State of California; to the Committee on Agriculture and Forestry:

"House Resolution 73

"Resolution memorializing the Federal Government to preserve the forests of sugar pine growing in Tuolumne County, Calif.

"Whereas hundreds of giant sugar pine trees of Tuolumne County have grown to great height and size, in the 500 or more years of their lives, and exist today only in the State of California and southern Oregon; and

"Whereas these beautiful and majestic monarchs of the forest that can never be replaced are threatened with complete destruction within the next few months at the hands of a midwest lumber company, notwithstanding that there is no valid commercial requirement for their cutting; and

"Whereas it is represented that the present financial condition of the government of the State of California may be used to delay fatally the immediate acquisition of this sublime forest as part of a great State park now proposed to be created as a permanent memorial to those who gave their lives for us in the World Wars: Now, therefore, be it

"*Resolved, by the Assembly of the State of California*, That these sugar pine forest areas ought, in spite of all obstacles, to be preserved for the enjoyment, pleasure, and cultural enrichment of the present generation and all posterity; and be it further

"*Resolved*, That the assembly, on behalf of the people of the State of California, hereby memorializes and urges the United States Government to take immediate action pursuant to title 16, section 494, United States Code, which statute grants to the United States Secretary of Agriculture full authority, at his discretion, to take possession of these forest lands by allowing the present private owners the right to select, in lieu thereof, within 60 days, other forest lands belonging to the United States Government; and be it further

"*Resolved*, That when this immediate and most feasible emergency action has been taken to preserve the forests from destruction by logging operations, that chapter 368, United States Statutes at Large, be amended to permit the State of California to acquire title to the sugar pine forest areas in Tuolumne County in addition to the 1,200 acres of land in this immediate vicinity already offered to the State of California for State park purposes; and be it further

"*Resolved*, That the chief clerk of the assembly at once send copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the United States Secretary of Agriculture."

A joint resolution of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Assembly Joint Resolution 16

"Joint resolution relative to memorializing the President and the Congress of the United States in relation to the mooring of surplus vessels in the northern waters of San Francisco Bay and the waters connected therewith

"Whereas the United States has caused a large number of surplus vessels, both naval and merchant marine, to be moored in the waters of the northern part of San Francisco Bay and in waters connected therewith; and

"Whereas the presence of such surplus vessels in such waters seriously interferes with commercial fishing therein and creates a hazard to navigation, particularly the navigation of fishing vessels; and

"Whereas while it is recognized that it is necessary that these surplus vessels be moored at some suitable place, there is no apparent reason why they could not be moored at places where no interference with commercial fishing would result and where such vessels would not constitute any menace to navigation; and

"Whereas the difficulties and inconvenience caused by such mooring of surplus vessels is particularly acute in Suisun Bay, Broad slough, and the waters off Stake Point, and the removal of such vessels from such waters would eliminate a large part of the difficulties involved in this situation: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the President and the Congress of the United States are hereby requested to take such steps as may be necessary to cause the surplus vessels now moored in the northerly waters of San Francisco Bay and waters connected therewith, and particularly those vessels moored in Suisun Bay, Broad slough, and in the waters off of Stake Point, to be moved to some other mooring place where such vessels will not interfere with commercial fishing nor constitute a hazard to navigation; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives and President pro tempore of the Senate, each Senator and Member of the House of Representatives from California, the Secretary of the Navy and the Maritime Commission of the United States."

Three joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 2

"Joint resolution relative to memorializing the President and the Congress of the United States in relation to two irrigation canals to supply water from the Sacramento River to areas in northern California

"Whereas the great Central Valley of California consists of two connected valleys, the one to the north comprising the watershed of the Sacramento River and the one to the south comprising the watershed of the San Joaquin River; and

"Whereas the State water plan of California developed from a series of comprehensive investigations conducted principally in the decade following 1920 and envisioned, among other things, a plan for the transfer of large quantities of water from the northern area where water was plentiful to the southern area where it was acutely needed; and

"Whereas the Central Valley Project Act of 1933 had for one of its principal purposes such a large-scale transfer of water from the Sacramento Valley to the San Joaquin Valley; and

"Whereas the State water plan also envisioned the utilization of the water of the Sacramento River within the Sacramento Valley but the original Central Valley Project Act, while it provided that no watershed or area wherein water originates should be deprived of water required for its needs, nevertheless made practically no provision for the utilization of water within the Sacramento Valley; and

"Whereas, in 1941, the California Legislature recognized that the project should include some provision for the utilization of the water of the Sacramento River in the area in which it originates and added to the project two units, one called the Tehama-Colusa conduit, extending from the Sacramento River near Red Bluff through the counties of Tehama, Glenn, and Colusa west of the river, and the other, called the Tehama-Butte conduit, extending from a point near Red Bluff through the counties of Tehama, Butte, and Sutter east of the river; and

"Whereas the United States had theretofore taken over the Central Valley project as a Federal project and the two units have not been added to the project as now being constructed; and

"Whereas in the 1949 session of the Congress of the United States a bill introduced in the House of Representatives by Congressmen CLAIR ENGLE and HUBERT SCUDDER, of California, will be under consideration which provides for the inclusion in the Central Valley project of two new features, one called the Tehama-Colusa conduit and the other the Chico conduit; and

"Whereas the conduits provided for in the Engle-Scudder bill will effectuate the same general purposes as the two units above referred to which have already been added to the project as described in the California act; and

"Whereas the Engle-Scudder bill further safeguards the interests of the people of the area affected by requiring that the relevant documents of the State water plan be considered and that local interests affected be consulted; and

"Whereas the utilization of the water of the Sacramento River for the purposes contemplated will not affect or jeopardize any of the other features of the project but, on the contrary, will bring the project into closer conformity with the State water plan, and provide an additional water supply in areas where it is needed: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to give favorable consideration to the Engle-Scudder bill hereinabove referred to, or to take whatever steps may be necessary to provide in such other manner as may be suitable for the construction of the same or similar conduits for the same or similar purposes; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States."

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"Assembly Joint Resolution 10

"Joint resolution relative to memorializing the Congress of the United States in relation to the waters of the Colorado River

"Whereas more than 3,500,000 inhabitants of this State are dependent upon the Colorado River as a source of supplemental water supply for domestic purposes; and

"Whereas the metropolitan areas of southern California, including those within approximately 2,200 square miles of coastal plain and foothills extending from Los Angeles to Riverside and San Bernardino and those in San Diego and vicinity, are dependent upon the Colorado River as a source of supplemental water supply for municipal and industrial purposes; and

"Whereas over 1,000,000 acres of lands of this State are solely dependent upon the Colorado River as a source of water supply for irrigation purposes; and

"Whereas there is now pending in the United States Senate a bill (S. 75) which, if enacted, would authorize the central Arizona project; and

"Whereas there is insufficient water available in the lower basin of the Colorado River to supply the central Arizona project without depriving the people of California of their right to use that water and jeopardizing their investment in distribution facilities, which amounts to more than $500,000,000; and

"Whereas the States of California and Arizona have been unable to agree as to their respective rights to the use of the water of the Colorado River; and

"Whereas resolutions (S. J. Res. 4 and H. J. Res. 3) are now pending before the United States Congress which would, if adopted, authorize a suit in the United States Supreme Court to determine the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; and

"Whereas the authorization of the central Arizona project prior to an adjudication of water rights would greatly intensify the dispute between the States of California and Arizona and result in the possible expenditure of hundreds of millions of dollars of public money to construct a project for which there would be an inadequate water supply: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the United States Congress is respectfully memorialized and urged to adopt one of the resolutions authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; and be it further

"*Resolved*, That the United States Congress is respectfully memorialized and urged to suspend further consideration of the proposed central Arizona project pending the determination of the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

—

"Assembly Joint Resolution 15

"Joint resolution relative to the tidelands and submerged lands adjacent to the coast of California

"Whereas the United States has recognized that all the States since July 4, 1776, or since their admission to the Union, have exercised full powers of ownership over all lands beneath navigable waters within their boundaries and of all natural resources within these lands and waters; and

"Whereas each State has maintained full control of its natural resources with the acquiescence and approval of the United States and in accordance with numerous decisions of the Supreme Court of the United States and the executive departments of the United States that these lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of these powers of ownership and control did not and will not impair or interfere with the exercise by the Federal Government of its constitutional powers in relation to the control and regulation of commerce, navigation, national defense, and international relations; and

"Whereas large sums of money have been expended by the several States, their subdivisions, and persons lawfully acting pursuant to State authority in improving and reclaiming lands, and in developing the natural resources in the lands and waters relying upon the recognized rule of State ownership; and

"Whereas the Supreme Court of the United States has recently held that the Federal Government has certain paramount powers in respect to a portion of these lands and natural resources without reaffirming or settling the ultimate question of their ownership and control; and

"Whereas this decision of the Supreme Court recognizes that the question of the ownership and control of these lands and natural resources is within the 'congressional area of national power' and that Congress will not execute its powers 'in such way as to bring about injustices to the States, their subdivisions, or persons acting pursuant to their permission': Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That it is in the public interest that title and ownership of the lands beneath navigable waters within the boundaries of the States be confirmed in these States by the Congress of the United States; and be it further

"Resolved, That the Congress of the United States recognize, confirm, and establish title to these lands in the States so concerned; and be it further

"Resolved, That the Congress of the United States release and relinquish to these States all right, title and interest which the United States has in these lands; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Appropriations:

"Assembly Joint Resolution 6

"Joint resolution relative to California water projects

"Whereas it is evident from past experience in California that the cycle of dry years has not ended and in all probability will continue at least until 1950; and

"Whereas the underground water table in California has been receding year after year; and

"Whereas California farmers depend to a great extent upon underground water for the irrigation of specialty crops; and

"Whereas in some parts of the State the underground waters have already been polluted by the intrusion of salt water; and

"Whereas this condition is growing more serious each year and much of the land will be ruined unless the water supply is soon replenished; and

"Whereas Governor Warren has repeatedly stated that not a drop of water which can be conserved for a beneficial use should be wasted into the sea; and

"Whereas the President of the United States has recommended to the Congress that $113,000,000 be appropriated for the Central Valley and other water projects as authorized or to be authorized in California to be expended during the next fiscal year by the Bureau of Reclamation and the Corps of Army Engineers; and

"Whereas such an appropriation to California would go far to continue the prosperity of the State and would also stabilize the economy of the Federal Government in that such an appropriation at this time would be more or less in the nature of a loan, a large part of which would be returned to the Government by repayments and by continued large tax returns from California: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to appropriate the amount recommended by the President for expenditure for water projects in California during the next fiscal year to make possible the preservation of California lands through the replenishment and augmentation of its water supply at the earliest possible date; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 8

"Joint resolution relative to providing a veterans' hospital at San Diego

"Whereas the population of the city of San Diego includes the largest proportion of veterans of any California city; and

"Whereas existing Federal hospital facilities are not available to veterans except in case of emergency; and

"Whereas it was heretofore proposed to construct a 200-bed hospital in the Linda Vista section of the city of San Diego for the use of veterans, but funds were not made available for that purpose; and

"Whereas an acceptable site for a veterans' hospital in San Diego is presently owned by the Federal Government: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the President and the Congress of the United States are hereby respectfully memorialized and requested to make funds available and to provide for the construction of a 200-bed hospital for veterans in the city of San Diego; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Administrator of Veterans' Affairs, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Assembly Joint Resolution 13

"Joint resolution relative to memorializing the President and the Congress of the United States in relation to establishing parity prices for California products

"Whereas in order to lend stability to the agricultural industry of the United States, Federal legislation has been enacted providing for support prices for a number of agricultural products; and

"Whereas such legislation operates to provide a floor below which the level of prices paid to the producers of products covered by such legislation will not fall, and thus assures to such producer a minimum payment designed to effect a parity of income between such producers and other classes of citizens as calculated for a prescribed base period in certain years preceding World War I during which the relationship between agricultural, industrial, and other income was in what is considered to have been a desirable condition; and

"Whereas such support prices are provided for a number of basic and staple products and operate as insurance to the producers of such products against the effects of fluctuations of the market prices thereof below the level necessary to provide an adequate income to such producers; and

"Whereas the State of California, by reason of its climatic conditions, is suitable for the production of specialty crops, notably fruits and vegetables, which are extensively produced in the State, the farm value thereof in 1947 being more than $700,000,000; and

"Whereas the producers of such specialty crops must compete with the producers of crops protected by such support prices in the purchase of farm supplies, the recruitment of farm labor, and in all other services or supplies necessary for farm operations; and

"Whereas the need for the protection afforded by support prices does not depend upon the nature of the crop produced but rather upon a number of conditions to which farming operations are subject and over which the individual farmer has no control; and

"Whereas the same facts that justify support prices for producers of basic commodities equally justify support prices for all agricultural commodities produced in commercial quantities: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes and requests the President and the Congress of the United States to take such steps as may be necessary to provide for the extension of congressional legislation relating to support prices and parity payments to cover all agricultural commodities produced in commercial quantities and to provide uniform standards of eligibility for such support-price assistance for all agricultural commodities commercially produced; and be it further

"Resolved, That the chief clerk for the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States."

A letter in the nature of a petition, signed by Mayor James B. Pettit (by Richard Lamb), of Pomona, Calif., praying for the enactment of legislation to provide relief for the citrus growers of California (with accompanying papers); to the Committee on Agriculture and Forestry.

A letter in the nature of a petition, signed by Virgilio Brunet, president, the Puerto Rico Teachers Association, San Juan, P. R., praying for the enactment of legislation providing for the inclusion of Puerto Rico in the bill for Federal aid to education; to the Committee on Interior and Insular Affairs.

A letter in the nature of a petition, signed by Charles F. Gerhard, president, Philadelphia district Central Verein of America, Philadelphia, Pa., praying for the enactment of legislation granting members of the Philippine Army the same rights and privileges granted to other veterans under the veterans bill of rights (with an accompanying paper); to the Committee on Labor and Public Welfare.

A telegram in the nature of a memorial from Rt. Rev. Msgr. Anthony A. Tralka, pastor, Our Lady of Mount Carmel, Bayonne, N. J., remonstrating against the trial and conviction of Cardinal Joseph Mindszenty; to the Committee on Foreign Relations.

Resolutions adopted by the Council of Binghamton and the Common Council of the City of Buffalo, both of the State of New York, and the City Council of the City of Bethlehem, Pa., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

By Mr. LANGER:

A concurrent resolution of the Legislature of the State of North Dakota; to the Committee on Agriculture and Forestry.

"House Concurrent Resolution A

"Concurrent resolution petitioning Congress to enact permanent legislation to maintain a floor of not less than 100 percent of parity on all basic farm crops

"Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring therein):

"Whereas it must be self-evident that if we are to avoid lower living standards and if this national debt is to be serviced and paid, it must be through the production of new wealth from the natural resources of the United States; and

"We therefore recommend that the Eighty-first Congress enact legislation in 1949 which will first provide a new parity formula which is fair to farmers and to the consumers of the Nation. We recommend that support prices be established pursuant to this fair parity formula under which farmers shall be assured not of fractional parity but of 100 percent of the parity prices. These prices should be consistent with the objective of abundant production. We believe that in the new legislation account should be taken where they have an opportunity for decent living standards, including adequate health protection, good housing and better educational opportunities for farm children: Now, therefore, be it

"*Resolved by the House of Representatives of the State of North Dakota (the senate concurring therein)*, That we hereby petition Congress to pass permanent legislation to maintain a floor of not less than 100 percent of parity on all basic farm crops, to protect such floor prices with commodity loans of like amount and to prescribe such import duties, excise taxes, or quotas on competitive imports as may be needed to maintain these price levels and our national income and to equalize the differential between the dollar value of our production and that of foreign countries; be it further

"*Resolved*, That copies of this resolution properly authenticated be forwarded by the secretary of state to the Presiding Officer of each House of the National Congress and to each of the United States Senators and Representatives from North Dakota, and the Departments of Agriculture and Labor at Washington, D. C."

By Mr. McCLELLAN:

A resolution of the General Assembly of the State of Arkansas; to the Committee on the Judiciary:

"House Resolution 11

"Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

"Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

"Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

"Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and other States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

"Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

"Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial Day in the United States of America: Now, therefore, be it

"*Resolved by the General Assembly of the State of Arkansas:*

"SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

"SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, and each of the United States Senators and Representatives from Arkansas."

The VICE PRESIDENT laid before the Senate a resolution of the General Assembly of the State of Arkansas identical with the foregoing, which was referred to the Committee on the Judiciary.

INFLATION—RESOLUTION OF NORTHERN BERKSHIRE MINISTERIAL ASSOCIATION OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, I present for appropriate reference a resolution adopted by the Northern Berkshire Ministerial Association of Massachusetts, concerning the problem of inflation, and I ask unanimous consent that it may be printed in the RECORD. The resolution is interesting, and I hope it will be read by Members of the Senate.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

NORTH ADAMS, MASS., *February 3, 1949.*

Mr. LEVERETT SALTONSTALL,
The Senate Office Building,
Washington, D. C.

DEAR MR. SALTONSTALL: The Northern Berkshire Ministerial Association of Massachusetts, at its meeting on January 3, 1949, adopted the following resolution:

"Whereas we are deeply concerned about the evils resulting from the present-day period of inflation in the United States—the fact that millions of people suffer great hardships and are the victims of ever-deepening anxieties because of the disastrously high cost of living; and

"Whereas we are certain that excessive inflationary prices for all the basic necessities of life are a serious menace to our entire economic and political system and bring our United States free-enterprise ideals into jeopardy or disrepute: Therefore be it

"*Resolved*, That we urge the President of the United States, the Congress of the United States, the officers of the National Association of Manufacturers, the Congress of Industrial Organizations, the American Federation of Labor, the United Mine Workers, and the press to cooperate in doing immediately whatever is possible to lower the cost of living for every person in the United States, believing that no greater service could be done for our entire Nation at this time of bewilderment and anxiety than to help the United States to a wiser and safer basis for our cost of living; and be it furthermore

"*Resolved*, That copies of this resolution be sent to President Harry S. Truman; to our National Congress; to the officers of the National Association of Manufacturers; to William Green, of the American Federation of Labor; to Philip Murray, of the Congress of Industrial Organizations; to John L. Lewis, of the United Mine Workers; and to the editor of the North Adams Transcript."

PHILIP L. FRICK,
VICTOR B. CHICOINE,
ELMER N. HALEY,
Members of the Committee.

WATER POWER DEVELOPMENT—RESOLUTION OF NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Mr. GILLETTE. Mr. President, last week the National Rural Electric Cooperative Association met in New York, about 4,000 being present. The association adopted a resolution specifically endorsing the Missouri Valley Authority, the Columbia River Authority, and the St. Lawrence waterway project. I ask for its proper reference, and that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

We support early, unified development of all of America's river basins for the fullest possible production of economic hydroelectric power consistent with other purposes.

We support the recommendations of the President and his Council of Economic Advisers, submitted to the Congress in the Economic Report and Review, for immediate action on the St. Lawrence, the Missouri, and the Columbia Rivers, construction of the TVA steam plant and other power facilities.

We are disturbed by reports that the Missouri Basin plans include less than half of feasible economic hydroelectric power, indicating that construction is proceeding without even a total survey of potentialities, or without a basin-wide plan for water operation and management in future years.

While supporting the specific projects calendared by the President and his advisers, we also urge prompt action on other basin developments which have been suggested throughout the Nation. A Nation-wide power development program is necessary at once to meet present shortages and increasing demand.

NATIONAL PARKS AND MONUMENTS—RESOLUTION OF PORTLAND (OREG.) CHAMBER OF COMMERCE

Mr. MORSE. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Portland, Oreg., Chamber of Commerce, relating to national parks and monuments.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the national parks and monuments constitute one of the great resources for public recreation and the study of natural history in the United States; and

Whereas the 174 areas of the national park system attracted last year 25,250,000 visitors; and

Whereas Crater Lake, Rainier, Olympic National Park nearby, and Yosemite, Lassen, Yellowstone and Glacier at a somewhat greater distance, have a special appeal to the people of Portland; and

Whereas of the $115,000,000 needed for physical improvement of the national parks, Congress has appropriated for such purpose only $1,652,350, of which $762,350 was earmarked for specific purposes, thus leaving for the physical improvement of all other national parks only $690,000; and

Whereas for maintenance of roads and trails in the national parks $3,800,000 was estimated, of which $3,100,000 was appropriated, but of which only $2,500,000 can be allotted for maintenance: Be it

Resolved, That the Portland Chamber of Commerce urge the congressional delegations of the Western States united effort in obtaining for the national parks such appropriations for maintenance, protection and improvement of existing buildings, highways and scenic trails as will make them more valuable to the tourists of the Nation; and be it further

Resolved, That copies of this resolution be furnished to each of the Senators and Representatives representing the Western States, and that copies be forwarded to Newton B. Drury, Director, and Frank A. Kittredge, Chief Engineer, of the National Park Service, Washington, D. C.

NATIONAL FOREST RECREATION AREAS—RESOLUTION OF PORTLAND (OREG.) CHAMBER OF COMMERCE

Mr. MORSE. Mr. President, I present for appropriate reference a resolution adopted by the Portland (Oreg.) Chamber of Commerce, relating to the national forest recreation areas, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas the four principal resources of the national forests are: (1) timber, (2) water, (3) recreation and (4) forage; and

Whereas no funds have been provided in the budget of the United States Forest Service by Congress specifically and regularly for recreational development; and

Whereas many of the campground facilities provided by CCC labor and others, have deteriorated to the point where they are no longer usable, nor even subject to repair because of lack of maintenance money; and

Whereas the National Forest Service is badly in need of men and money to care for existing facilities and to install the additional ones made necessary by tremendously increased public use; and

Whereas the business establishments whose livelihood is dependent upon recreationists' patronage and whose income and other taxes largely contribute to repaying such Federal expenditures: Be it

Resolved, That the Portland Chamber of Commerce urge the congressional delegations of the Western States united effort in obtaining recognition of recreation as a principal resource of the national forests and in making available sufficient funds to assure proper rehabilitation of existing camp and picnic facilities and to install the additional ones made necessary by the increased public use; and be it further

Resolved, That copies of this resolution be furnished to each of the Senators and Representatives of the Western States and that copies be forwarded to Secretary of Agriculture Charles Brannan and Chief Forester Lyle Watts.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

S. 135. A bill to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District; without amendment (Rept. No. 40).

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. J. Res. 36. Joint resolution for the authorization of a special contribution by the United States to the United Nations for the relief of Palestine refugees; with amendments (Rept. No. 42).

INVESTIGATION OF PRICES OF AGRICULTURAL AND OTHER COMMODITIES—REPORT OF A COMMITTEE

Mr. MAYBANK. From the Committee on Banking and Currency I report favorably, without amendment, Senate Resolution 31, to investigate prices of agricultural and other commodities, submitted by me on January 13, 1949, and I submit a report (No. 41) thereon.

The VICE PRESIDENT. The report will be received, and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

Mr. MAYBANK. I now ask unanimous consent that following my remarks in the RECORD there appear clippings from various newspapers in connection with retail prices and the decline in agricultural prices throughout the Nation.

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

[From the Wall Street Journal of February 5, 1949]

PRICE TRENDS—COFFEE, CORN, SCRAP, AND STEERS—COMMODITIES—ARE MOVING DOWNWARD—FUTURES MARKETS HINT SLIDE MAY CONTINUE; FOODS ARE AMONG WEAKEST STAPLES—FUEL OIL, LUMBER, COAL OFF

Commodity markets sputtered warnings of further deflation this week.

From coffee to corn, from steel scrap to steers, prices dipped nervously. It was a continuation and quickening of a price trend noticeable all last month.

Basic foodstuffs have been among the pace setters in the downhill race. For instance, glance at what's happening to steak-on-the-hoof. A steer worth $30.50 a hundred pounds in Chicago barely a month ago was priced at only $24.50 a hundred yesterday.

Corn, the principal feed that makes meat, milk, butter, and eggs, sold in Chicago yesterday at $1.27 a bushel, the lowest in 2 years. A month ago corn was worth $1.50. A year ago it sold for $2.52.

At 42 cents a dozen in the big Chicago wholesale market yesterday, eggs were 7 cents a dozen cheaper than 4 weeks ago and nearly 20 cents cheaper than at the end of 1947.

FURTHER IN THE FUTURE?

Prices in the futures markets demonstrated an expectation of cheapening of the cost of supplying a dinner table. The Dow Jones Commodity Futures Index, which reflects prices commodity men think will prevail 5 months hence, closed the day yesterday at the lowest level since mid-1947. It has dipped steadily and steeply since early December.

But the price trend is far broader than the food field. Worth $43 a ton at Pittsburgh a month ago, heavy steel scrap is now quoted there at $39 a ton. In other cities it has dropped even more. Steel scrap is a basic raw material in making finished steel, which has been one of the last lingering scarcities in the Nation's economy.

In other metals—copper, lead, zinc, tin—official price quotations thus far hold firm. But, significantly, the premiums that were paid above official quotations not long ago have faded from the scene. And out of Waterbury, Conn., the Nation's brass-producing center, came the report this week that big brass makers had found their January new orders falling 20 percent below the December level. The brass industry is a major consumer of copper. On top of this, a labor tie-up of the vast Kennecott copper mines in Utah is apparently nearing its end. Its ore could be refined in about 90 days.

BUILDING MATERIALS

Sky-high building materials, which have kept many a would-be home owner from buying or building, are also weakening. Lumber, the bellwether, in the past 2 months has had its sharpest price spill since the war's end.

In lumber, as in most other materials of home and industry, the story is one of huge production catching up with or passing demand. Lumber mills poured out about 38,000,000,000 board feet of lumber last year, half again as much as was milled in prewar 1939.

While this lumber flood was rising, the number of new homes put under construction started slipping last June, and has been falling ever since. In the latter part of 1948 the mills found themselves producing more lumber than they were selling. Lumber that had sold in New York for $120 a thousand feet in late 1948 was down to $105 a thousand by late January.

Fuel prices, too, are joining the downward slide. Heavy production of bituminous coal, helped by a light winter in the East, is bearing down on the cost of that major food for furnaces. Some coal has changed hands recently at prices 20 to 25 percent below the level of a few months ago.

OIL GOES DOWN

And what's happening in coal is happening in fuel oil. With supplies burdensomely high, four successive cuts within the past 2 months lopped about 30 percent from the cost of heavy fuel oil in the big east coast consuming area.

[From the Wall Street Journal of February 5, 1949]

FOOD PRICES CONTINUE TO DECLINE FOLLOWING DIP IN FUTURES; NOURSE CALLS CROP PROSPECTS KEY TO TREND

WASHINGTON.—Food prices generally continued their slide yesterday following new sharp declines in commodity prices. But Dr. Edwin G. Nourse, chairman of the Council of Economic Advisers, believes there is nothing disturbing in the situation.

Dr. Nourse said the recent downward trend reflected last year's large crops rather than any basic trend. He added that whether prices start up again depends on prospects for this year's crops.

Long-range economic prophets reexamined their predictions, however, on the reports of new declines.

Statistics of the National Industrial Conference Board indicated that the downward inclination was sharp even in December. The board's consumer index showed food prices were off 1.2 percent in that month from December. The board's general index, which includes housing, clothing, fuel, house furnishings, and sundries in addition to food, dropped only 0.6 percent during December.

EGG, MEAT PRICES DOWN

Two big eastern grocery chains yesterday announced they were passing on to their customers immediately the fall in some commodity prices. One, Grand Union Stores, cut grade A white eggs from 65 cents to 63 cents, and grade A large brown eggs from 61 cents to 59 cents. This followed a 1-cent decline in the wholesale market. The reduction in retail price for both brown and white eggs totals 6 cents since February 1.

The New York City Markets Department reported retail meat prices in the city dropped 2 to 4 cents a pound in the past week.

Despite Dr. Nourse's reassurances, and an opinion by Agriculture Secretary Brannan that the sag was only an adjustment, some observers showed marked concern.

Charles W. Holman, secretary of the National Cooperative Milk Producers Federation, said the collapse in prices paid to Midwest dairy farmers is threatening future milk and meat production.

He asserted that milk prices have fallen far below production costs and that some farmers are selling their cows. "Dairy cow numbers are at the lowest point since 1940," he said, "and the decline last year was the sharpest in history.

"With our added losses in the recent western storms, this will be reflected in shortages and higher prices for milk and meat."

Mr. Holman held that lower dairy prices are unwarranted, and result from temporary surpluses. He said current prices of milk used in making dairy products have fallen as low as $2.45 for 100 pounds, compared to over $4 in June last year.

MILK, BUTTERFAT PRICE SUPPORTS

In Washington, meanwhile, the Agriculture Department announced it was working on plans to support the price of milk and butterfat. Butterfat prices have slumped down near levels at which the Government is required to support them.

A Department official said an announcement may be made soon on the support program for butterfat at 90 percent of parity. He declined to say exactly what method would be used, but he indicated the most feasible way would be to buy butter itself at a price which would lend strength to butterfat.

Representative HOEVEN (Republican, Iowa) said there are disturbing signs of weakness in the farm-price picture, with the demand for meat down a half pound per person per month. He said individual consumption of bread, cereal products, and potatoes also is on the down grade. Mr. HOEVEN's conclusion was that consumers aren't willing to spend as much of their income for food as they did during war days.

CANADA LIVING COSTS HIGHER

OTTAWA.—The official cost of living jumped seven-tenths of a point during December, bouncing back to its high of 159.6, according to the Dominion Bureau of Statistics.

This increase erased exactly the seven-tenths of a point drop—the first in 23 months—which had taken place during November.

[From the Washington Evening Star of February 7, 1949]

EXPERTS STILL WORRIED ABOUT INFLATION DESPITE SHARP MARKET BREAK

Despite the sharp break in stock and commodity prices last week, some Washington officials say inflation rather than the threat of a depression still is the Nation's most immediate economic problem.

While losses of some stock shares were being extended as much as $3 in Saturday's trading, Secretary of Labor Tobin and Dr. Edwin G. Nourse, chairman of the President's Council of Economic Advisers, chorused that they were not alarmed. And Senator O'MAHONEY, Democrat, of Wyoming, said "the postwar boom has not ended," and that prices still are higher than they ought to be.

The Senate-House Joint Economic Committee, of which Senator O'MAHONEY is chairman, called a public round-table session to open tomorrow. It invited in both agriculture and economic experts to ascertain whether the break in prices and increasing unemployment presages a general depression or is nothing more than a postwar adjustment.

CONSUMER PRICES STILL HIGH

In addition to the sharp price breaks, January employment was reported to be off 700,000, but Senator O'MAHONEY said the 57,500,000 persons employed last month were more than were employed in the first 3 months of 1948.

"We still have a problem in inflationary pressure," he said, "because as long as the Government and people who are employed are buying things they want, the pressure is upward. Wholesale prices have not dropped halfway down to the level they occupied in 1947. Consumer prices haven't dropped nearly as far as wholesale prices."

Although the week ended with grain prices on the Chicago Board of Trade showing some rallying tendency, cash corn was at its lowest price since December 1945, and 35 cents under the Government support level. With steers and heifers at the lowest price since 1947, some corn belt farmers were reported losing money on their operations. Hogs were at the lowest price since October 1946, except the January 3 quotations.

PRICE BREAK FAIRLY GENERAL

The week's price break was fairly general all along the line at the wholesale level. It included cotton, fats, oils, eggs and butter, with corn and cotton suffering the sharpest setbacks.

Cotton lost as much as $1.30 a bale in Saturday's trading, while the losses of up to $3 in stock shares were in addition to the Friday drops which ranged up to $5.

But the Agriculture Department said some recovery in the prices of meat and meat animals was in prospect within the next month or two and CIO research experts called a conference this week to assemble data which might be the basis for demands for a fourth-round wage increase.

The recommendations by the experts will be considered by the 51-member CIO executive committee March 2. The CIO convention last November declared itself in support of a fourth-round wage increase.

[From the Wall Street Journal of February 5, 1949]

NEW SOAP PRICE CUTS

Two more top-soap manufacturers reduced wholesale prices yesterday on major household soap products.

Procter & Gamble Soap Co. and Lever Bros. followed Colgate-Palmolive-Peet Co. in announcing 6-percent reductions.

As a result two large grocery chains in the East trimmed price tags as much as 2 cents. Bohack & Co., operating in Brooklyn and Long Island, and Grand Union Co. with stores in New York, Pennsylvania, New Jersey, Massachusetts, Connecticut, and Vermont, announced lower prices on soap flakes, powder, cakes, and synthetic detergents.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

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

BILLS INTRODUCED

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

(Mr. TYDINGS introduced Senate bill 857, to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard and to enact and establish a Uniform Code of Military Justice, which was referred to the Committee on Armed Services, and appears under a separate heading.)

By Mr. HOEY:

S. 858. A bill for the relief of Mrs. Sanford Pruitt; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 859. A bill to authorize all Federal agencies to donate surplus property for educational purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. KNOWLAND:

S. 860. A bill to authorize Sacramento Valley Irrigation Canals, Central Valley project, California; to the Committe on Interior and Insular Affairs; and

S. 861. A bill for the relief of Chen-Kya Hahn; to the Committee on the Judiciary.

By Mr. KNOWLAND (for himself and Mr. DOWNEY):

S. 862. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; and

S. 863. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; to the Committee on Armed Services.

By Mr. HENDRICKSON (for himself and Mr. SMITH of New Jersey):

S. 864. A bill to amend title 28 of the United States Code in respect to the original jurisdiction of the district courts in certain cases, and for other purposes; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 865. A bill to increase the rates of service-connected death compensation payable to, or on account of, the children of persons who served in the active military and naval service; to the Committee on Finance.

By Mr. CAIN:

S. 866. A bill for the relief of Mrs. Marie Y. Mueller; to the Committee on the Judiciary.

By Mr. McGRATH:

S. 867. A bill for the relief of Theodore Papachristopoulos; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 868. A bill to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

S. 869. A bill for the relief of Leon Haim and his family; to the Committee on the Judiciary.

By Mr. PEPPER (for himself, Mr. MURRAY, and Mr. AIKEN):

S. 870. A bill to amend the Public Health Service Act so as to provide assistance to States in developing and maintaining dental health programs, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. TAFT:

S. 871. A bill to provide military status for women who served overseas with the Army of the United States during World War I; to the Committee on Armed Services.

REVISION, ETC., OF ARTICLES OF WAR—UNIFORM CODE OF MILITARY JUSTICE

Mr. TYDINGS. Mr. President, I introduce for appropriate reference a bill to unify, consolidate, revise, and codify the Articles of War and the Articles of the Government of the Navy, and the disciplinary laws of the Coast Guard, and to reenact and to establish a uniform code of justice.

In connection with the introduction of the bill, I ask to have printed in the RECORD a release by Defense Secretary Forrestal, concerning the need for uniform military justice. The release is submitted by him for the consideration of the Congress.

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

The bill (S. 857) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard and to enact and establish a uniform code of military justice, introduced by Mr. TYDINGS, was read twice by its title, and referred to the Committee on Armed Services.

There being no objection, the release by Secretary Forrestal was ordered to be printed in the RECORD, as follows:

UNIFORM CODE OF MILITARY JUSTICE

Secretary of Defense James Forrestal today submitted to Congress a proposed uniform code of military justice for the Army, Navy, Air Force, and Coast Guard.

The proposed code, based on a study by a special committee, would supersede the Articles of War, including the amendments effective February 1 which were made by the Selective Service Act of 1948, under which the Army and Air Force courts martial systems operate, and the Articles for Government of the Navy. It would be uniformly applicable to all the armed forces in time of war and peace.

Secretary Forrestal asked the committee, appointed last August, of which Prof. Edmund M. Morgan of the Harvard Law School is chairman, to prepare a code, uniform in substance and in interpretation and application, that would protect the rights of those subject to it and increase public confidence in military justice without impairing performance of military functions.

In providing for uniformity, the proposed code makes all punishable offenses identical for all the armed forces, sets up the same system of courts for each and the same procedures, including those for a Board of Review in each Department and a single Judicial Council which is the court of last resort for each of the forces.

This single Judicial Council, composed of civilians, would make final decisions on all questions of law and also act with the Judge Advocates General of the three Departments as an advisory body to secure uniformity in policy and in sentences and to correct any defects discovered in the system and its administration.

The courts provided for each Department are: (1) General, for capital and other serious offenses; (2) Special, for less serious offenses; (3) Summary, for minor offenses.

Chairman Morgan, in a summary of some of the more important provisions of the proposed code, points out those designed to provide for uniformity in administration, those designed to assure the accused a fair trial, those designed to prevent undue control or interference with the administration of justice, and those designed to preserve appropriate military functions.

Outstanding among the provisions in the proposed code are those made to give added legal protection to enlisted men and other accused persons and to prevent discriminations between enlisted persons and officers. These include certain limitations of command authority, provision for enlisted men to sit as members of general and special courts martial, the right of the accused to peremptory challenge of a member of a court martial and the right to be represented by defense counsel equally qualified with trial counsel.

While the commanding officer would appoint the court martial and it would make its findings under his command, appeals would be reviewed concerning law and fact in higher echelons not under his control. Voting on challenges, findings and sentence also would be by secret ballot of the members of the court martial.

A commanding officer is forbidden to censure a court martial, or any member or officer, because of any judicial action. Any attempt improperly to influence action by anyone in any aspect of a trial or its review is also forbidden.

Provisions concerning general courts martial require a pretrial investigation, which the accused may attend, with counsel, to present evidence and cross-examine witnesses. Trial is prohibited on any charge which does not state an offense or is not supported by sufficient evidence. It also is mandatory that the defendant be provided with competent, legally trained legal counsel and enlisted men have the privilege of having enlisted men as members of the court. A law officer, who is not a member of the court, with the duty to instruct the court on questions of law, is also provided.

A stenographic record of a general court martial must be made and review of the record for errors of law and of fact by a board of review is automatic, with the right of the accused to be represented by legally competent counsel on appeal. Review by the judicial council, for errors of law, is automatic where a death sentence or dismissal is involved and may be obtained by petition showing probable error of law where sentence imposes more than 1 year's confinement or a discharge.

In special courts martial it is not required that the defense counsel be a lawyer unless the prosecuting counsel is. Both must be equally qualified, however. Enlisted men may have enlisted men as members of the court. If a bad-conduct discharge is imposed, a full stenographic transcript must be made and the case reviewed in the same manner as a general court-martial record.

Peremptory challenge of a member of a special court martial is provided, as in a general court martial; also voting by secret ballot. Review by the judge advocate or legal officer is required.

Provision is made for permitting an accused person to refuse trial by a summary court (trial by a designated officer) if he prefers to be tried by a special court martial. He then would have the privilege of counsel and of having enlisted men on the court if he were an enlisted man. Review by a judge advocate or legal officer is required.

Among the provisions to prevent interference with due administration of justice are:

1. The convening authority may not refer charges for trial until they are found legally sufficient by the staff judge advocate or legal officer.

2. The staff judge advocate or legal officer is authorized to communicate directly with the Judge Advocate General.

3. All counsel at a general court martial trial are required to be lawyers and to be certified by the Judge Advocate General as qualified to perform their legal duties.

4. The law officer—a competent lawyer—rules on all questions raised at the trial, except on a motion for a directed verdict and on the issue of the accused's sanity.

5. The commander, who is the convening authority, must not act on a finding or sentence of a general court martial without first obtaining the advice of his staff judge advocate or legal officer.

6. The board of review, located in the office of the Judge Advocate General and removed from the convening authority, is composed of legally trained men and reviews the trial record for errors of law and of fact.

7. The judicial council is composed of civilians and passes finally on all questions of law.

8. When counsel appear before the board of review and the judicial council, both parties must be represented by qualified lawyers.

9. Censure by a commanding officer of a court martial or any member or officer thereof because of any judicial action of the court or any member or officer is forbidden and any attempt improperly to influence official action in any aspect of a trial or its review is prohibited.

Among command functions the proposed code would retain are:

1. Commanding officers refer the charges in general, special, and summary courts martial and convene the courts.

2. Commanding officers appoint the members of the courts.

3. Commanding officers appoint the law officer and counsel for the trial.

4. Commanding officers retain full power to set aside findings of guilty and to modify or change the sentence, but are not permitted to interfere with verdicts of not guilty nor to increase the severity of the sentence imposed.

5. The powers of commanding officers at mast and company punishment are retained for minor offenses which require prompt action and for which comparatively light punishments can be imposed. The procedural safeguards in this type of nonjudicial punishment are considerably less than in the courts martial but are believed to be reasonably adequate.

In addition to Chairman Morgan, the members of the Committee on a Uniform Code of Military Justice are Under Secretary of the Navy W. John Kenney, Assistant Secretary of the Army Gordon Gray, and Assistant Secretary of the Air Force Eugene M. Zuckert.

Felix E. Larkin, assistant general counsel, Office of the Secretary of Defense, acted as executive chairman of the committee and as chairman of a working group composed of representatives of the Army, Navy, and Air Force, with an unofficial observer representing the Coast Guard, which in time of war operates as part of the Navy.

APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE—AMENDMENT RELATING TO SCHOOL-LUNCH PROGRAM

Mr. PEPPER (for himself and Mr. HOLLAND) submitted an amendment intended to be proposed by them, jointly, to the Department of Agriculture appropriation bill, fiscal year 1950, which was referred to the Committee on Appropriations, and ordered to be printed, as follows:

On page —, lines —, strike out the words "To enable the Secretary to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751-1760), there is hereby made available $——— of the funds appropriated for the current fiscal year 1950 by section 32 of the act approved August 24, 1935 (7 U. S. C. 612 (c)), such amount to be without regard to the 25 percent limitation contained in said section 32, and to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act: *Provided*, That no part of such funds shall be used for nonfood assistance under section 5 of said act." And substitute therefor the words "To enable the Secretary to carry out the provisions of the National School-Lunch Act of June 4, 1946 (42 U. S. C. 1751-1760), $150,000,000.

HOUSE BILL REFERRED

The bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 22) suspending legislative budget until May 1, 1949, was referred to the Committee on Appropriations.

CONSOLIDATION OF GENERAL APPROPRIATION BILLS

Mr. BYRD. Mr. President, on behalf of the senior Senator from Nebraska [Mr. BUTLER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. O'CONOR], the Senator from California [Mr. KNOWLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Michigan [Mr. FERGUSON], the junior Senator from Nebraska [Mr. WHERRY], and myself, I submit for appropriate reference a concurrent resolution providing for a single appropriation bill, and I ask unanimous consent that an explanatory statement by me of the concurrent resolution be printed in the RECORD.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred, and without objection, the statement will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 16) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That the joint rule of the Senate and of the House of Representatives contained in section 138 of the Legislative Reorganization Act of 1946 is amended by adding at the end thereof the following new subsection:

"(c) (1) Commencing with the second session of the Eighty-first Congress, all general appropriations for each fiscal year shall be consolidated in one general appropriation bill to be known as the Consolidated General Appropriation Act of —— (the blank to be filled in with the calendar year in which the fiscal year for which such appropriations are being made ends). As used in this paragraph the term 'general appropriations' shall not include deficiency or supplemental appropriations.

"(2) The consolidated general appropriation bill, and each deficiency or supplemental general appropriation bill, shall show in tabular form by items and totals (A) each item of appropriation, (B) the amount to be expended in the ensuing fiscal year from such appropriation, (C) the amount to be expended in the ensuing fiscal year from all other appropriations made in prior years for the same purpose as the item of appropriation referred to in clause (A) is made, (D) the total amount to be expended in the ensuing fiscal year from such appropriations, and (E) that part of the item of appropriation referred to in clause (A) which will be available for expenditure subsequent to the close of the ensuing fiscal year.

"(3) Amendments to any general appropriation bill which would have the effect of changing any figures required to be shown by paragraph 2 of this subsection, shall contain a provision changing such figures to conform to the proposed amendment.

"(4) No general appropriation bill and no amendment thereto shall be received or considered in either House unless it conforms with this rule."

The explanatory statement presented by Mr. BYRD was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

Under present procedure neither Congress nor the American public has an opportunity intelligently to analyze fiscal legislation. If such an analysis could be made, I believe it would be a measurable deterrent to nonessential Federal expenditures. For this reason a joint resolution was introduced in the United States Senate today to provide for consideration of all regular appropriations in one bill each year.

Sponsors of the resolution were: Senators BYRD, BUTLER, BRIDGES, O'CONOR, KNOWLAND, and GILLETTE.

The Federal Government of the United States is the biggest financial operation on earth and nothing is as economically important to as many people as the fiscal situation of this country. Yet, we attempt to finance vast domestic and world programs through legislative processes in which it is impossible to know whether income and outgo are in balance until after the budget is enacted.

Most of the difficulty in comprehending budgetary action arises from confusing language and archaic procedure. In these days of huge multiyear programs and projects an appropriation may be available for expenditure in more than 1 year. Most of an appropriation adopted in a year when revenue is high may actually be spent in a year when revenue is low.

There may be vast difference between appropriations and expenditures in a given fiscal year. But spending legislation is always considered in terms of appropriations, while revenue must be comparable to expenditures—not appropriations. There is no readily available facility for either Congress or the public to translate current and previous appropriations into terms of annual expenditures either by items or by totals.

As Congress passes spending bills under present procedure it has no idea as to what the over-all total of either appropriations or expenditures will be. Under the system the President submits a budget message requesting appropriations and revenue, and after that the budget picture is never seen again as a whole until after it has become the law of the land.

Congress breaks down the appropriation side of the budget message into a dozen or more bills each dealing with a group of activities. Each bill is handled separately by a different subcommittee in each House of Congress. They are brought in one by one for passage over a period of 6 months. They are not accompanied by an expenditure estimate. There is no way of telling what total appropriations or expenditures are, and there is no way of comparing the effect of action on the bills with the revenue situation.

It is impossible to consider appropriation items by relative merits, importance, or cost in view of the whole fiscal situation. The bills are passed as separate and unrelated pieces. If the public knew what was in these money bills as they are considered I am confident its demand for elimination of at least the obvious nonessentials would be vigorous.

A long initial step toward this end would be accomplished by adoption of a single appropriation bill which would consolidate and total all appropriation items into one act and specify how much of each item could be obligated in the ensuing year. And such a bill would be accompanied by a report translating appropriations into expenditures. It would be considered as a whole and in full view of the revenue side of the budget.

This would be accomplished under the resolution introduced today which actually would require only a simple change in the rules of congressional procedure. The facts that the resolution would simplify procedure and facilitate proper consideration of fiscal legislation should justify adoption of the resolution. If it serves as a deterrent to nonessential items, that was never more urgently needed.

ADDITIONAL ASSISTANTS TO COMMITTEE ON THE JUDICIARY

Mr. KILGORE (for Mr. MCCARRAN) submitted the following resolution (S. Res. 66), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary is authorized, until otherwise provided by law, to employ two additional professional staff members and three additional clerical assistants to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e) of the Legislative Reorganization Act of 1946 and the provisions of Public Law 4, Eightieth Congress, approved February 19, 1947.

CERTAIN HEARINGS BEFORE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. MAGNUSON submitted the following resolution (S. Res. 67), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That in holding hearings, the report of such hearings and of making investigations, as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under this resolution shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SEC. 3. Upon the termination of the special committee, authorized pursuant to Senate Resolution 20, Eightieth Congress, to study problems of American small business and enterprises, those files and records of such committee relating to small business and enterprises falling within the jurisdiction of the Committee on Interstate and Foreign Commerce, as defined in part I, section 102 (j) Public Law 601; shall be transferred to the Committee on Interstate and Foreign Commerce.

ARREST AND TRIAL OF CARDINAL MINDSZENTY

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The resolution (S. Res. 57) was read, as follows:

Resolved, That the Senate condemns as unjust the arrest, confinement incommunicado, and trial of His Eminence Josef Cardinal Mindszenty, Roman Catholic primate of Hungary.

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. What is the status of this matter?

The VICE PRESIDENT. The question is on agreeing to the resolution, unless some other disposition is made of it.

Mr. CONNALLY. Does it not go to the committee?

The VICE PRESIDENT. It does not, except on motion or request. A resolution coming over from a previous day automatically comes before the Senate.

Mr. CONNALLY. Was this resolution considered yesterday at all?

The VICE PRESIDENT. The resolution was submitted yesterday, and under the rule had to lie over for 1 day.

Mr. CONNALLY. Then it is simply before the Senate?

The VICE PRESIDENT. It is before the Senate. The question is whether the Senate will agree to it.

Mr. CONNALLY. Mr. President, I move that the resolution be referred to the Committee on Foreign Relations.

Mr. BALDWIN. Mr. President, I object.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas [Mr. CONNALLY] that Senate Resolution 57 be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. BALDWIN subsequently said: Mr. President, as I understand the action just taken by the Senate, the resolution submitted yesterday by the Senator from New Hampshire [Mr. BRIDGES], calling for some action on the part of the Senate expressing its sentiment in the Mindszenty case, has been referred to the Committee on Foreign Relations.

The VICE PRESIDENT. That is correct.

Mr. BALDWIN. It seems to me Mr. President, that if the sentiment of the Senate is going to be of any use in this particular matter, we should have an opportunity to vote on it today on the floor of the Senate. I regret that when the subject came up on the floor of the Senate today, the Senator from New Hampshire was not here. I assume he did not anticipate it was going to be taken up so early.

I wish to explain that my vote was not a vote in opposition to the resolution, but I voted "no" against a reference of the resolution to the committee, because it seemed to me that if we in the Senate were going to take any action which would be in any way helpful in that case, by expressing the sentiment of this body as to the inhuman treatment the cardinal has received, today is the day we should take it. I regret very much that the resolution has been referred to the Foreign Relations Committee, so that we cannot have an opportunity to act on it today.

NOTICE OF HEARING BY COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY. Mr. President, the Senate Committee on Foreign Relations had planned to hear Mr. Paul Hoffman, the Administrator of the ECA, further this afternoon at 2 o'clock. On reconsidering the matter the committee determined that it would hold a hearing tomorrow at 10:30, in the caucus room in the Senate Office Building, and that it would be open to the public. I make this announcement for the information of the press and others who may be interested.

NOTICE OF HEARING ON NOMINATION OF ANTHONY J. DIMOND TO BE UNITED STATES DISTRICT JUDGE, DIVISION NO. 3, DISTRICT OF ALASKA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, February 15, 1949, at 11:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Anthony J. Dimond, of Alaska, to be United States district judge, division No. 3, District of Alaska. Judge Dimond is now serving in this office under an appointment which expired February 10, 1948. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN] chairman, the Senator from Washington [Mr. MAGNUSON], and the Senator from Wisconsin [Mr. WILEY].

THE TAFT-HARTLEY LAW—ADDRESS BY SENATOR DOUGLAS

[Mr. LUCAS asked and obtained leave to have printed in the RECORD a radio address in relation to the Taft-Hartley law, delivered by Senator DOUGLAS on February 7, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR KERR TO THE YOUNG DEMOCRATS OF NORTH CAROLINA

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address delivered by Senator ROBERT S. KERR to the Young Democrats of North Carolina at their State meeting in Southern Pines, N. C., February 5, 1949, which appears in the Appendix.]

WHY THE TAFT-HARTLEY ACT MUST BE REPEALED—ADDRESS BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD a radio address entitled "Why the Taft-Hartley Act Must be Repealed," delivered by him on Friday, February 4, 1949, which appears in the Appendix.]

AGRICULTURAL ACT OF 1948—STATEMENT BY E. H. AGNEW

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD a statement by Mr. E. H. Agnew, president, South Carolina Farm Bureau, with respect to the Agricultural Act of 1948, which appears in the Appendix.]

THE MARSHALL PLAN—ARTICLES BY MORLEY CASSIDY

[Mr. SMITH of New Jersey asked and obtained leave to have printed in the RECORD a number of articles with respect to the operation of the Marshall plan, written by Morley Cassidy, and published in the Philadelphia Bulletin, which appear in the Appendix.]

REPUBLICAN SALESMANSHIP—EDITORIAL FROM WASHINGTON TIMES-HERALD

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Hot Tip From CAPEHART," published in the Washington Times-Herald of January 28, 1949, which appears in the Appendix.]

NEED FOR PRODUCTION—QUESTIONS ON THE TAFT-HARTLEY LAW

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Arcadia (Wis.) News-Leader relative to the need for production, and questions by the National Small Businessmen's Association on the Taft-Hartley law, which appear in the Appendix.]

SHORTENING THE ODDS—EDITORIAL FROM THE PROGRESSIVE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an editorial entitled "Shortening the Odds," relating to President Truman's program, published in the Progressive for February 1949, which appears in the Appendix.]

JOSEF CARDINAL MINDSZENTY—EDITORIAL FROM THE BALTIMORE NEWS-POST

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial with respect to the case of Josef Cardinal Mindszenty, published in the Baltimore News-Post of February 7, 1949, which appears in the Appendix.]

MORE HASTE, LESS SPEED—EDITORIAL FROM THE WASHINGTON POST

Mr. MORSE. Mr. President, I should like to read three sentences from an editorial published in this morning's Washington Post, and then ask to have the full editorial inserted in the body of the RECORD as a part of my remarks. Is it appropriate for me to do so?

The VICE PRESIDENT. Strictly speaking it is not, but the Chair——

Mr. MORSE. I would not want to do it if in doing so I did not comply strictly with the rule.

The VICE PRESIDENT. The Chair has sought to emphasize the fact that under the Senate rule no speeches of any length are in order at this time.

Mr. MORSE. I do not wish to make a speech. I simply want to read from material which I wish to place in the RECORD.

The VICE PRESIDENT. Reading extracts from the editorial would constitute debate.

Mr. MORSE. Then Mr. President, I ask unanimous consent to have inserted in the body of the RECORD an excellent editorial entitled "More Haste, Less Speed," published in this morning's Washington Post.

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

MORE HASTE, LESS SPEED

If the Senate Labor Committee holds to its announced schedule, hearings on the proposed substitute for the Taft-Hartley Act will close on Thursday. It is now unmistakably evident that the committee cannot in the next 3 days hear more than a small fraction of the witnesses demanding an opportunity to state their views. Nor will it have before it all the information it will need for the delicate task of rewriting the law controlling labor-management relations. A Senate committee cannot act on so momentous an issue with such haste without opening itself to the charge of substituting the rubber stamp for full inquiry and legislative deliberation.

This unreasonable haste will not work to the advantage of labor, the Administration or the committee. No organic labor-management legislation can work well or last long unless it wins general public support, and that will be forthcoming only if the public believes that the legislation has been shaped with deliberation and in a spirit of sensible compromise. The Administration ought to be aware of the fact that legislative tempers are already frayed because of this unreasonable haste. Thus the executive-legislative unity that is so essential to carrying out the President's program is in danger of being undermined for no good reason. Another week or 10 days of hearings would go a long way toward convincing both legislators and the people that the Administration is seeking legislation in the public interest and not merely to pay a political debt.

JOSEF CARDINAL MINDSZENTY

Mr. WILEY. Mr. President, from all over my State I have received letters and resolutions voicing the indignation of the people of Wisconsin of all faiths against the trial and sentencing of courageous Cardinal Mindszenty.

I have issued today a statement in protest against this shocking procedure.

I ask unanimous consent that there be printed in the body of the RECORD at this point a gracious letter which I have received from Mr. J. Marlowe Boyle, of Milwaukee, regarding the trial, and that there be printed following Mr. Boyle's letter my statement supplementing my previous comments in the CONGRESSIONAL RECORD of January 10.

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

CONGREGATION OF ST. ROSE,
Milwaukee, Wis., February 6, 1949.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Only a cause justly serious and far-reaching in its implications could induce us to add to your burden of legislative duties with a request for your official and personal favor.

Your intimate knowledge of the deeply religious nature and innate dignity of the people of Wisconsin will enable you to fully understand and appreciate the great consternation aroused in us by the wholly unjustified arrest and imprisonment, on fabricated charges, of Josef Cardinal Mindszenty, primate of Hungary, by the Communist puppets who rule his nation through the voice of the Kremlin.

If the espousal of human rights and the dignity of man be crime; if the voice of a great spiritual leader raised in suppliance for the right of his people to worship their God be treason; then Cardinal Mindszenty is a criminal and a traitor, and is deserving of no outside help.

Since we know, however, that communism is in itself traitorous to the free individual and to his free democracy, then we must also conclude that his eminence is guilty only of being a churchman in a Communist controlled state.

It is on this basis, therefore, that we respectfully entreat your good offices for the purpose of lodging, through the Department of State and its official diplomatic channels to Budapest and Moscow, a vigorous protest against the most barbarous usurpation of human rights, epitomized in the arrest and imprisonment of Cardinal Mindszenty. It is our earnest hope that you will lend the influence of your office to the efforts to obtain the release of his eminence.

Respectfully yours,
ST. ROSE HOLY NAME SOCIETY,
J. MARLOWE BOYLE,
Catholic Action Chairman,
(On behalf of our 1,200 members.)

STATEMENT BY SENATOR ALEXANDER WILEY

RENEWED PROTEST AGAINST TRIAL OF CARDINAL MINDSZENTY

The civilized world has been shocked and outraged by the fraudulent trial of Josef Cardinal Mindszenty. The faked confession, based quite clearly upon the drugging of the courageous primate, the phony justice, and all the other elements of the trial have violated the conscience of men of good will of all religious faiths throughout the world.

Every decent individual throughout the globe, whether or not he or she is of Catholic faith, can say, "There but for the grace of God stands my minister or rabbi or spiritual leader." Cardinal Mindszenty represents the forces of man's spirit, the moral force of enlightened humanity against the fanatic hords of atheistic Communists; against the antichrist which has arisen in the form of the Communist International.

The trial of Cardinal Mindszenty is a fraud, a farce, a fanatic demonstration of the depravity of the leaders of the Communist state and their satellites.

The American Government must redouble its efforts to register with the Hungarian authorities the absolute indignation of all of its citizens of every faith against this shocking and sinful proceeding. This trial mocks the pious statements of Premier Stalin regarding his desire to see President Truman and work out a peace settlement.

Cardinal Mindszenty stands before the Red fanatics as a symbol of the ideological war between our way of life and the Red way. The sentence which will be imposed upon him tomorrow will be one more bar against any basis for real understanding between ourselves and the Red authorities.

How can we possibly negotiate with these depraved men who utilize every means to destroy the light of freedom and the light of spirit? How can we possibly talk with them around the conference table when they stand ready to crucify man's spirit?

The American Government has always spoken out against the persecution of religion, as I stated in my remarks printed in the CONGRESSIONAL RECORD of January 10. It must do so again and right now.

The persecution of Cardinal Mindszenty and Lutheran Bishop Ordass must be protested by every means at the command of our Government.

We had coddled the Red governments abroad. We have dealt with them with kid gloves. We have pampered them so that they believe they can get away with anything, regardless of how venal it may be.

The persecution of church leaders in Hungary must be condemned by the American Government and by all the western governments in the most vigorous, direct, and forthright terms and in the most meaningful way if we are to be worthy of our obligations as the upholders of the light of civilization.

The persecution which stems from the Marxian doctrine that religion is the opiate of the people must be branded by our Government as one of the most shocking demonstrations of Marxist materialism that any human being has witnessed on the face of this planet.

DATE FOR REPORTING LEGISLATIVE BUDGET

Mr. McKELLAR. Mr. President, yesterday the House passed Concurrent Resolution 22, postponing the date for reporting the legislative budget, as provided in section 138 (a) of the Legislative Reorganization Act of 1946 as it may apply to the budget for the fiscal year ending June 30, 1950, until May 1, 1949. I ask unanimous consent for the present consideration of the concurrent resolution.

The VICE PRESIDENT. The Senator from Tennessee asks unanimous consent for the present consideration of a House concurrent resolution, which will be read.

The concurrent resolution (H. Con. Res. 22) was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the date of reporting the legislative budget, as set forth in section 138 (a) of the Legislative Reorganization Act of 1946, as it may apply to the budget for the fiscal year ending June 30, 1950, is hereby postponed until May 1, 1949.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

Mr. TAFT. Mr. President, I object to the present consideration of the concurrent resolution.

Mr. McKELLAR. Mr. President, I ask that the concurrent resolution be referred to the Committee on Appropriations.

The VICE PRESIDENT. Without objection, the concurrent resolution will be referred to the Committee on Appropriations.

LEAVES OF ABSENCE

Mr. DONNELL asked and obtained leave to be excused from attendance on the Senate on February 10, 11, and 12, 1949.

Mr. AIKEN asked and obtained leave to be absent from the Senate on February 10 and 11, 1949.

Mr. VANDENBERG asked and obtained leave to be absent from the Senate on February 10, 1949.

Mr. SALTONSTALL asked and obtained leave to be absent from the Senate on February 14, 1949.

Mr. FLANDERS asked and obtained leave to be absent from the Senate on February 9, 10 and 11, 1949.

THE CALENDAR

The VICE PRESIDENT. Morning business is concluded. Under the rule, the next order of business is the call of the calendar.

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

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Murray
Anderson	Holland	Myers
Baldwin	Humphrey	Neely
Brewster	Hunt	O'Conor
Bricker	Ives	O'Mahoney
Bridges	Johnson, Colo.	Pepper
Broughton	Johnson, Tex.	Reed
Butler	Johnston, S. C.	Robertson
Byrd	Kefauver	Russell
Cain	Kem	Saltonstall
Capehart	Kerr	Schoeppel
Chapman	Kilgore	Smith, Maine
Chavez	Knowland	Smith, N. J.
Connally	Langer	Sparkman
Cordon	Lodge	Stennis
Donnell	Long	Taft
Douglas	Lucas	Taylor
Eastland	McCarthy	Thomas, Okla.
Ecton	McClellan	Thomas, Utah
Ellender	McFarland	Thye
Ferguson	McGrath	Tobey
Flanders	McKellar	Tydings
Frear	McMahon	Vandenberg
George	Magnuson	Watkins
Gillette	Malone	Wherry
Gurney	Martin	Wiley
Hayden	Maybank	Williams
Hendrickson	Miller	Withers
Hickenlooper	Morse	Young
Hill	Mundt	

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

The clerk will proceed with the call of the calendar.

BILL PASSED OVER

The bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities, was announced as first in order.

Mr. TAFT. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

LOSS OF OR DAMAGE TO PROPERTY DEPOSITED BY ALIEN ENEMIES

The Senate proceeded to consider the bill (S. 29) to authorize payment of claims based on loss of or damage to property deposited by aliens, which had been reported from the Committee on the Judiciary with amendments.

The first amendment was, on page 2, in line 2, after the figures "1707)", to insert "the possession of which property was not prohibited by law prior to said promulgations."

The amendment was agreed to.

Mr. WHERRY. Mr. President, may we have an explanation of the bill? I should like to know how much money, if any, is involved in this commitment.

Mr. KILGORE. Mr. President, we do not have an exact estimate of the amount, but the bill limits the amount which may be paid to any one person to $1,000. The idea is that the claims must come in under existing law, but that if such claims are in amounts of $1,000 or less, they can be settled without the enactment of special bills. Formerly that was prohibited by law.

Mr. WHERRY. Very well.

The VICE PRESIDENT. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 2, in line 5, after the word "ancestry", to strike out "with local police authorities."

The amendment was agreed to.

The next amendment was, on page 2, in line 13, after the word "prescribe", to insert a colon and the following proviso: "*Provided further*, That nothing in this act shall be construed to authorize the Attorney General to pay or settle any claims for damage to or loss or destruction of property which had been used for espionage or for other illegal purposes on or before December 7, 1941."

The amendment was agreed to.

The next amendment was, on page 2, in line 22, after the word "any", to insert "decision or."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is hereby authorized to consider, ascertain, adjust, determine, settle, and pay in an amount not in excess of $1,000, when accepted by the claimant in full satisfaction and final settlement, any claim against the United States arising on or after December 7, 1941, for damage to, or loss or destruction of, personal property, the use, operation, possession, custody, or control of which was prohibited by proclamation No. 2525, dated December 7, 1941, and proclamations No. 2526 and No. 2527, dated December 8, 1941 (55 Stat., pt. 2, pp. 1700, 1705, and 1707), the possession of which property was not prohibited by law prior to said promulgations and which was deposited by alien enemies or United States citizens of Japanese ancestry in the manner provided in the regulations promulgated by the Attorney General on February 5, 1942, as amended (7 Fed. Reg. 844; 28 C. F. R. 30.1-30.16): *Provided*, That the damage to or loss or destruction of property shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agent, or employee, and that the claim is substantiated in such manner as the Attorney General may by regulation prescribe: *Provided further*, That nothing in this act shall be construed to authorize the Attorney General to pay or settle any claims for damage to or loss or destruction of property which had been used for espionage or for other illegal purposes on or before December 7, 1941.

SEC. 2. No claim shall be considered unless presented in writing within 1 year after the date of enactment of this act.

SEC. 3. Any decision or settlement made by the Attorney General under the authority of this act and such regulations as he may prescribe shall be final and conclusive, notwithstanding any other provision of law to the contrary.

SEC. 4. The Attorney General may report such claims as exceed $1,000 to Congress for its consideration.

SEC. 5. Such appropriations as may be required for the settlement of claims under this act are hereby authorized.

RELIEF OF CERTAIN BASQUE ALIENS

The Senate proceeded to consider the bill (S. 27) for the relief of certain Basque aliens, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 14, after the name "Salvador", to strike out "Vizcar" and insert "Viscay"; in the same line, to strike out "Recaide" and insert "Recalde"; and in line 22, after the word "quotas", to insert a colon and the following proviso: "*Provided*, That if the Attorney General finds that Cipriano Aznarren Udi is otherwise entitled to the benefits of this act, he is authorized and directed to accord him such benefits, notwithstanding the provisions of section 3 of the Immigration Act of 1917, insofar as it relates to illiteracy", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Jose S. Algarra de Carlos, Domingo Asiain Hualde, Patricio Asiain Hualde, Cipriano Aznarren Udi, Gracian Azparren Gazcue, Pedro Aspiroz Echechuri, Anastasio Barbarena Elizegaray, Melchor Burusco Domench, Pedro C. Cemborain Garmendia, Angel Dufur Iturri, Bernardo Dufur Iturri, Primitivo Egozcue Seminario, Modesto Elgorriaga Exposito, Felipe Errea Huarte, Esteban Erro Inda, Ambrosio Esnoz Recalde, Lino Goicoa Arozerena, Alberto Ibarregui Iriberri, Pablo Inda Sagardoy, Felipe Itturri Castilla, Francisco Jorajuria Andiaarena, Joaquin Juanarena Dufur, Francisco Larrea Ibarrola, Manuel Lecumberri Barber, Silvestro Martinex Exposito, Serpio Mendiguia Lerumbe, Jose Moulian Mendia, Jose Narvarez Berendiain, Antonio B. Nuin Exposito, Jose Ochandorena Petricorena, Jose M. Ochandorena Petricorena, Primitivo Olondriz Echeverria, Mateo Pedroarena Barberena, Leandro Urrutia Villanueva, Pedro Valencia Llorente, Prisco Villanueva Montoya, Marcelino Villanueva Urrutia, Salvador Viscay Oroz, Demetrio Zubiri Uriz, Pedro M. Recalde Iribarren, Celestino Arozarena Elizagaray, Jose Betelu Zubiriaga, Dionisio Betelu Zubiriaga, Fermin Jorajuria Andiaarena, Tomas Iriarte Lerindegui, Miguel Redin Equiza, Miguel Inda Juandeaburre, and Jose Zubiri Coni, as of the respective dates of their lawful temporary entry into the United States in 1944, if they are found to be admissible under the provisions of the immigration laws other than those relating to quotas: *Provided*, That if the Attorney General finds that Cipriano Aznarren Udi is otherwise entitled to the benefits of this act, he is authorized and directed to accord him such benefits, notwithstanding the provisions of section 3 of the Immigration Act of 1917, insofar as it relates to illiteracy. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number for each alien named herein from the quota of the appropriate country of the first year that the said quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RICHARD KIM

The Senate proceeded to consider the bill (S. 90) to provide for the naturalization of Richard Kim, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That in the administration of the immigration and naturalization laws Richard Kim, who served as a member of the armed forces of the United States, shall be considered to have been lawfully admitted for permanent residence as of the date of his last entry into the United States, upon the payment of the visa fee of $10 and the head tax of $8. The Secretary of State is directed to instruct the proper quota-control office to deduct one number from the appropriate quota for the first year that said quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PREVENTION OF PURCHASE AND SALE OF PUBLIC OFFICE

The bill (S. 15) to amend the act entitled, "An act to prevent purchase and sale of public office," approved December 11, 1926, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. May we have an explanation, please?

Mr. KILGORE. The bill is drawn at the request of the Civil Service Commission, to strengthen the law against attempts of persons, for fees, to procure appointment to any civil position in the United States Government. In other words, the endeavor is to prevent a person from being able to say, "For so much money I can get you an appointment as a clerk in the post office."

The bill would make it much easier to administer the law, and would fix the penalty.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of December 11, 1926, entitled "An act to prevent purchase and sale of public office" (44 Stat. 918), is amended by adding the following new paragraph to section 2:

"SEC. 2. (a) It shall be unlawful for any person, firm, or corporation to solicit or receive any sum of money or thing of value whatsoever in consideration of aiding or assisting any person to obtain any appointive office or employment under the Government of the United States, either by referring his name to any executive department, agency, or independent establishment of the United States for consideration, or otherwise, or to require the payment of a fee from any person because such person has secured any appointive office or employment under the Government of the United States."

JOSE BABACE

The bill (S. 26) for the relief of Jose Babace was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General of the United States is hereby authorized and directed to cancel any deportation proceedings which might arise in the case of Jose Babace (Irigoyen), Minden, Nev., legally admitted, but who has remained in the United States longer than permitted by law and regulations, and that this alien shall be considered as having been admitted for permanent entry as of the date of his actual entry on the payment of the visa fee of $10 and the head tax of $8.

Upon enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Spanish quota for the first year that the said Spanish quota is available.

MILO JURISEVIC AND OTHERS

The bill (S. 32) for the relief of Milo Jurisevic, Mrs. Jelena Jurisevic, Svetozar Jurisevic, and Radmila Jurisevic was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of the immigration and naturalization laws, the aliens Milo Jurisevic; Mrs. Jelena Jurisevic, wife of the said Milo Jurisevic; Svetozar Jurisevic and Radmila Jurisevic, son and daughter, respectively, of the said Milo Jurisevic and the said Mrs. Jelena Jurisevic, all of Fresno, Calif., shall be held and considered to have been lawfully admitted, on October 23, 1946, to the United States for permanent residence.

LT. JOHN T. McDERMOTT

The bill (S. 279) to authorize the advance on the retired list of Lt. John T. McDermott, United States Navy (retired), to the grade of lieutenant commander was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, Lt. John T. McDermott, United States Navy (retired), shall be advanced to the grade of lieutenant commander on the retired list effective for all purposes from the date of his retirement.

PAYMENTS ERRONEOUSLY MADE TO RETIRED OFFICERS OF NAVAL RESERVE

The bill (S. 278) to prevent retroactive checkage of payments erroneously made to certain retired officers of the Naval Reserve, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the term "Reserve components" as used in section 6 of the act approved February 21, 1946 (60 Stat. 27; 34 U. S. C. 410b), shall include officers on the honorary retired list of the Naval Reserve or Marine Corps Reserve established by section 309 of the Naval Reserve Act of 1938, as amended (34 U. S. C. 855h).

SEC. 2. This act shall be effective from February 21, 1946.

DR. CHUNG KWAI LUI

The bill (S. 315) for the relief of Dr. Chung Kwai Lui was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General is authorized and directed to record Dr. Chung Kwai Lui as having entered the United States in 1936 for permanent residence, upon the payment by her of the visa fee and head tax.

SEC. 2. The Attorney General is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued, and to discontinue any deportation proceedings which may have been commenced, in the case of Dr. Chung Kwai Lui. The Secretary of State shall instruct the proper quota-control officer to deduct one number from the Chinese quota for the first year that a quota number is available.

GHETEL POLLAK KAHAN AND OTHERS

The bill (S. 331) for the relief of Ghetel Pollak Kahan, Magdalena Linda Kahan (wife), and Susanna Kahan (daughter, 12 years old) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General is authorized and directed to record Ghetel Pollak Kahan, Magdalena Linda Kahan (wife), and Susanna Kahan (daughter, 12 years old), as having entered the United States on August 21, 1945, for permanent residence. The said Ghetel Pollak Kahan, Magdalena Linda Kahan (wife), and Susanna Kahan (daughter, 12 years old), shall not be subject to deportation by reason of such entry.

CLARIS U. YEADON

The bill (S. 335) for the relief of Claris U. Yeadon was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917, as amended (U. S. C., title 8, sec. 136 (c)), which excludes from admission into the United States persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude, shall not hereafter be held to apply to Claris U. Yeadon (nee Claris U. Davis), the wife of Cecil S. Yeadon, an American citizen. If she is found otherwise admissible under the immigration laws, an immigration visa may be issued and admission granted to the said Claris U. Yeadon under this act upon application hereafter filed.

ENGEBERT AXER

The bill (S. 307) for the relief of Engebert Axer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General of the United States shall record the lawful admission for permanent residence of Rev. Engebert Axer, Society of Jesus, as of September 26, 1937, the date on which he was originally admitted to the United States as a student.

JOYCE VIOLET ANGEL

The bill (S. 485) for the relief of Joyce Violet Angel, was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, Joyce Violet Angel, a resident of Alexandria, Egypt, shall be deemed to be a native of Great Britain.

STAMPS COMMEMORATIVE OF THE THREE HUNDREDTH ANNIVERSARY OF ANNAPOLIS, MD.

The joint resolution (S. J. Res. 22) to authorize the issuance of a special series of stamps commemorative of the three hundredth anniversary of Annapolis, Md., was announced as next in order.

Mr. VANDENBERG. Mr. President, reserving the right to object, I wish to submit an observation in respect to this measure.

This is the first of the measures at this session ordering commemorative stamps. All of us are familiar with the fact that so many commemorative stamps for so many different purposes, and sometimes for highly doubtful ones, were ordered during the last session that the value of almost all commemorative stamps was diluted to a pathetic degree. Furthermore, the wholesale practice of ordering commemorative stamps resulted in very general condemnation throughout the country, not only among philatelists but also among those who are interested in preserving the value of the use of the postal service for commemorative ends.

Obviously, the objective of the joint resolution which is now before the Senate is a completely justified one; but it occurs to me that at the beginning of this session we should accommodate ourselves to some type of procedure by which to put under some sort of discipline the business of the issuance of commemorative stamps. My own hope has been that the Committee on Post Office and Civil Service would hold back all measures providing for the issuance of commemorative stamps until well toward the end of the session, assess the relative value of the purposes sought to be commemorated, and then in one final bill present to the Senate a budget of commemorative stamps, held within a reasonable number, and confined to the major events sought to be commemorated.

I have no desire to interfere with the authorization of commemorative stamps in connection with the three hundredth anniversary of Annapolis. I may ask the Senator from Maryland whether there is any such urgency in this matter that it would interfere with his hopes and aspirations in this connection if the joint resolution were to go over until the whole subject might have some collaborated consideration?

Mr. O'CONOR. In answer to the inquiry of the Senator from Michigan, I may say there is such urgency. The celebration is scheduled for this spring, and arrangements for it have already been made by civic leaders and organizations, officials of the Naval Academy, St. Johns College, and of other individuals in and around Annapolis. The joint resolution was actually passed by the Senate last year, but, at the end of the session, it failed of passage in the House.

It is thought this is an exceptional case. Agreeing entirely with all that has been said in the general connection by the distinguished Senator from Michigan, I can give assurance there have already been expressed in the Committee on Post Office and Civil Service sentiments which I am confident will result in a more coordinated program, although we do think this is an exceptional case.

Mr. VANDENBERG. My position in regard to making any exception is that one exception invites others. However, I hold to the statement of my friend from Maryland in connection with Annapolis, because this is so obviously justified, and I am not going to object. But I think I shall object to other bills providing for commemorative stamps, which may be brought forward one by one, and I should like to give such notice now. In fact, I think we should look to the Committee on Post Office and Civil Service, without any order of the Senate, to create some sort of procedure which will bring the whole thing into one package at the end of the session.

The VICE PRESIDENT. The Senator's time has expired. The Senate is now operating under the five-minute rule.

Mr. LANGER. Mr. President, reserving the right to object I wish to make it plain that, as a matter of fact, the Committee on Post Office and Civil Service cannot prevent the Post Office Department from issuing commemorative stamps. The Postmaster General has full discretion. Last year, after the committee turned down two proposals for stamps, the Postmaster General issued them any way. That is the law.

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

Mr. LANGER. I yield.

Mr. VANDENBERG. Does the Senator not think, however, there is congressional responsibility at least for those we do approve, and that when we approve 20 or 30 commemorative stamps in 12 months, it simply reduces the whole process to a fantastic degree?

Mr. LANGER. I agreed fully. We cannot solve the problem here unless we change the law, because the Postmaster General can go ahead and issue such stamps anyway.

Mr. VANDENBERG. I suggest to the Senator we can at least by our own procedure reach a concentrated result at the end of the session with respect to the commemorative stamps we recommend, so that we at least recognize our responsibility.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. DONNELL. Mr. President, reserving the right to object, I do not understand, or did not hear, the explanation made by the Senator from Maryland as to the urgency of this particular measure.

Mr. O'CONOR. I said there is urgency, in our opinion, because of the fact that the celebration is to be observed within the next month or two, and that, inasmuch as all plans have been perfected by the chamber of commerce and by civic organizations at Annapolis, the home of the Naval Academy and St. Johns College, for the commemoration of the three hundredth founding, it is important the joint resolution be passed at this time in order that completed arrangements may be made.

Mr. DONNELL. Mr. President, I observe that Calendar No. 21, Senate bill 492, likewise relates to the issuance of a stamp commemorative of the two-hundredth anniversary of the founding of the city of Alexandria, Va. I am wondering whether or not in that case the Senator knows, or if either Senator from Virgina may advise me, whether or not there is a similar emergency.

Mr. BYRD. Mr. President, Alexandria is in exactly the same category as Annapolis. It is about to celebrate the two hundredth anniversary of its founding in 1749. Preparations are now being made for it. Alexandria is one of the most historic cities in America, as the Senator knows. It was George Washington's home, Robert E. Lee lived there, and among other things, the city was once a part of the District of Columbia. Preparations are now being made for the celebration in 1949, within 60 or 90 days.

Mr. DONNELL. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, I merely want to concur in everything the senior Senator from Michigan has said with reference to the issuance of stamps, here, there, and everywhere. The committee discussed the subject when these two measures came before it. It was thought under the circumstances, because Annapolis was at one time the Capital of the United States, that on its three hundredth anniversary, when a big celebration is to take place, it would be well to issue the stamps.

In regard to the stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, the senior Senator from Virginia has already expressed the reason why the committee favorably reported that bill. But I want to assure the Senate that the Committee on Post Office and Civil Service in the future intends to take such matters up with the Post Office Department and obtain clearance before reporting similar measures to the floor of the Senate. That I believe will expedite matters in regard to this subject.

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

Mr. JOHNSTON of South Carolina. I yield to the Senator from Michigan.

Mr. VANDENBERG. I should think, under the Senator's statement and under the statement of the able Senator from Virginia, that these are two perfectly legitimate objectives. I am not going to object to either one, on the basis of the assurance of the able Senator that the committee will undertake some sort of rationalization in connection with other requests of this nature for the remainder of the session.

Mr. JOHNSTON of South Carolina. This is not merely the statement of the chairman of the committee. The committee discussed the subject when the two measures were before it. We assure the Senate something will be done.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 22) to authorize the issuance of a special series of stamps commemorative of the three hundredth anniversary of Annapolis, Md., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Postmaster General is authorized and directed to prepare for issuance in May 1949 a special series of 3-cent postage stamps, of such design as he shall prescribe, in commemoration of the three hundredth anniversary of Annapolis, Md.

MARCUS GEORGE VETERANS MEMORIAL HOSPITAL

The Senate proceeded to consider the bill (S. 372) to provide for the designation of the United States Veterans' Administration hospital in Americus, Ga., as the Marcus George Veterans Memorial Hospital.

Mr. CONNALLY. Mr. President, I desire to say a few words regarding this bill. I think it is a magnificent thing for the Senate to pass it and provide that the United States veterans' hospital in Americus, Ga., shall be known as the Marcus George Veterans Memorial Hospital. It is well known that Lieutenant George died a heroic death in the North Atlantic while endeavoring to rescue other aviators who were imperiled. Senators are more or less familiar with the account of his exploits and of his failure to return from the flight he was ordered to make.

I ask unanimous consent that the report of the Committee on Finance be printed in full in the RECORD as part of my remarks.

There being no objection, the report (No. 29) was ordered to be printed in the RECORD, as follows:

The Committee on Finance, to whom was referred the bill (S. 372) to provide for designation of the United States Veterans' Administration hospital at Americus, Ga., as the Marcus George Veterans Memorial Hospital, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The official record of service of the late Lt. Joseph Marcus George, United States Naval Reserve, active, is as follows:

1911, November 16: Born in Vienna, Ga.

NATIONAL GUARD SERVICE

1935, January 21: Enlisted in Company L, One Hundred Twenty-first Infantry, Georgia National Guard. February 2: Promoted to rank of sergeant.

1936, June 15: Discharged.

ENLISTED UNITED STATES NAVAL RESERVE SERVICE

1938, July 13: Enlisted in United States Naval Reserve. October 10: Enlistment terminated.

OFFICER UNITED STATES NAVAL RESERVE SERVICE

1938, October 11: Accepted appointment and executed oath of office as aviation cadet, United States Naval Reserve, to rank from October 3, 1938. October 30: Reported to United States Naval Air Station, Pensacola, Fla., for active duty undergoing training.

1939, September 18: Designated naval aviator (heavier-than-air). October 20: Accepted appointment and executed oath of office as ensign, A–V (N), United States Naval Reserve, to rank from October 15, 1939. Detached United States Naval Air Station, Pensacola, Fla., and transferred to Patrol Squadron 53 for active duty involving flying. Reported November 9, 1939. Further transferred to Patrol Squadron 83 for duty involving flying.

1942, January 23: Accepted appointment and executed oath of office as lieutenant (junior grade) A-V (N), United States Naval Reserve, for temporary service. June 27: Accepted appointment and executed oath of office as lieutenant A-V (N), United States Naval Reserve, to rank from June 15, 1942, for temporary service.

1943, February 7: Detached Patrol Squadron 83 and transferred to a bombing squadron for duty involving flying. Reported February 18, 1943.

Education: University of Georgia.

Medals: American Defense Service Medal, Fleet Clasp, Purple Heart.

Died: Presumptive August 8, 1944. Officially reported to be missing in action as of August 7, 1943, when the plane which he was aboard was lost in the Atlantic area. In compliance with section 5 of Public Law 490, as amended, death is presumed to have occurred on the 8th day of August 1944.

Place: Atlantic area.

Cause: Plane lost (enemy action).

According to the records on file Lieutenant George was listed on the records of the Navy Department in the status of missing in action as of August 7, 1943. He was on board a plane which took off from the naval air station, New York, on an antisubmarine patrol flight. Several minutes after the plane took off, it was instructed by its base to proceed to position 37° 35' north latitude and 71° 20' west longitude, in order to investigate that area and to stand by a plane which had landed to pick up survivors of another plane which had been shot down by an enemy submarine. The last message received was an acknowledgment of the receipt of the above message. Weather conditions in the area at the time included excellent visibility and a calm sea with light swells. Extensive but unsuccessful search operations were conducted. Reports received state that the reason for the failure of the plane to return is unknown but its loss is believed to have been the result of enemy submarine gunfire.

The committee is in accord with the purposes of the bill and recommends its enactment.

Mr. CONNALLY. Lieutenant George was a son of our colleague the distinguished Senator from Georgia [Mr. GEORGE], chairman of the Committee on Finance. The United States, through the Congress, does a most appropriate and gallant thing in making this public recognition of our admiration for Lieutenant George's heroism, his patriotism, and his great achievements in his chosen work.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the proposed United States Veterans' Administration hospital at Americus, Ga., shall be known and designated on the public records as the Marcus George Veterans Memorial Hospital.

RECONVEYANCE OF LAND TO HELENA CHAMBER OF COMMERCE

The bill (S. 460) to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land in the city of Helena, Mont., was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, reserving the right to object, I wish to call the attention of the Senate to the fact that, in my judgment, the bill is an exceedingly meritorious one in that it does not violate the general principle in regard to the disposal of Federal property, which I in times past have sought to protect. But because controversy will undoubtedly arise in the future in connection with other transfers of Federal property, I wish to make a few comments on the pending bill.

As the committee's report shows, it relates to a piece of property, valued at between $10,000 and $15,000, which was transferred to the Veterans' Administration by the Helena Chamber of Commerce for the specific purpose of erecting on the property a Veterans' Administration regional office. The transfer was for that purpose, and that purpose only, with the reservation, of course, in the conveyance that if the property were not used for that purpose, it would revert to the Helena Chamber of Commerce. The committee report shows that it has now been decided that the property will not be used for the purpose originally intended, because the Veterans' Administration has agreed upon a consolidation program which will make possible the use of an office building in another vicinity. Therefore, under the terms of the conveyance itself, the Federal Government is not entitled to the retention of the property, and consequently the bill is a meritorious one.

I make that statement because I want to lay down the distinction between this case and cases which, I surmise, may arise in the future as they have in the past. So far as the junior Senator from Oregon is concerned, he will not give unanimous consent to making gifts of Federal property to cities, counties, and local governmental units of States without just compensation paid to the American taxpayers who own the property.

Mr. GEORGE. Mr. President, in addition to what the Senator from Oregon has stated, I desire to say that the Federal Government has incurred no expense in the improvement of this property. The transfer will be made without cost to the Federal Government.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 460) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized to reconvey by quitclaim deed to the Helena Chamber of Commerce, a corporation, two parcels of land in Helena, Mont., commonly designated as lot numbered 10 and the south 55 feet of lot numbered 9 of the Henry Thompson placer mining claim in Lewis and Clark County, Mont., which parcels were conveyed to the United States of America by the Helena Chamber of Commerce by deed dated February 7, 1947, and recorded among the land records of said county, in Book 140 of Deeds at page 63.

STAMP COMMEMORATIVE OF THE TWO HUNDREDTH ANNIVERSARY OF FOUNDING OF ALEXANDRIA, VA.

The bill (S. 492) to amend the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va.," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va.," be amended to read as follows:

"That the Postmaster General is authorized and directed to issue, during 1949, a special 6-cent air-mail postage stamp, of such design as he shall prescribe, in commemoration of the two hundredth anniversary of the founding of the city of Alexandria, Va."

REGULATION OF EXPORTS

The bill (S. 548) to provide for continuation of authority for the regulation of exports and for other purposes, was announced as next in order.

The VICE PRESIDENT. That bill is the unfinished business before the Senate, and will go over until later.

COTTON ACREAGE PLANTED IN 1949

The Senate proceeded to consider the bill (H. R. 128) to provide that acreage planted to cotton in 1949 shall not be used in computing cotton acreage allotments for any subsequent year, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of the Agricultural Adjustment Act of 1938, as amended, or of any other law, State, county, and farm acreage allotment for corn, wheat, cotton, and rice for any year after 1949 shall be computed and apportioned without regard to acreage planted, or to yields, in 1949.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Oklahoma. It is a House bill, dealing with cotton. When the bill came to the Senate committee, it was decided to include wheat, corn, and rice. The amendment provides that the acreage planted this year to the production of cotton, wheat, corn, and rice shall not be used in future years in computing the acreage applicable to any farmer.

The purpose of the bill is to discourage production after this year, for the reason that we now have a surplus of some 6,000,000 bales of cotton. The record shows approximately 300,000,000 bushels of wheat at the end of the year, and we shall also have a large supply of corn and a reasonable supply of rice. Having these large supplies on hand, it was the recommendation of the Department that we should not consider the acreage planted this year in computations for allotments for production and marketing.

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

Mr. THOMAS of Oklahoma. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, do I correctly understand from what the Senator has said that it will tend to cut down the amount of subsidies which the Government may be expected to pay?

Mr. THOMAS of Oklahoma. Obviously so. The reason for this proposed legislation, as I understand and believe, is this: Farmers, knowing they will have a high support price for this year's acreage, 90 percent, believe they can plant and raise a large crop and get a higher support price. That is one reason. Another reason is that by an increase in their acreage they thought that perhaps they could increase their parity. So the bill is designed to curtail or eliminate those two points.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. REED. Mr. President, I should like to add to what the Senator from Oklahoma has said, that when a quota of acreage is established it is usually on a historic basis as to what the particular producer has had over the years. The great increase in wheat and cotton acreage naturally would distort the quota.

I think it is highly desirable that some control be had over the acreage. Excluding this increase in acreage of cotton, and, to some extent, applying it to other production, is a desirable thing.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TAFT. Would not the necessary effect be to result in more planting of cotton this year, 1949?

Mr. THOMAS of Oklahoma. The cotton season has not started yet. Some has been planted in the Southern States. The reason for offering the bill is to serve notice officially on all cotton planters that they cannot have considered their acreage for this year.

Mr. TAFT. I see. It is to have the opposite effect.

Mr. THOMAS of Oklahoma. That is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

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

The bill was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the Secretary be authorized to correct the title to conform to the body of the bill.

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

GENERAL ACCOUNTING OFFICE BUILDING

The bill (S. 713) to amend Public Law 533 of the Eightieth Congress authorizing the construction of a building for the General Accounting Office on square 518 in the District of Columbia, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of Public Law 533, Eightieth Congress, approved May 18, 1948, limiting the cost of the General Accounting Office Building to $22,850,000 be, and the same are hereby, amended to increase such limit of cost to $25,400,000.

REPEAL SECTION 509 OF TITLE 34, UNITED STATES CODE

The Senate proceeded to consider the bill (S. 77) to repeal section 509 of title 34 of the United States Code, approved June 30, 1876 (ch. 159, 19 Stat. 69).

Mr. WHERRY. Mr. President, may we have an explanation of the bill?

Mr. RUSSELL. Mr. President, the purpose of this bill is to repeal an act passed by Congress in 1876, which prohibited the Navy Department from employing any person within 60 days of an election, unless the Secretary of the Navy issued a certificate that the employment was necessary, and the certificate was published. That statute is entirely archaic now, in view of the civil-service system, and other laws.

The bill S. 77 was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 509 of title 34 of the United States Code, approved June 30, 1876 (ch. 159, 19 Stat. 69), is hereby repealed.

DISPOSITION OF CERTAIN PERSONAL PROPERTY

The bill (S. 629) to authorize the disposition of certain lost, abandoned, or unclaimed personal property coming into the possession of the Treasury Department, the Department of the Army, the Department of the Navy, or the Department of the Air Force, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, respectively, are hereby authorized to dispose of by sale or otherwise, 1 year after date of receipt, all lost, abandoned, or unclaimed personal property which is now or may hereafter come into the possession, custody, or control of the Treasury Department, the Department of the Army, the Department of the Navy, or the Department of the Air Force, as the case may be: *Provided,* That an effort shall be made to determine and locate the owner or owners thereof, or their legal representatives, and that in all cases where the owner thereof, or legal representative, has been determined the property shall not be sold or otherwise disposed of for a period of 90 days after written notice has been sent to his last known address.

SEC. 2. The net proceeds received from the sale of any such property by the Treasury Department, the Department of the Army, the Department of the Navy, or the Department of the Air Force shall be covered into the Treasury as miscellaneous receipts.

SEC. 3. Claims for the net proceeds, if any, of such property so disposed of may be filed with the General Accounting Office by the rightful owners or their legal representatives at any time prior to the expiration of 3 years from the date of the disposal of the property and, if not so filed, are barred from being acted on by either courts or the accounting officers.

SEC. 4. The Secretary of the Treasury, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, respectively, are authorized to prescribe such rules and regulations as may be necessary to carry out the purposes and provisions of this act.

SEC. 5. Any property coming within the provisions of this act which may be delivered to the Soldiers' Home under regulations prescribed by the Secretary of the Army or the Secretary of the Air Force shall be limited to papers of value, sabers, insignia, decorations, medals, watches, trinkets, manuscripts, or other articles valuable chiefly as keepsakes.

SEC. 6. This act shall not be construed as amending or repealing the act of March 29, 1918 (40 Stat. 499); article 112 of section 1, chapter 11, of the act of June 4, 1920 (41 Stat. 809); the act of February 21, 1931 (46 Stat. 1203); the act of December 28, 1945 (59 Stat. 662), as amended; or the act of August 2, 1946 (60 Stat. 846-847), as amended.

AGE LIMIT FOR APPOINTMENT IN SUPPLY CORPS

The bill (S. 630) to amend section 19 of the act of August 13, 1946 (60 Stat. 1057), so as to remove the upper age limit for appointment to commissioned grade in the Supply Corps of the Navy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That section 19 of the act of August 13, 1946 (60 Stat. 1057), as amended, is hereby further amended to read as follows:

"SEC. 19. No person shall be appointed to a commissioned grade in the Supply Corps of the Navy who will be less than 21 years of age on July 1 of the calendar year in which appointed and until his physical, mental, and moral qualifications have been established to the satisfaction of the Secretary of the Navy."

AUTHORITY TO ACCEPT CERTAIN GIFTS

The bill (S. 632) to authorize certain personnel and former personnel of the Naval Establishment to accept certain gifts and a foreign decoration tendered by foreign governments, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following-named members and former members of the naval service are hereby authorized to accept such gifts as have been tendered them by foreign governments as of the date of approval of this Act: Rear Admiral Harold M. Martin, United States Navy; Captain William R. Brust, United States Naval Reserve; Captain Bennett W. Wright, United States Navy; Captain George C. Wright, United States Navy; Captain Richard W. Ruble, United States Navy; Commander Robert F. Carmody, United States Navy; Commander James I. Cone, United States Navy; Commander Jack Dean, United States Navy; Commander Gordon Fowler, United States Navy; Commander Richard L. Fowler, United States Navy; Commander John E. Hausman, United States Navy; Commander Draper L. Kauffman, United States Navy; Commander James A. Knowlton, United States Naval Reserve; Commander John P. Lunger, United States Navy; Commander Robert M. Milner, United States Navy; Commander Frank G. Raysbrook, United States Navy; Commander Frederick M. Stiesberg, United States Navy; Commander William A. Stuart, United States Navy; Commander Richard S. Rogers, United States Navy; Commander George R. Lee, United States Navy; Lieutenant Commander Raymond A. Boyd, United States Navy; Lieutenant Commander Laurence B. Green, United States Navy; Lieutenant Commander Melvin C. Hoffman, United States Navy; Lieutenant Commander Victor A. Moitoret, United States Navy; Lieutenant Commander John C. O'Connor, United States Navy; Lieutenant Commander Henry Nelson, United States Naval Reserve; Lieutenant Commander Norman L. Paxton, United States Navy; Lieutenant Commander Bryon G. Shepple, United States Navy; Captain James J. Bott, United States Marine Corps; Lieutenant Irwin J. Vanderswag, United States Marine Corps; Lieutenant George H. Belk, United States Navy; Lieutenant Samuel Hopkins, Junior, United States Navy; Lieutenant Jack Scott, United States Navy; Lieutenant (junior grade) La Verne W. Brown, Junior, United States Navy; Lieutenant (junior grade) Leonard B. Di Napoli, United States Navy; Lieutenant (junior grade) Thomas L. Neilson, United States Navy; Lieutenant (junior grade) Horace A. Thomsen, United States Navy; Ensign Robert P. Armstrong, United

States Navy; Chief Boatswain Anthony S. Ciccone, United States Navy; Boatswain Earl L. Hause, United States Navy; Joseph G. Pardovich, chief boatswain's mate, United States Navy; Robert D. Clendenon, chief musician, United States Navy; Carl F. Heine, chief machinist's mate, United States Navy; Gilbert H. Dobler, chief photographer's mate, United States Navy; Myrl A. Yeaman, chief photographer's mate, United States Navy; Crisanto Dolor, chief cook, United States Navy; Master Sergeant Lionel E. Simmons, United States Marine Corps; Willie F. Maguire, chief signalman, United States Navy; Donald K. Lobdell, chief radioman, United States Navy; Gorman "T" Perry, motor machinist's mate, first class, United States Navy; Jack O. Montgomery, boatswain's mate, second class, United States Navy; Charles R. Dickinson, boatswain's mate, third class, United States Navy; Lawrence H. Wasser, musician, third class, United States Navy; Gordon C. Wyman, fire controlman, third class, United States Navy; Robert Charles Vail, shipfitter, third class, United States Navy; Delmere B. Blackburn, private first class, United States Marine Corps; Paul Hermann, seaman, first class, United States Navy; James E. McCall, seaman, first class, United States Navy; Charles H. Kilpatrick, seaman, first class, United States Navy; Clifford E. Kintner, seaman, first class, United States Navy; Bernard I. Landau, seaman, first class, United States Navy; Harold A. Masters, seaman, first class, United States Navy; Kenneth Karl Hrabal, seaman, first class, United States Navy; Nicholas Vignovich, seaman, first class, United States Naval Reserve; Leonard Stanley Tur, fireman, first class, United States Naval Reserve; L. R. Weedle, fireman, first class, United States Navy; R. N. Young, fireman, first class, United States Navy; and Michael Strusinski, coxswain, United States Naval Reserve.

SEC. 2. The following-named members of the naval service are hereby authorized to accept such awards as have been tendered them by foreign governments as of the date of the approval of the Act: Rear Admiral Edward W. Hansen, United States Navy; Captain Albert E. Fitzwilliam, United States Navy; and Lieutenant (junior grade) John E. Nichols, United States Navy.

SEC. 3. Dr. Mina S. Rees, a civilian employee of the Navy Department, is hereby authorized to accept and wear the King's Medal for Service in the Cause of Freedom which has been tendered her by the Government of Great Britain.

PAY AND ALLOWANCES OF OFFICERS OF THE NAVAL RESERVE

The Senate proceeded to consider the bill (S. 673) relating to the pay and allowances of officers of the Naval Reserve performing active duty in the grade of rear admiral, and for other purposes.

Mr. MAGNUSON. Mr. President, I wonder if we may have an explanation of the bill.

Mr. RUSSELL. Mr. President, this bill is reported by the committee in an effort to eliminate any injustice done certain Reserve officers of the Navy.

Rear admirals of the Navy for pay purposes are divided into the upper half and lower half. Those in the lower half numerically draw the same pay and allowances as a brigadier general of the Army while those in the upper half that of a major general.

Under a ruling of the Comptroller based on the wording of several laws, certain Reserve rear admirals on active duty cannot draw the pay of the upper half regardless of relative rank and length of service. This bill provides that a Reserve rear admiral on active duty will be entitled to upper-half pay when the Regular Navy rear admiral next junior to him draws upper-half pay. The immediate effect of this bill is that one Reserve rear admiral now on active duty will draw upper-half pay instead of lower-half. This difference in pay amounts to approximately $2,200 a year.

Mr. MAGNUSON. I shall not object. My purpose for asking an explanation was that during the war we found existing a situation in which Reserve officers would be commissioned as rear admirals, and it was never intended that Reserve officers, prior to the passage of the so-called Reserve Act, would be in the upper brackets, which were for men who had devoted their lives to the Navy and who were presumably more expert. We found men coming in from civilian life who would finally be rear admirals, and then they wanted to be in the upper brackets. Now that the component of the Navy is so large and we must rely on a great many Reserve officers who will probably make a career of the Navy to a much greater extent than heretofore, I suppose it is all right to allow them to get into the upper brackets.

Mr. RUSSELL. The bill involves only one, but I see no reason for discriminating against a reserve officer who is on active duty and serves for a long time, to the extent that he cannot under any circumstances get into the upper half. As it is now, the regular officers, the Annapolis graduates, who are rear admirals, can pass over the reserve officer and get into the upper half, and as it is now the reserve officer cannot under any circumstances get into the upper half and attain the rank of rear admiral. The bill applies to only one man, who is a specialist, and the Navy Department is very anxious to have it passed.

Mr. MAGNUSON. If the Reserve officers remain in the Navy long enough to become rear admirals, they should be a part of the Regular Navy.

Mr. RUSSELL. The man affected by the bill is a specialist, and, as I have said, the Navy Department is anxious that the bill should be passed. But I may say that for my part I have never been in favor of discriminating against a man because he is a Reserve officer.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That any officer of the Naval Reserve serving in the grade of rear admiral shall receive the pay and allowances prescribed by law for rear admirals of the upper half when any officer of the active list of the line of the Regular Navy, junior to him, is in the upper half of the list of rear admirals: *Provided,* That the provisions of this act shall not apply to officers of the Naval Reserve while on any lineal list established pursuant to title III of the Officer Personnel Act of 1947: *Provided further,* That no back pay or allowances shall be held to have accrued under the provisions of this act for any period prior to the date of its approval.

UPPER COLORADO RIVER BASIN COMPACT

The bill (S. 790) to grant the consent of the United States to the upper Colorado River Basin compact was announced as next in order.

Mr. KNOWLAND. Mr. President, I ask that the bill go over. My colleague, the senior Senator from California [Mr. DOWNEY], is out of the city on official business, and his office has requested that the bill go over. We certainly have no objection to early consideration of the proposed legislation, but we merely desire to be sure that there is nothing in the bill that will adversely affect the lower-basin waters.

Mr. O'MAHONEY. Mr. President, I merely wish to state for the RECORD that the Committee on Interior and Insular Affairs instructed its staff yesterday to advise the office of the senior Senator from California [Mr. DOWNEY] of the fact that the bill had been reported, so that if he desired to have it held up, he would be on notice.

The VICE PRESIDENT. Under objection, the bill will be passed over. That completes the calendar.

REGULATION OF EXPORTS

The Senate resumed the consideration of the bill (S. 548) to provide for continuation of authority for the regulation of exports, and for other purposes.

Mr. MAYBANK. Mr. President, the Committee on Banking and Currency has considered S. 548, has unanimously reported the bill, as amended, and has recommended that the bill do pass.

Exports of commodities from this country have been controlled by law since the power was first requested by President Roosevelt in 1940. From that time to the present this authority has been renewed periodically by the Congress. However, the nature, scope, and purposes of the controls exercised under it have been modified to meet the changing needs of the national interest.

In 1940 export controls were being used to strengthen the national defense. During the war they were used to prevent supplies from getting to our enemies and to direct goods to our fighting allies, while at the same time protecting our own scarce supplies.

Since the end of the war they have been used and at the present time they are being used, first, to cushion the domestic economy from the inflationary effects of abnormal foreign demand for some of our supplies which are still short; second, to direct such goods as we can spare to those countries where need is greatest and where world recovery will be speeded up; and finally, to check exports of industrial commodities which might affect our national security.

In other words, these controls are necessary now, and are being used, to protect the domestic economy by limiting exports of scarce materials, and to channel exports to countries where the need is greatest, and where our foreign policy and national security interests would be served best.

President Truman, in his State of the Union Message, emphasized the need for continuation of these controls, and asked for renewal of the present legislation, together with provisions for more adequate enforcement, which have been included in the pending bill. The testimony of the Secretary of Commerce, the Under Secretary of Agriculture, and other Government witnesses, as well as witnesses invited from the trade, who appeared before the Subcommittee on Small Business of the Banking and Currency Committee, was very convincing as to the need for maintaining export controls throughout this period of unsettled world affairs.

As pointed out in the committee report, a number of witnesses urged a shorter extension, of only 16 months, not because they questioned the need for the longer extension, but only in order to provide for an annual review by the Congress. Such a review is not precluded in S. 548. On the contrary, specific provision is made for quarterly reports to the Congress of operations thereunder, and for termination of the controls at any time by simple concurrent resolution. The evidence at this time is fairly clear as to the need for these controls for at least two years to come.

In this connection, it should also be observed that the Investigations Subcommittee of the Committee on Expenditures in the Executive Departments which had made an exhaustive survey of the program during the last Congress, stated in its report of December 18, 1948:

> The failure to maintain adequate export controls at this time can have extremely harmful effects upon our national security and domestic economy. The national security aspects of our export control program are of transcendent importance. * * * The economic phases of the export control program are also important.

Generally speaking, S. 548 makes no substantive changes from the present law. The legal authority is continued for the control of commodities, the licensing of specific exports, and the exercise of destination, end-use, price and other pertinent licensing standards and criteria to carry out the purposes of the bill.

Mr. BALDWIN. Mr. President, will the Senator yield for a question, or would he rather that I wait until he concludes his remarks?

Mr. MAYBANK. I have no objection to yielding.

Mr. BALDWIN. I notice in the committee report that the controls which the Senate is being asked to extend by the pending legislation, are substantially the same controls and continued in the same language by which they were continued in section 3 of the joint resolution of December 30, 1947. Was not that the so-called Anti-inflation Act which was passed in the fall of that year? And was not that section 3 of that act?

Mr. MAYBANK. That is correct. That was after certain items had been controlled. It was during the administration of President Roosevelt, in 1940, that these controls were begun. The controls became greater and greater during the war. In the year to which the Senator referred some decontrols were put into effect. They were considered at that time by the Committee on the Judiciary, by the Commerce Committee, and by other committees. The controls then dealt substantially with materials which were scarce at that time, and which apparently are scarce now.

Mr. BALDWIN. In other words, this is a continuation of section 3 of the act setting up anti-inflation measures adopted in a Republican-controlled Congress in December 1947. The other day we continued in force and effect section 2 of that act. Now we continue section 3.

Mr. MAYBANK. The Senator is correct.

Mr. BALDWIN. So, what we are asked to do now is to continue in force and effect a section 3 in substantially the same form as it was passed in a Republican-controlled Congress?

Mr. MAYBANK. After control had, of course, been commenced by President Roosevelt in 1940; yes.

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

Mr. MAYBANK. I yield to the Senator from Ohio.

Mr. TAFT. What is the justification for extending this control for 2 years and 3 months? Why is not 1 year enough? Why cannot we reasonably hope that a year from this time there will no longer be need for export control.

Mr. MAYBANK. I am very hopeful that it will not take a year. That is why we have the provision in the bill that the control can be ended by the adoption of a concurrent resolution at any time.

The principal additions to the present law are the provisions which are designed to improve enforcement of export controls. These are contained particularly in sections 3 and 6. The report of the investigations subcommittee, previously mentioned, pointed out the necessity for such a stronger compliance program. The President emphasized the need for strong enforcement measures, and the Secretary of Commerce has made a similar recommendation. In order to give effect to these recommendations, which are discussed more at length in the committee's report, specific authority is provided in this bill for undertaking all necessary enforcement measures.

The determination of what commodities shall be decontrolled and the fixing of export quotas have been delegated by the President to the Secretary of Commerce, but the decisions on such matters are made only after an extensive review by an interagency committee on which all interested departments are represented.

The committee felt that the Secretary of Agriculture should, because of his general responsibilities in the field of food and agriculture, be given final responsibility for determining the total amount of agricultural commodities, including fats and oils, which are in excess of our own needs and which could, accordingly, be authorized for export.

Mr. CONNALLY. Mr. President, will the Senator yield at that point?

Mr. MAYBANK. Yes.

Mr. CONNALLY. As a matter of fact, I understand that the European prices for fats and vegetable oils are higher than those in the United States.

Mr. MAYBANK. The statement is correct.

Mr. CONNALLY. We have a surplus of such fats and oils in the United States, and yet permission is not granted to export the surplus to Europe.

Mr. MAYBANK. I will say to the Senator from Texas that we have prepared an amendment, the purpose of which is to leave that matter entirely to the Secretary of Agriculture. I may say that the President himself spoke to the chairman of the House committee, Mr. SPENCE, and also to Representative BROWN, of Georgia. The Secretary spoke to me, authorizing me to say that he would not object to having the matter turned over to the Department of Agriculture.

I am glad the Senator from Texas is present on the floor of the Senate at this moment. I wish to say to him that I think the fats and oils situation, as the testimony will show, has in the past been handled miserably. We undertook a full investigation of that subject. I wish to call to the attention of the Senator from Connecticut [Mr. BALDWIN], who asked about similar language, that the law which permits the Secretary of Commerce to have a veto with respect to export of agricultural products is, to my way of thinking, all wrong. The price of cottonseed has gone down. The price of lard has gone down. As every western Senator knows, the price of soybeans has gone down. The latest figures we have received, since the hearings were closed, show that the price of soybeans is still declining. To illustrate, let me for a moment compare the prices of soybean oil and cottonseed oil at the beginning and end of last year. The price of soybean oil, for instance, in January 1948 was 26.6 cents. The price in December 1948 was 17.3 cents. The price of cottonseed oil in January 1948 was 28 cents as compared with 17.08 cents in December 1948. Last Thursday's quotation on cottonseed oil, crude in the valley, was 13.75.

I want the Senator from Texas, who has a wide knowledge of cotton and of agriculture, to help us, if he can, so far as ECA is concerned. The ECA has not bought sufficient cottonseed oil, nor has the ECA bought sufficient soybeans, nor has the ECA bought the inedible fats and the edible fats which are selling for almost nothing in this country, and which could be used, particularly in the region where General Clay has jurisdiction, as the testimony shows. The Senator is correct in his statement. This matter has been poorly handled. I hope it will be handled better under the Secretary of Agriculture. I hope the ECA will take an interest in the program. The farmers of the country are in dire need of such help.

Mr. CONNALLY. Has the Senator from South Carolina any assurance that if control of the matter should be placed under the Department of Agriculture it will be handled better than it is now?

Mr. MAYBANK. No; but that is the only suggestion that was made.

Mr. CONNALLY. The authority ought to be trimmed down quite materially before it is placed anywhere.

Mr. MAYBANK. We trimmed it down.

Mr. CONNALLY. Let me say a word respecting ECA. My information is that vegetable oils are selling in Europe for higher prices than they are selling for in the United States.

Mr. MAYBANK. The Senator, I believe, is correct.

Mr. CONNALLY. So we could very easily help the objectives of the ECA by shipping more vegetable fats to Europe, and bringing down the price in Europe, rather than spending our money by paying the higher prices here at home.

Mr. MAYBANK. The Senator is eminently correct.

Mr. CONNALLY. I certainly hope the committee will do something to relieve the situation. The present policy seems to me to be foolish. It benefits no one.

Mr. MAYBANK. I may say to the Senator that inedible fats have already been decontrolled.

Mr. CONNALLY. Not entirely.

Mr. MAYBANK. Yes.

Mr. CONNALLY. An allocation was made the other day for the first quarter of the year.

Mr. MAYBANK. No; inedible fats have been decontrolled.

Mr. CONNALLY. How about edible fats? Inedible fats cannot be eaten. If we are going to relieve Europe, we ought to give its people something they can eat. There is no use attempting to relieve them by giving them inedible fats, and leaving the edible fats under control.

Mr. MAYBANK. With respect to edible fats, additional allocations amounting to 35,000,000 pounds each of lard, cottonseed and soy beans, were issued last week. The Department is now considering the subject. I feel that as soon as authority is vested in the Department of Agriculture—it is vested in the Department of Commerce now——

Mr. CONNALLY. I understand.

Mr. MAYBANK. As soon as it is vested in the Department of Agriculture, I hope the Department will decontrol them.

The question is whether ECA could not render a great service by providing Europe with more inedible as well as edible fats, because, as the Senator says, ECA is paying higher prices for European fats than our farmers are receiving for theirs. Not only that, Mr. President, but the same situation is true with respect to Canada and South America.

Mr. CONNALLY. Speaking of edible fats, wholesome food needed by the people of Europe and by the people of all the world, we have now more of them than we need in the United States, and those in control of the exportation of such fats have placed a fence around them and will not permit them to be exported. The difficulty about vesting the authority in any of the Federal departments is that the Secretary himself cannot personally examine every application. The Secretary of Commerce receives 10,000 applications a week.

Mr. MAYBANK. Certainly.

Mr. CONNALLY. Some clerk in the Department smells around and secures reports. He knows nothing about inedible fats; he knows nothing about cottonseed oil; he knows nothing about soybean oil. He simply makes some sort of a calculation and fixes the quota that shall be allowed to go abroad.

Mr. MAYBANK. I am in thorough accord with the Senator. That is the reason why we talked with the President and were assured that the responsibility for the determination of export quotas, exportable surpluses of agricultural commodities would be turned over to the Department of Agriculture. That is the reason for the amendment. I intend to follow it up to the limit of my ability as a member of the Banking and Currency Committee, and I feel certain that my good friend, the chairman of the Committee on Foreign Relations, will help us out with ECA.

Mr. CONNALLY. I will help the Senator and his committee if they will do their part. It is proposed to turn the administration of this subject over to the Department of Agriculture. If that is done, I hope that the Secretary of Agriculture will be fully informed as to what has transpired.

Mr. MAYBANK. I talked with him only this morning.

Mr. CONNALLY. That will do no good unless the Senator talks with him tonight and tomorrow and the following night, and the next day and the next night.

Mr. MAYBANK. At least, he will be responsible.

Mr. CONNALLY. What does that amount to? The Secretary of Commerce is now responsible, but what does it amount to? All it amounts to is that we rise in the Senate and make little speeches, and that is the end of it.

Mr. MAYBANK. I do not agree with the Senator in that respect. We listened to more than a week of testimony. I feel that agricultural products do not belong under the Department of Commerce, and have no place there.

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

Mr. MAYBANK. I yield.

Mr. TAYLOR. I think it would be helpful to the discussion to point out to the senior Senator from Texas that we were informed that the allocations of edible fats and oils are not being taken up at the present time. The export licenses are not consuming all the allocations available. So it would make little difference if the controls were removed.

Mr. MAYBANK. The trouble is the great shortage of dollars outside this country.

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

Mr. MAYBANK. I yield.

Mr. CONNALLY. It will not do any harm if they cannot buy the goods and pay for them. No one will be hurt. But if the products are dammed up and cannot be exported, our own producers are hurt.

Mr. MAYBANK. The Senator was eminently correct as the situation existed last fall. What went on was outrageous. But since the present Congress has been in session both inedible and edible fats and oils have been available. Since we held the hearings quotas have been increased to the point where we are informed that they cannot all be taken up.

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

Mr. MAYBANK. I yield.

Mr. ROBERTSON. I merely wish to confirm what the distinguished chairman of the committee has said about the zeal with which we went into the subject. On the Committee on Banking and Currency there are members who are not bankers. Some of them come nearer to being farmers than bankers. We are very much interested in what affects the farmer. We went into the subject very fully. We feel that we have amended the language of the bill so as to protect the situation. We have the assurance of the President, the Secretary of Agriculture, and the Secretary of Commerce that the intent and purpose of this amendment will be carried out.

I wish further to say to my distinguished colleague from Texas that we shall make it our business to keep in touch with this problem, to see that there are no unnecessary restrictions, red tape, or delays which will result in banking up unconsumable surpluses of edible and inedible fats and oils in this country.

On the first of March a new allocation quota will go into effect. The authorities are now at work liberalizing the quota with a view to moving all the accumulated surpluses for which there are proper markets. I feel that no Member of the Senate need have any uneasiness about the steps we have taken and plan to take to protect the producer, the processor, and the distributor of fats and oils in this country.

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

Mr. MAYBANK. I yield.

Mr. TAYLOR. Does the chairman of the Committee on Banking and Currency feel that the main reason for keeping allocations and export licenses is to control the destination of edible fats and oils, and to keep them from going to certain countries? As I understand, that is the only reason for keeping controls at this time.

Mr. MAYBANK. I will say to the Senator from Idaho that I understood that some of the controls are designed to keep certain products from going to certain countries. However, I do not believe that was the chief reason for keeping fats and oils under control. I have heard that the only reason why edible fats were selling at such high prices in Europe was that they were being held back here. Why should our farmers be punished and have their goods stocked up in this country when there is a shortage in Europe, and fats and oils are bringing such high prices? As the Senator knows, inedible fats go largely into soaps and products of that kind.

Mr. TAYLOR. But that is not true of edible fats. If the purpose is not to control the destination, then I am at a loss to see any reason for retaining controls.

Mr. MAYBANK. In my opinion there should be no controls on edible fats and oils. As the Senator knows, during our hearings, the allotments on lard, cottonseed oil, and soybean oil were increased by 35,000,000 tons a quarter. The Senator also knows that because of the facts which we brought out with respect to inedible fats, the price of soap was reduced a few cents by the soap manufacturers of the country who have been stocking up on much of the inedible fats at sacrifice prices.

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

Mr. MAYBANK. I yield.

Mr. GEORGE. I should like to make a brief statement. Export controls certainly do not promote trade and commerce, so far as the sale of our own products is concerned. Red tape and delay certainly militate against the rapid and orderly carrying on of trade and commerce. These controls have been extended for a period of more than 2 years, and they seem to me to be wholly unnecessary. It is not the policy of the United States to use export controls except under certain emergency situations.

Mr. MAYBANK. That is what the law provides.

Mr. GEORGE. The general policy of the United States is to do away with export controls, tariff restrictions, exchange restrictions, and all other restrictive measures which impede commerce. There is no doubt that any exporter in this country must go through certain red tape procedure in order to obtain a permit. All such restrictions operate against the rapid passing into trade of our own products. Here the emphasis is placed upon oil, and that is important.

Mr. MAYBANK. It was emphasized only because the Senator from Texas [Mr. CONNALLY] had asked specifically about oils.

Mr. GEORGE. The amendment itself emphasizes fats and oils. It provides as follows:

(c) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (b) or clause (c) of section 2 hereof.

I presume that all vegetable and animal fats and oils must receive attention from the Secretary of Agriculture if this bill is passed.

Mr. MAYBANK. The Senator is correct.

Mr. GEORGE. But there are other agricultural products, as the Senator from South Carolina well knows, which are not absolutely prohibited from entering interstate and foreign commerce under the present law. I refer, for example, to naval stores. However, the red tape and the long delays involved make it quite impossible to export them. There would seem to be very little reason for continuing these export controls, which are contrary to the general policy which this country has followed for a long time. Such controls should not be used except in case of necessity.

Let me invite the Senator's attention to a further fact. It would be quite impossible, I believe, for anyone except an international trader to do much trading in a commodity such as cotton.

Mr. MAYBANK. I agree.

Mr. GEORGE. He must make his quotations, but he does not know how long it will be before he will get a permit to enable him to export. It is pretty difficult for him to protect himself.

Mr. MAYBANK. That question was discussed over a period of 1 or 2 days with Dr. McIntyre. He is the Assistant Director of OIT. I believe the hearings will show that the procedure has been expedited and that at the present time it is being handled satisfactorily. Even those who had been opposed to it testified that it had been greatly improved in the past 2 months.

Mr. GEORGE. No doubt it has been greatly improved; but the point I am making is that a continuation of export controls necessarily will hamper, to some extent and in some way, our foreign trade.

Mr. MAYBANK. Yes.

Mr. GEORGE. So the controls should not be extended, in my opinion, 1 day beyond the actual necessity.

Mr. MAYBANK. Of course, by concurrent resolution the Congress can do away with the controls. However, the Senator will admit, I am sure, that some commodities, such as steel and other very scarce articles, including manganese, must be controlled.

Mr. GEORGE. I suppose there are yet some scarce articles. However, my observation is that the pipe lines in this country are filling up.

Mr. MAYBANK. I agree.

Mr. GEORGE. And we are approaching a period when surpluses are ahead of us—in many lines, at least.

Mr. MAYBANK. That is the situation as regards cotton, wheat, corn, and other commodities; and that is why declines have occurred. But I say to the Senator from Georgia that there are scarcities of strategic metals and minerals, the list of which is printed in the hearings.

Mr. GEORGE. I think there should always be export control of critical and strategic metals and minerals. But our policy with respect to ordinary commerce and trade certainly should be one of complete liberty and freedom, and not one of restrictions. So, to continue this act for 2 years and 3 months strikes me as too long a time. I would much rather vote for it if it would continue controls for only 1 year.

It is true, as the Senator has said, that Congress can get rid of it by concurrent resolution, but it is very difficult to get Congress to act, sometimes. Once a law is placed on the statute books, it tends to remain there. Something in the nature of inertia often affects the Congress in that respect, and we do not move very fast.

Mr. MAYBANK. I say to the Senator from Georgia what I said at the hearings, namely, that I have reference to a long list—some three pages in extent—of strategic and critical materials and metals, including soil pipe made of cast iron, and so forth.

Mr. GEORGE. I agree that there should be some control of strategic materials; but in peacetime I think controls should be removed from ordinary commerce as rapidly as possible.

Mr. MAYBANK. I agree.

Mr. ROBERTSON. Mr. President, I should like to ask a question, if the Senator will yield to me.

Mr. MAYBANK. I yield.

Mr. ROBERTSON. Is it not true that under the bill the Department of Commerce will be able to decontrol any commodity which it sees fit to decontrol?

Mr. MAYBANK. Yes.

Mr. ROBERTSON. Is it not also true that the Department has already decontrolled fats and oils?

Mr. MAYBANK. Yes; and also lumber.

Mr. ROBERTSON. Is it not also true that last year, when the Congress was asked to appropriate more than $5,000,000,000 for aid to the Marshall plan countries, the charge was made that the expenditure of that sum of money abroad would have an inflationary effect upon our economy, and is it not said that this export control is merely an over-all attempt in foreign policy to aid the countries of Europe and at the same time to avoid a serious effect in regard to items which might be in short supply in this country?

Mr. MAYBANK. That is correct.

Mr. ROBERTSON. Does not the Senator from South Carolina also agree that, with world development and as the possibility of peace becomes more nearly a reality, the sooner we can drop all these controls the better it will be?

Mr. MAYBANK. Yes. I do not know how many commodities have already been decontrolled, but I know a large number of commodities have been.

Mr. ROBERTSON. Of course, no one would contend that such controls do not hamper and restrict and to some extent burden foreign commerce, but certainly not so much as it was claimed a little sawmill in the mountains of Virginia burdened interstate commerce under the wage-and-hour bill, because apparently anything anyone does nowadays will burden interstate commerce.

However, these restrictions do have some burdening effect; and naturally we shall urge, insofar as we have the privilege of doing so, the dropping of all export controls on items that are not vital in our over-all policy.

Mr. MAYBANK. Of course, the extreme scarcity of so many of these articles is, as the Senator from Virginia knows, what has caused high prices.

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me for a question?

Mr. MAYBANK. I yield.

Mr. HICKENLOOPER. As the Senator from South Carolina knows, I personally would favor going further into the matter of decontrols than this amendment does.

Mr. MAYBANK. Yes; I talked with the Senator yesterday.

Mr. HICKENLOOPER. I am constrained not to object too much to this amendment, because I think perhaps it is the best decontrol provision we can obtain. But I wish to call the attention of the Senator to one provision of subsection (c), on page 3, which is the decontrol amendment on fats and oils.

Mr. MAYBANK. Yes; it is the farm amendment.

Mr. HICKENLOOPER. I should like to call the Senator's attention to the particular language there, which is a requirement that the Secretary of Agriculture make an affirmative finding of the existence of a surplus. Did the Senator or did the committee consider language which would provide that the decontrols would not apply unless the Secretary of Agriculture were to make an affirmative finding that there was not sufficient amount of the commodity in this country to meet the demand?

Mr. MAYBANK. We did not. No; that was never brought up in the committee, I may say to the Senator.

Mr. HICKENLOOPER. Under this amendment, the Senator from South Carolina and I might agree among ourselves that there was an excess supply. The price might and many other factors might indicate it. But if we could not get the Secretary of Agriculture to make an affirmative finding of the existence of a surplus, the commodity would still be under controls.

I wonder whether it would be better to provide that the commodity would be removed from controls unless the Secretary of Agriculture made an affirmative finding of the existence of a short supply in this country. Of course it is a difficult matter to phrase.

Mr. MAYBANK. I understand the Senator's point of view, and we discussed it yesterday. However, that point was not discussed in the committee.

The amendment which is now set forth was thoroughly discussed in the committee, and I am hopeful that it will be adopted.

Mr. HICKENLOOPER. I am in thorough agreement with the statements heretofore made to the effect that the objective must be to get rid of controls as quickly as possible and to return to a balanced economy. But I think the objection in the past to most of the controls has arisen from the fact that the Department of Agriculture might say, "We would like to decontrol this commodity, but the Department of Commerce will not agree, and we must obtain their consent," and the Department of Commerce might say, "We would like to decontrol this commodity, but we cannot obtain the consent of the Department of Agriculture."

Mr. MAYBANK. The Senator is entirely correct; that was the testimony.

Mr. HICKENLOOPER. However, this amendment represents an improvement, because it would fix the responsibility in one agency.

Personally, the amendment would appeal more to me if it provided for the decontrol of agricultural commodities, and only permitted controls to be imposed when the Secretary of Agriculture, acting under his own responsibility, said, "We do not have enough in this country to go around. Therefore I will reimpose export controls." I would feel better if the amendment read that way, rather than the way it does. Nevertheless, I believe the amendment constitutes a forward step.

Mr. MAYBANK. I appreciate the Senator's position, and I can understand from his remarks just the way he feels about the matter. I say to him that we did not discuss the so-called negative approach.

Mr. HICKENLOOPER. In other words, I believe we had better take the view of keeping the economy going and letting the public official take the responsibility of closing it down, rather than of closing down the economy and then letting the public official on his own responsibility say it should be opened up. I think an important matter of public policy is involved in that connection.

However, I shall not oppose the amendment. I have no amendment to offer at this time. I believe this will substantially accomplish what the Senator is seeking.

Mr. MAYBANK. I appreciate what the Senator has said. I hope at least this step forward will not permit any such situation to exist again in the United States as has existed in the South and West during the past three months with respect not only to fats and oils, edible and inedible, but soybeans and their by-products, as well as cotton. The amendment we just discussed will, I believe, go a long way to prevent any such similar situation from developing.

Mr. President, your committee was particularly concerned and carefully looked into the effect of the export control program upon small business. It should be noted that specific provision is made in this bill, section 4 (b), that in granting licenses for export, consideration shall be given to the interests of small and merchant exporters among others. Provision is also made that there shall be trade consultation with respect to the determination of licensing practices and standards.

In this connection your committee noted with approval that the Department of Commerce had announced sometime ago, in its order providing for the establishment of trade advisory groups, that it will be governed by the principles announced in Senate Concurrent Resolution 14, Eightieth Congress, regarding small business. The committee was also furnished with information indicating the distribution of licenses in a number of commodities among small business, merchant exporters, and new exporters, and was generally impressed that by and large a fair distribution had been made. It was further noted that it was chiefly due to present-day abnormal conditions in foreign trade that small-business men were having difficulty in obtaining a larger share of export business.

Your committee was also concerned to determine how export controls have affected the farmers. During our hearings evidence was presented as to the growing surpluses of inedible and edible fats and oils and the serious drop in their prices. Accordingly, action was taken by the Department of Commerce to decontrol inedible fats and oils for export, and to authorize larger export quotas for cottonseed and soybean oils and also lard.

I ask to have inserted in the body of the RECORD at this point in my remarks the releases issued by the Department of Commerce giving the larger quotas and decontrolling certain articles, while our hearings were under way.

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

RELEASE FROM UNITED STATES DEPARTMENT OF COMMERCE, OFFICE OF INTERNATIONAL TRADE

Controls will be removed effective February 7 from the export of most inedible fats and oils, the Department of Commerce announced today through its Office of International Trade.

Among the inedible fats and oils removed from the positive list of goods requiring specific licenses for export are all soaps, flaxseed, linseed oil, fish oil, olive-oil foots, inedible tallows and greases, stearic acid, oleic acid, neat's-foot oil, fatty acids of vegetable origin, vegetable-oil foots, and soap stock. These products were decontrolled because of generally improved supplies. United States prices of these products are lower than they have been at any time since the removal of OPA price ceilings and the prospects for increased production during the next half year are good.

OIT officials pointed out that existing regulations governing all shipments to Europe remain in effect for these commodities.

Following is a list of the commodities that have been removed from the positive list:

Commodity	*Schedule B. No.*
Neat's-foot oil	080300
Lard oil	080901
Inedible animal oils, n. e. s. (report oleo oil in 005600)	080998
Fish oils (report medicinal in 811910, 811950, and 811990)	081900
Grease stearin (include lard stearin)	084300
Oleic acid, or red oil	084700
Stearic acid	084900
Tallow, inedible (report ring grease in 085898)	085700
Pig's-foot grease (formerly 085805)	085898
Other hog grease (formerly 085805)	085898
Beef suet	085898
Ring grease	085898
Other inedible animal greases and fats, n. e. s. (report lubricating greases in 504100)	085898
Flaxseed	222003
Linseed oil	223200
Fatty acids of vegetable origin	224801
Vegetable-oil foots, except olive-oil foots (report olive-oil foots in 224913)	224805
Vegetable soap stock (include vegetable tallow if used for soap stock)	224898
Olive oil, inedible, except sulfured or foots (formerly 224915)	224913
Olive oil, sulfured or foots (formerly 224803)	224913
Soap:	
Toilet, fancy, and medicated (include gift sets of toilet preparations where value of soap exceeds value of other items)	871100
Laundry and household soap in bars:	
White (formerly 871300)	871310
Yellow (formerly 871300)	871350
Other (formerly 871300)	871390
Laundry, chips and flakes, bulk and packaged (formerly 871600) (include Lux, Fab, Chipso, Ivory Flakes, etc.)	871610
Laundry, granulated, powdered, beaded, and sprayed, bulk and packaged (formerly 871600) (include Ivory Snow, Rinso, etc.)	871650
Industrial soap powders (formerly 871600)	871690
Shaving creams, in bulk only	871800
Shaving powders, in bulk only	871900
Nonabrasive types of pastes, powders, and household washing powders (fat content not over 25 percent) (formerly 872400) (report household washing powders, fat content over 25 percent, in 871650)	872450
Abrasive types of soaps (fat content above 10 percent) other than pastes and powders (formerly 872400)	872490
Other soaps	872900

RELEASE FROM DEPARTMENT OF AGRICULTURE

Supplemental export allocations totaling 105,000,000 pounds of edible fats and oils for the January–March quarter of 1949 were announced today by the Production and Marketing Administration of the United States Department of Agriculture. These allocations consist of 35,000,000 pounds each of cottonseed oil, soybean oil, and lard.

Department officials stated that the allocations announced today have been made possible by the availability of somewhat larger supplies of edible fats and oils than had been anticipated when the first quarter of 1949 allocations were determined. Production of lard and butter has been larger than expected, and domestic disappearance of edible fats and oils in general has been somewhat smaller. Specific information on domestic disappearance and January 1 stocks of edible fats and oils was made available by the Bureau of the Census on January 28. The increased availability of edible fats and oils makes it possible to meet more of the continuing needs abroad.

United States production of edible fats and oils for the current crop year ending September 30, 1949, is estimated to be about 550,000,000 pounds larger (7 percent) than the 7,170,000,000 pounds produced in 1947–48. Export allocations for edible fats, oils, and oilseeds issued to date for the period October 1948–March 1949 (including the allocations announced today) total 729,000,000 pounds, oil equivalent, compared with 425,000,000 pounds allocated during the corresponding period in 1947–48.

The following table shows in thousands of pounds, the distribution by countries, and type of procurement of the allocations announced today:

Country	Cotton-seed oil	Soy-bean oil	Lard	Total
Cuba	[1] 1,000	[1] 500	[1] 3,000	4,500
Bizone, Germany	[2] 5,500	[2] 8,000	[3] 13,200	26,700
Italy	[1] 6,600	[1] 6,600	[1] 6,600	19,200
Austria	[2] 6,600	[2] 6,600	[4] 4,400	17,600
French zone, Germany			[1] 2,400	2,400
Netherlands		[1] 4,400		4,400
Canada	[1] 6,600	[1] 4,400		11,000
Philippines	[1] 500			500
Uruguay	[1] 880			880
Greece	[2] 2,200			2,200
United States commercial projects abroad	[1] 400	[1] 500	[1] 1,000	1,900
Contingency	[1] 4,720	[1] 4,000	[1] 5,000	13,720
Total	35,000	35,000	35,000	105,000

[1] Commercial.
[2] Production and Marketing Administration.
[3] ½ commercial and ½ Army.
[4] Army.

Mr. MAYBANK. Mr. President, among other things, the export controls aided farmers with respect to our supplies of farm needs, seeds, fertilizers, barbed wire, baling wire, binder twine, jute and burlap bags, and milk cans, have been protected through export controls. If the rest of the world had free access to the United States market, it is clear that farmers would have had to pay more for their supplies and operate with smaller quantities.

Export controls have further benefited farmers by reducing exports of materials they buy in competition with other consumer groups. Examples of these are petroleum products, steel products, electrical equipment, and some machinery, the supplies of which are allocated for export with due regard for the needs of the farmer and other consumers.

For a program that is so complicated; that affects in such a direct way the financial interests of so many exporters; that affects the economic and social welfare of every country in the world; I must say that I, and I believe I speak for the membership of the committee, was impressed with the fact that the complaints and the criticisms were comparatively few and of relatively small consequence. I am confident that with the experience already gained by the Office of International Trade and with the benefit of the review our Subcommittee on Small Business intends to provide, we can look forward with confidence to a, sound intelligent, and efficient administration of this program, which is so important to the welfare and peace of the world.

Mr. TAFT. Mr. President, the pending bill is the first of the bills which continue certain of the controls which were imposed during the war and which have since been continued. Last year, I supported the bill to extend export controls, and I am willing, rather reluctantly, to support the pending bill. I feel very strongly that the general policy of controlling exports and imports is a mistake, that it interferes with foreign trade and with the initiative of men to develop American industry, as well as foreign industry. Whether it is exercised by the Department of Commerce or by the Department of Agriculture, a great deal of red tape is involved in the process. A man who tries to make a contract with somebody abroad to sell him something cannot be certain he will be able to get a license.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Texas.

Mr. CONNALLY. Allow me to say that, in the main, I agree with the Senator in his views, but does he not think there should be an exception made in the case of strategic materials necessary for our security and national defense? We exerted ourselves during the war, and before the war, spending millions of dollars to acquire such materials. The necessity for acquiring them continues.

Mr. TAFT. I do not quite agree as to the Senator's statement regarding strategic materials, because we are dealing with them.

Mr. CONNALLY. I withdraw my agreement to the Senator's general principles, then.

Mr. TAFT. Yes; I understand. I am not going to oppose the enactment of the pending bill, although in the case of strategic materials we are asked this year to give $550,000,000 or more to the Army and Navy for the purpose of enabling them to accumulate the strategic materials they need. I feel sure they certainly are able, by and through the general voluntary allocation power we have given, to get the proper allocation of domestically produced materials.

I merely want to emphasize the fact that the application of controls is a check on the economic development of all countries. I was in Europe in November and December, when, as a matter of fact, international trade hardly existed in the sense even that it exists here, because of the restrictions upon imports and exports being so tight. Every country in Europe is trying to increase its exports and decrease its imports. The controls are so strict that a man in Europe simply cannot buy something where he finds it cheap, and try to sell it where he can make a reasonable profit on the sale, because he is subject to so many restrictions that he simply cannot undertake such an activity. His operations are so involved in restrictions that he cannot do it.

A typical example of the condition may be found in Holland, for instance. The purpose of their controls is to get more goods exported, which is the particular thing they desire to bring about. If one goes to Holland and tries to buy china to take to his home in another country, the people in the stores say, "The restrictions are so great, and it is so difficult, that unless you carry this china in your hand with you, we doubt if we ever can get it to you from here, either to the steamer in France or to the United States." Every country in Europe is operating in a kind of water tight compartment. I feel very strongly that as soon as we can get rid of that condition, we should get rid of it.

My principal reason for hesitating to oppose the pending bill is our situation with regard to Russia. There may be many things that should not be shipped, not only to Russia, but perhaps to other countries to be reshipped to Russia. So long as that situation exists, I do not like to oppose a bill giving the power. Yet I hope the Administration will remove controls from everything possible, everything that does not have some direct bearing on national defense.

I think the first reason given for enactment of the bill is hardly justified, except perhaps as to a very few materials. I refer to the argument with respect to protecting the domestic economy against an excessive drain of scarce materials, and reducing the inflationary impact of abnormal foreign demand. That was a very good reason a year ago. In 1946 there was a total export surplus of approximately $3,000,000,000. We were exporting $3,000,000,000 worth of goods and services more than we were importing. In 1947 approximately $11,000,000,000 more goods and services were exported than were imported. They did not all go to Europe, by any means. In the second quarter of 1947 there was an extraordinary export period in which we exported at the rate of $13,000,000,000 worth of goods in excess of imports, more than half of it going to countries outside Europe. That particular situation has come to an end rapidly. The truth is, the rest of the world has exhausted the dollars they accumulated during the war. They have exhausted the power to buy goods here and thereby acquire dollars.

The President's Economic Report for January says:

The only major component of the Nation's economic budget which did not increase between 1947 and 1948 was net foreign investment; it declined from 8.9 billion dollars to approximately 1.8 billion. Net foreign investment represents the portion of our excess of exports over imports of goods and services that is financed by loans and investments and by net liquidation of foreign dollar assets and gold. It does not include the portion financed by grants, gifts and other unilateral transfers made by the United States Government and by private citizens.

So the total export surplus has dropped down from $11,000,000,000 in 1947 to $6,500,000,000 in 1948. In 1949 it may well be reduced further. So the situation now is that we are in balance, except to the extent that under the ECA we finance 5 or 6 billions dollars' worth of exports. Of course, so far as those exports are concerned, the ECA has the power to say what they shall be. It has the power to say whether they shall include short-supply commodities, such as steel. One great difficulty is that persons who wish to export must procure a license from the Department of Commerce, and practically a license from the ECA, so that the ordinary small-business man says, "What is the use? Let us sell this stuff in America and not try to do any export business."

I am willing to vote for the bill, but I do think that the administration should take export controls from everything from which it can possibly remove them. So far as I am concerned, at the present time, except for a few things I think controls should be removed from everything except those affected by the situation which now exists in relation to Russia.

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

Mr. TAFT. I yield to the Senator from South Carolina.

Mr. MAYBANK. Is it not the Senator's judgment that the lack of dollar credits and the lack of dollars in Europe will militate against our exports? The only way we can help them at all is through ECA. Is not that correct? The tight economy in Europe is caused by the lack of dollars, or by a limited amount of dollars, perhaps I should say.

Mr. TAFT. It is caused by the fact that today there is no reserve. They have used it. They do not seem to be making articles that can be exported. But from the rest of the world we are buying more goods in dollars than we have ever bought before in the history of the United States. I think our imports amount to approximately $8,000,000,000 or $9,000,000,000. I have the figures somewhere, but I cannot refer to them at the moment. The large imports result in the rest of the world having $8,000,000,000 or $9,000,000,000 which they can use to buy our goods. It is not as if there were a dearth of dollars. We are doing our share by importing a tremendous amount of goods from all over the world. We are dealing through the ECA. Except for the Russian situation, the question of what shall be exported, it seems to me, might be left to such control as is exercised by the ECA. Persons who are able to do so are selling us goods. The use of preexisting dollars, which they were using 2 or 3 years ago, is coming to an end.

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

Mr. TAFT. I yield.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from South Carolina a question. Before I do so I should like to say that inasmuch as the distinguished Senator from Ohio has expressed generally my views on the bill which is now being considered, it is unnecessary for me to make a statement. I also was in Europe. It was my feeling, when I was there on two or three different occasions, that the Department of Commerce was not sensitive to the impacts of commitments which we had over there, not only those that raised prices but those that lowered prices, and relief was not given in many instances as quickly as it should have been given.

Mr. MAYBANK. That is my understanding.

Mr. WHERRY. The Senator spoke of decontrolling inedible fats. In the Small Business Committee there has been request after request from rendering plants with reference to that subject. There will be a terrific loss of livestock in the Western States where inedible fats can be processed and used. There has been such a quantity that the price of lard, which was as high as $30 a hundred pounds, is already down to $11 a hundred pounds. Now there comes a terrific amount of fats that might be processed as inedible, which should be decontrolled. The question has been taken up with the Department of Commerce time and time again. Today I received a statement from the Department of Commerce. I suppose the Senator from South Carolina is well aware of it. Only this past week an order was issued which will become effective, I believe, today. All the inedible greases and tallows have been completely deallocated and can be shipped without license to any place in the world. Is that correct?

Mr. MAYBANK. I am not certain whether these products can be shipped to any place in the world.

Mr. WHERRY. When was that order issued?

Mr. MAYBANK. When the Senator was absent, last week.

Mr. WHERRY. It was effective yesterday, was it not?

Mr. MAYBANK. Yes.

Mr. WHERRY. I approve the order. The President had the power to delegate authority to the Secretary of Commerce. If that department had been more sensitive to the situation at home, possibly we could haxe exported some of the surplus.

I desire to ask: Is the reason for placing the operation of this proposed legislation in the hands of the Secretary of Agriculture because the Senator feels, or the administration feels, that the Department of Agriculture will be more sensitive to our domestic economy in helping to facilitate exports under decontrol, or vice versa?

Mr. MAYBANK. I cannot answer as to what reason the administration may have. I think it would be better to place the authority in the Department of Agriculture than in the Department of Commerce. When the Department of Commerce had a veto, it was always passing from one Department to the other. The Senator knows my feelings on farm matters. I think this is a step forward.

Mr. WHERRY. That is really the purpose, I take it, for the Secretary of Agriculture's being included under congressional authority to carry out the provisions of the bill. I am not speaking for the administration, but I interpret the administration as feeling that the Secretary of Agriculture is acquainted at all times with the situation and is close to it, and that Department will be more sensitive to the impact on our domestic economy, either of high prices or low prices, and therefore orders will be put into effect probably more quickly than has been done, not only to alleviate shortages but also long supplies.

Mr. MAYBANK. I think the Senator is correct.

Mr. WHERRY. With respect to the orders issued by the Department of Agriculture, I wish to say that, speaking for the Small Business Committee, I feel it is a step in the right direction. Certainly we are going to be confronted with a surplus of fats and oils in the low brackets so that it will hardly pay to transport them unless some provision is made to see that they are sold and something is done to help the producers who are now going to have such an impact upon them.

Mr. MAYBANK. I may add to what the Senator has said that I brought this matter to the attention of the committee before I was chairman of the committee. I make no criticism of the committee; the matter was handled I think wonderfully well. I am hopeful that there will be no repetition of what has happened.

Mr. WHERRY. One more question. Paragraph (c) of section 3, the amendment we have been discussing, reads as follows:

(c) The authority conferred by this section shall not be exercised with respect to any agricultural commodity including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (b) or clause (c) of section 2 hereof.

If the Senator will bear with me and refer to section 2, I should like to ask a question or two about that, especially since the Senator from Ohio has said on the floor that exports could be sent to any country in the world, including Russia. What do clauses (b) and (c) provide?

Mr. MAYBANK. I did not understand the Senator from Ohio to say what the Senator has just repeated.

Mr. WHERRY. Perhaps I am mistaken. I will ask, then, Does this amendment provide that the exports of fats, or whatever the Secretary may determine, exports of items which are decontrolled, can be shipped to any country in the world?

Mr. MAYBANK. Not necessarily.

Mr. WHERRY. What are clauses (b) and (c) on page 2, in section 2, intended to provide? I suppose ECA operates only in the countries which are parties to the program.

Mr. MAYBANK. The Senator is correct.

Mr. WHERRY. What about the other countries, the satellite countries? The Senator remembers the long debate we had one afternoon during the consideration of the ECA bill, when some of us asked whether or not it would be possible to furnish the satellite countries with materials.

Mr. MAYBANK. I may say that when materials are completely decontrolled, so far as I know they can go to any country.

Mr. FLANDERS. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield to the Senator from Vermont.

Mr. FLANDERS. As I understand, clause (b) relates to such conditions as the administration desires to retain control of in connection with American exchange furnished the 16 countries by ECA. It leaves the administration with some control over what that American exchange shall be used for. Clause (c) of course relates——

Mr. WHERRY. It relates to the stock piling, does it not?

Mr. FLANDERS. For instance, suppose we furnish dollars to France, we will say, and France desires to buy a quantity of goods which we do not think are necessary for her recovery. We want to keep control of the dollars.

Mr. MAYBANK. The Senator is correct; we desire to keep control over the dollars.

Mr. WHERRY. I am going further than dollars. I should like to ask either of the Senators whether the Department of Agriculture has control in any way over scarce materials or surplus materials which are sent out of the country without any control at all. Do we say to what countries they shall go?

Mr. MAYBANK. The Senator said "scarce materials." When fats and oils are decontrolled, I do not know any law against that.

Mr. FLANDERS. If a thing is decontrolled, it is decontrolled.

Mr. WHERRY. I understand that, but what I am asking is, even though it is decontrolled, does the Government still have any jurisdiction over it, any right to impose a prohibition in regard to it?

Mr. FLANDERS. No.

Mr. WHERRY. Are we to assume that, in regard to any of the surplus fats and oils, they can be shipped to any country in the world, including Russia.

Mr. MAYBANK. No, I have just reread the release of the Department of Commerce on the decontrol of inedible fats and oils, and I note that they are careful to point out "that existing regulations governing all shipments to Europe remain in effect." In other words shipments of any inedible fats and oils to Russia, or its satellites would still be subject to control. So they are not really completely decontrolled.

Mr. CAPEHART. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. CAPEHART. In clause (c), section 2, page 2, line 10, the language is "to exercise the necessary vigilance over exports from the standpoint of their significance to the national security." That gives the administration the right, if it cares to exercise it, to refuse to ship any fats and oils to Russia or to any other country, if our security might be affected.

Mr. WHERRY. I appreciate the observation made by the distinguished Senator from Indiana. My interpretation of that provision is that it refers to control over dollar exports, and also that it has to do with stock piling in the interest of national security.

I do not know that the question I have raised is very highly important, because certainly in carrying out international responsibilities, no doubt what is covered in the bill will be done. But I go back to the argument made here 2 years ago when the question was asked, What are we to do with these materials; are the satellite countries to get them; are we going to let them finally get to countries which are endangering the peace? We finally get back to the question of peace, and keeping the peace is what ECA is for. It seems to me that when the Government is decontrolling, it should step into the picture and say that fats and oils which are desperately needed across the water shall find their way into the hands of friendly countries under ECA, and others to which we want them to go, and not go to the satellite countries, which might export them to Russia. In view of what Senator Maybank has said I assume this type of control can be maintained.

Mr. MAYBANK. I agree with the Senator.

INTERNATIONAL RELATIONS AND POLICIES

Mr. LANGER. Mr. President, 2 years ago I read into the RECORD a portion of an editorial from the London Economist of August 28, 1945, which warned the victor powers that "There is no other cure for the German sore on the body of Europe than to heal it."

I might say, Mr. President, that the people of the Middle West, and of some States such as New Jersey and California, were vitally interested in what the London Economist of that date had to say. Here was a newspaper which could not possibly be charged with being biased in favor of Germany.

The editorial went on to say in firm and prophetic words:

> The conviction that the peace proposal at Potsdam is a thoroughly bad peace is not based on any sentimental softening toward Germany. It is based upon belief that the system proposed is unworkable. It offers no hope of ultimate German reconciliation. It offers little hope of the Allies maintaining its cumbrous controls beyond the first years of the peace. Its methods of reparations reinforce autarchy in Russia and consummate the ruin not only of Germany but of Europe. Above all it has in it not a single constructive idea.

Mind you, Mr. President, this is the London Economist, one of the leading newspapers of England, which says:

> Above all it has in it not a single constructive idea, not a single hopeful perspective for the postwar world. At the end of the mighty war to defeat Hitlerism the Allies are making a Hitlerian peace.

Mr. President, I bring up this matter because these prophetic words have merely confirmed the futility of the policies we have been following in central Europe, and the necessity for the American Government now earnestly to reorient its policies on the basis of the obvious truth that "the only way to cure the German sore on the body of Europe is to heal it." It must be clear now to the American people that there can be no hope of peace whatever, until this Government abandons its role of a hate-happy hangman and restores some semblance of sanity to our relation with the vanquished peoples in central Europe.

Mr. President, I know of no more urgent or crucial problem confronting the American people, and crying for solution, than this problem of how we shall abandon the role we are continuing to play in this victor-and-vanquished drama.

Is it not all the more astounding then, Mr. President, to find that on January 20 President Truman in his inaugural address, deliberately omitted—I say it was done deliberately—any reference whatsoever to this crucial problem. Mind you, Mr. President, he omitted it after he had been told by his various military leaders that Germany was our first line of defense in any war with Russia. He omitted it after it had been made plain by the military leaders and by the various leaders of churches that it was most important to save Germany from communism. President Truman did deal with five specific matters including communism, the United Nations, our program for world economic recovery, the North Atlantic pact and his "bold new plan" for raising the standards of living of all the freedom-loving people around the world.

Again, Mr. President, let me call attention to the fact that any hope whatever of achieving any constructive solution to the problems involved in putting these five programs into effect is absolutely dependent upon, and inseparable from, our healing of the German sore on the European body politic. But the President did not one single time mention this most important problem during his entire inaugural address.

The President's deliberate omission of any mention of this most pressing problem is obvious for two reasons. The first I shall refer to but briefly, with the intention of dealing with it in great detail in the near future. It is the glaring contradiction between the President's professed desire to raise the standards of living of impoverished freedom-loving peoples around the world and the economic insanity which is involved in the policy he is continuing to pursue in Germany, 3 years after the end of hostilities.

The President cannot reconcile, nor can any Senator on the other side of the aisle reconcile, what the administration has done on the one hand and what it is continuing to do on the other.

For his bold new program he is asking $1,000,000,000 to make available skilled engineering and scientific personnel to undeveloped agrarian peoples. Yet, at the same time, he is spending $1,000,000,000 a year carrying out that murderous blueprint for destruction called the Morgenthau plan, which calls for exactly the opposite policy, namely, for the pastorilization of one of the most highly industrialized nations on earth. Could anything be more savage or moronic, Mr. President, than for this Government to proclaim to the world out of one side of its mouth "a bold new program" for developing the industrial capacity and standards of living of the undeveloped agricultural nations of the world and then, at the same time, to demand that those nations which have become highly industrialized nations, upon which Europe is absolutely dependent even for maintaining a minimum standard of living, be reduced to the agrarian misery which we are professing to alleviate?

This could only happen in an atmosphere where the truth has been suppressed.

Nowhere is the effective suppression of the true facts by American authorities more glaringly obvious than in the continued suppression of the report on German industry prepared by the Collison Commission last summer, at the specific request of the President. This report, along with the Wolfe report and the Humphrey report, also prepared at the request of the President, are still top secrets denied to the American people. They are just as secret, Mr. President, as were some of the agreements I called for a year ago, some of them only in the possession of the President of the United States and of the Department of State, agreements which even the Foreign Relations Committee of this body had not seen up to that time and have not yet seen.

Yet the Collison report clearly proved that if we continue our senseless policy of destruction of German industry, it will take 180,000 man-years to dismantle and reassemble those plants, all at an incalculable cost to the American taxpayers.

Mr. President, there is an even more obvious reason for the President's omission of the German problem from his inaugural address, namely—the President knows only too well that his program for strengthening freedom throughout the world can only be accomplished by the restoration of national and international law among the peoples concerned. He and no one else in the world can do it without the restoration of national and international law among the peoples concerned.

Important as the solution of the economic problems of the world is, it is of secondary importance to the moral and spiritual struggle which we must win. Nowhere is this so important as in the case of the German-speaking peoples. If we are not able to convince them that our American form of government and way of life provide safeguards of human dignity, human decency and human freedom—security for individuals under a system of law that guarantees his rights, not only the war and the peace but the whole cause of human freedom will be lost to communism, in Europe, as well as in Asia.

Mr. President, how are we succeeding in this struggle? Even Mr. Justice Jackson himself, who helped to formulate the procedures under which the War Crimes Trials are being conducted, insists that the most important function of these trials is to show the German people what happened under the savage repudiation of all human values under their own totalitarian regime, and the vast difference between that system of law and our own magnificent system of legal justice.

Are we succeeding in this objective? The record of what has transpired is becoming more contradictory, and more disgraceful to America day by day. The steady deterioration of our attempts to administer American concepts of justice, and to restore a legal basis upon which human dignity and the security of personal rights may be restored in Germany, becomes more of a mockery of our own traditional principles of jurisprudence with every day that passes.

Mr. President, slowly but surely the whole question of what constitutes the legal basis upon which we are carrying out our conqueror's role in Germany becomes more of a frightening enigma. I ask my colleagues on the Senate floor if there is a single one of them who knows just what basis our continuing actions in Germany have in constitutional or international law? I ask them further just what people are going to do if they awaken some day to discover that instead of Administering our interests and American principles of justice in the occupied countries, we have been playing the role of a hate-happy hangman in violation of the plain mandates of the Constitution, in prostitution of our own standards of justice, in violation of the Hague Convention of 1908, which guaranteed the inviolability of personal rights and property, and in violation of the Geneva Convention's safeguards of the rights and interests of prisoners of war.

Mr. President, these questions are all now pointing up the larger question of just what constitutes the legal foundation upon which we are carrying out our international programs.

Does any Senator know? Does any member of the Committee on Foreign Relations know?

When we look into this matter, we find that the war crimes trials themselves were set up under the authority of the London four-power agreement of August 8, 1945, which set up the Nuremberg trial procedures.

Since then we have been parties to 10 additional trials, which were based on the authority of the Allied Control Council law of December 20, 1945. This Control Council Law No. 10 thus is also derived from the authority of the four-power agreement.

Yet all these procedures have been based on the executive order which authorized Justice Jackson to represent the American people at the Four-Power Conference.

The basis of this Executive order is found in the secret conference which produced the Moscow Declaration in 1943.

These facts become all-important because of the fact that our own Supreme Court has now become divided against itself on the question of similar procedures which have been followed by this Government in the Far East.

On December 16, the International Tribunal which has tried the Japanese war crimes cases was attacked before the Supreme Court by Mr. Walter Logan, of New York, as an illegal creation of this Government. This body was described as a rare creation of the executive branch of our Government and the military authority thereunder, and it was contended that this action was carried out without a treaty, which must be approved by Congress.

This international tribunal was set up by order of General MacArthur, on February 15, 1946, under the authority of the Potsdam Declaration and the Moscow Conference of Foreign Ministers, to which I previously referred.

The confusion which surrounds these issues is best revealed by the tie vote of the Supreme Court on the question of whether it even had the power to hear Mr. Logan's petition. I want every Senator to realize this; and I hope that some Senator on the other side of the aisle will answer it if he can.

Mr. Justice Jackson broke the tie which brought the case before the Court because he admitted that for us to let the convictions of the Japanese stand by a tie vote, while it would embarrass the United States to review the matter, "would leave a stain on our record in the oriental mind forever."

Mr. Justice Frankfurter further revealed the confusion which continues to mount when he admitted that under our present international agreements:

> Something may be illegal and still be international, and so be something over which this court has no jurisdiction.

The ominous prospects for the future, which are being strengthened by every day we let this whole matter go unchecked, are revealed in the Government brief which was prepared on this case, which warns that—

> Once it is suggested that American courts may review the judgments of an international court, or pass upon the actions of an international authority's agents, most unhappy consequences can be anticipated in the development of international affairs.

That is the very best that the lawyers for our Government could do in that case.

Mr. President, in spite of the gathering evidence to prove the questionable and dangerous legal basis upon which we are conducting our international relations—evidence which continues to mount—we now find that the President, instead of taking constructive action to review this extremely important matter, has now asked the Senate to get in even deeper by ratifying the Inter-American Charter which was signed by our American representatives at the Bogota Conference last year.

Yet the ranking member of the Senate Foreign Relations Committee, the distinguished senior Senator from Georgia [Mr. GEORGE], has himself become aroused over the legal implications of our international policies.

I want every member on the opposite side of the aisle to reflect upon this. The Senator from Georgia has attacked this Inter-American Charter as "fantastic and ridiculous" and charges that it would violate United States principles of State and municipal rights in the fields of education, labor, and racial matters.

I am delighted to note that the Senator from Georgia is present. I commend him for the fine, honest statement which he made in connection with this agreement of a year ago.

He has declared that he was astonished by the scope of the details of this Charter, which amounted almost "to the detailed regulations of a local police force."

Mr. President, I raise this whole question as to the legal basis for our present international policies at this time because it has become perfectly apparent that if Congress does not now assume full responsibility for investigating this over-all problem, we may find some day that we have acted too late to stop the destruction of our American concepts, principles, and safeguards of justice.

Mr. President, I intend, also at a later date, to go into this whole subject exhaustively. Yet, as proof of the possibility that such prospects lie in store for us, I want again to refer to specific charges that have been made against the administration of justice by the military courts conducted by American authorities in Germany. I wish to call attention to developments that have transpired since I submitted on the Senate floor, last Thursday, January 27, Senate Resolution 39, which calls for an investigation of these charges.

These charges were made by Col. Willis N. Everett, a distinguished American lawyer who had served as defense counsel for the 74 Germans accused in the famous Malmedy case. These charges stated that American investigators at the United States court in Dachau, Germany, used brutal, vicious, Nazi methods to obtain confessions from men who are being hanged by American prison authorities.

In response to these charges, Secretary Royall last spring appointed Justice Gordon Simpson, of the Texas Supreme Court, and Judge Edward Van Roden to investigate these trials. The report of the investigators is contained in a recent article written by Judge Van Roden, appearing in the February issue of The Progressive, which I now ask unanimous consent to have inserted in the RECORD at this point in my remarks.

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

AMERICAN ATROCITIES IN GERMANY

(By Judge Edward L. Van Roden)

(Edward L. Van Roden, a Pennsylvania judge, served in World Wars I and II, in the latter as Chief of the Military Justice Division for the European Theater where he saw service in Normandy, Belgium, the Rhineland, the Battle of the Bulge, and in the Ardennes. In 1946 he was reassigned to active duty and served on several important court martial trials in Germany. In 1948 Secretary of the Army Royall appointed him to an extraordinary commission charged with investigating the Dachau war crimes program.)

I

American investigators at the United States Court in Dachau, Germany, used the following methods to obtain confessions:

Beatings and brutal kickings.
Knocking out teeth and breaking jaws.
Mock trials.
Solitary confinement.
Posturing as priests.
Very limited rations.
Spiritual deprivation.
Promises of acquittal.

Complaints concerning these third-degree methods were received by Secretary of the Army Kenneth Royall last spring. Royall appointed Justice Gordon Simpson, of the Texas Supreme Court, and me to go to Germany and check up on the reports. Accompanied by Lt. Col. Charles Lawrence, Jr., we went to Munich, Germany, set up offices there, and heard a stream of testimony about the way in which American atrocities were committed.

But first, a bit of the background:

Last spring the Supreme Court refused the habeas corpus petition of Col. Willis N. Everett, Jr., an American lawyer, who had served as defense counsel for the 74 Germans accused in the famous Malmedy case. Everett is a very able lawyer, a conscientious and sincere gentleman. He is not a fanatic.

In his petition, Everett charged that the Germans had not received a fair trial. Everett did not claim that all the German defendants were innocent, but since they did not have a fair trial, there was no way of telling the innocent from the guilty.

The tragedy is that so many of us Americans, having fought and won the war with so much sweat and blood, now say, "All Germans should be punished." We won the war, but some of us want to go on killing. That seems to me wicked.

If Everett's shocking charges were true, they would be a blot on the American conscience for eternity. The fact that there were atrocities by the Germans during the war against Americans, or by Americans against Germans, would not in the least lessen our disgrace if such peacetime atrocities were to go unchallenged.

Our specific assignment was not only to examine Colonel Everett's charges, but also to examine the cases of the 139 death sentences, which at that time remained unexecuted; 152 Germans had already been executed.

The 139 doomed men who were still alive fell into three groups. They were accused of involvement in the Dachau concentration camp crimes, in the killing of American fliers, or in the Malmedy massacres. Let me say that I believe the crimes for which these Germans were tried actually took place, and that some Germans were guilty of them.

But we should not let the indiscriminate hate of all Germans that was generated during and after the war blind us to the necessity of punishing the guilty ones only.

After this investigation, and after talking to all sides, I do not believe that the German people knew what the German Government was doing. I am convinced the German populace had no idea what diabolical crimes that archfiend, Himmler, was committing in the concentration camps. From the atrocities we learned about, he must have been the very prince of devils.

But as for the Germans at large, they fought the war as loyal citizens with a fatherland to support, and a fatherland to defend.

Some American fliers, shot down on bombing raids over Germany, were killed by German civilians. These Germans felt that the American fliers were the murderers of their defenseless wives, mothers, and children who were in the bombed cities—just as the English felt that German fliers were their murderers. That's war.

I felt deeply about these fliers. I had two sons in the Air Force. Jimmy made 35 missions over Germany and returned safe, thank God! Dick made 32 missions and was finally shot down over Italy. He spent 12 months in a German prisoner-of-war camp and was fairly well treated. He is now in a sanitarium in Arizona recovering from TB he contracted in the camp.

II

The Malmedy massacres, in which a group of American prisoners of war were mown down after being captured during the Battle of the Bulge, actually happened. But can't we distinguish between the assertion that these atrocities did happen, and the assertion that they were committed by these 74 Germans who had been in or near Malmedy at that time?

Because some wicked, sadistic German individuals did it, are we doing the right thing by saying any and all Germans we lay our hands on are guilty and should be destroyed? I personally don't believe that. That's not the way of thinking I learned in my church, or you learned in your church.

On Russian insistence, the Americans couldn't retry these men. The Russian philosophy in these matters is that the investigators determine the guilt or innocence of the accused, and the judge merely sets the sentence. We accepted the Russian formula of no retrial, but we won out on the presumption of innocence before trial.

The American prohibition of hearsay evidence had been suspended. Second- and third-hand testimony was admitted, although the Judge Advocate General warned against the value of hearsay evidence, especially when it was obtained, as this was, two or three years after the act.

Lieutenant Colonel Ellis and Lieutenant Perl of the prosecution pleaded that it was difficult to obtain competent evidence. Perl told the court, "We had a tough case to crack and we had to use persuasive methods." He admitted to the court that the persuasive methods included various "expedients, including some violence and mock trials." He further told the court that the cases rested on statements obtained by such methods.

The statements which were admitted as evidence were obtained from men who had first been kept in solitary confinement for 3, 4, and 5 months. They were confined between four walls, with no windows, and no opportunity of exercise. Two meals a day were shoved in to them through a slot in the door. They were not allowed to talk to anyone. They had no communication with their families or any minister or priest during that time.

This solitary confinement proved sufficient in itself in some cases to persuade the Germans to sign prepared statements. These statements not only involved the signer, but often would involve other defendants.

III

Our investigators would put a black hood over the accused's head and then punch him in the face with brass knuckles, kick him, and beat him with rubber hose. Many of the German defendants had teeth knocked out. Some had their jaws broken.

All but two of the Germans, in the 1939 cases we investigated, had been kicked in the testicles beyond repair. This was standard operating procedure with American investigators.

Perl admitted use of mock trials and persuasive methods including violence and said the court was free to decide the weight to be attached to evidence thus received. But it all went in.

One 18-year-old defendant, after a series of beatings, was writing a statement being dictated to him. When they reached the sixteenth page the boy was locked up for the night. In the early morning Germans in nearby cells heard him muttering, "I will not utter another lie." When the jailer came in later to get him to finish his false statement he found the German hanging from a cell bar, dead. However, the statement that the German lad hanged himself to escape signing was offered and received in evidence in the trial of the others.

Sometimes a prisoner who refused to sign was led into a dimly lit room, where a group of civilian investigators, wearing United States Army uniforms, were seated around a black table with a crucifix in the center and two candles burning, one on each side. "You will now have your American trial," the defendant was told.

The sham court passed a sham sentence of death. Then the accused was told, "You will hang in a few days, as soon as the general approves this sentence; but in the meantime sign this confession and we can get you acquitted." Some still wouldn't sign.

We were shocked by the crucifix being used so mockingly.

In another case, a bogus Catholic priest (actually an investigator) entered the cell of one of the defendants, heard his confession, gave him absolution, and then gave him a little friendly tip: "Sign whatever the investigators ask you to sign. It will get you your freedom. Even though it's false, I can give you absolution now in advance for the lie you'd tell."

Our final report on these trials has been turned over to Secretary of the Army Royall. In spite of the many instances like those I have described, we found no general conspiracy to obtain evidence improperly. With the exception of 29 cases, we saw no reason why the executions should not be carried out. For the 110 others, there was sufficient competent evidence obtained from other sources to warrant the death penalty, exclusive of the evidence obtained by the third degree.

The 29 men whose sentences we recommended for commutation certainly did not have a fair trial by American standards. Twenty-seven of them were to have their terms reduced to life, one of them was to get 10 years, and one would get two and one-half years, according to our recommendations. We also recommended a permanent program of clemency for reconsideration of the sentences of other prisoners convicted in war crimes cases.

Secretary Royall has saved our national conscience. Could we as Americans ever have held our heads up, if he hadn't looked into it? He has saved our national prestige and our international reputation.

However, in spite of Secretary Royall's action in this matter, there is little real room for complacency on the part of Americans. Rather our report reveals, by implication, that we still have a serious situation in Germany to clear up. Moreover, five of the men for whom we recommended commutations have been hanged since we turned in our report. In all, 100 of the 139 we set out to investigate are now dead.

IV

The American investigators who committed the atrocities in the name of American justice and under the American flag are going scot free.

At this point there are two objectives which should be aimed for:

1. Those 39 prisoners whose death sentences have not been commuted and who have not yet been hanged should be saved, pending full judicial review.

2. American investigators who abused the powers of victory and prostituted justice to vengeance, should be exposed in a public process, preferably in the United States, and prosecuted.

Unless these crimes committed by Americans are exposed by us at home, the prestige of America and American justice will suffer permanent and irreparable damage. We can partially atone for our own misconduct if we first search it out and publicly condemn and disavow it. If we wait for our enemies to blazon our guilt abroad, we can only bow our heads in shamed admission.

Mr. LANGER. Mr. President, suffice it to say, these findings were accompanied by recommendations for clemency and judicial review of 29 cases because of the third-degree methods used by the American prosecutors, a fact which has been admitted by a certain Lieutenant Perl, one of the prosecutors, as the article states.

In all fairness, let us also admit that certain Americans connected with the trials have protested that these charges are not true and are demanding the right to answer them, as the distinguished Senator from Connecticut [Mr. BALDWIN] pointed out on the Senate floor on January 27.

In other words, Mr. President, this is a general statement of developments in this particular matter up to last Thursday. In spite of the gravity of these charges, neither the accusers nor the accused nor the victims have been able to have a chance to present the facts or to justify their own actions before an impartial court of review.

Yet since then events have transpired which make action by this body all the more imperative if we are to see that American concepts of justice are not to become an international disgrace.

It now develops that the Protestant churches of this country have become so aroused that, on January 19, Dr. Franklin C. Frye, president of the United Lutheran Church, and Dr. Samuel Cavert, of the Federal Council of Churches, visited the Attorney General, seeking to expedite a review of these charges. They were informed, however, that while the Department of Justice admitted responsibility for the general procedures under which these trials are being conducted, it would not accept any responsibility for specific procedures subsequently conducted, and that complete jurisdiction lay in the hands of the military.

Then, Mr. President, on January 29, 2 days after I submitted my resolution, a Democratic Senator and two Members of the House of Representatives visited Secretary Royall and obtained a 60-day reprieve for 12 of the German soldiers condemned to death in these trials. According to the Detroit Times, these legislators "protested bitterly that the executions would be a blot on American justice before the entire world and might vitally affect international relations with European countries."

Yet, Mr. President, it further develops that General Clay has also acted, granting Colonel Everett 30 days more in which to bring his petition for review before the International Court at the Hague. Such action is a direct and deliberate evasion of the recommendations of the investigating committee appointed by Secretary Royall that the whole procedure be reviewed by American courts.

Now, Mr. President, in spite of all the promises and recommendations of the authorities, we learn that last Wednesday six more Germans were hung at Landsburg prison.

Mr. President, a man who is determined to see justice done, and who is determined above all else to preserve the integrity and the principles upon which our whole American system of jurisprudence depends, cannot let this continuing outrage go unchallenged. Where there is so much smoke, there must be a fire raging. If these fires are destroying innocent victims, it is an international crime. If these fires are destroying the reputation and injuring the character of American personnel, who have been entrusted with carrying out these orders, it is a national disgrace. If the military authorities continue to insist on ignoring their promises, or evading the full responsibility for what has happened by diverting review of this matter to an international court, they insult our whole American judicial system and flaunt their power in the face of Congress itself.

Mr. President, I am pleading now for an American investigation of this whole tragic affair, because as matters have developed, it becomes more and more apparent that unless Congress now steps into the picture and puts its full power into a determined effort to clear up not only this affair but the whole question of the legal basis upon which we continue to administer occupied countries, we may be found guilty, in the course of the passing years, of having permitted, by our silent acquiescence, the destruction of constitutional and international law, upon which our future as a free people is absolutely dependent.

In closing, Mr. President, I feel it my duty to call the attention of the members of the Senate and the attention of the American people to additional evidence of the vengeful spirit which only hate-happy hangmen would exhibit as representatives of the American people in the administration of justice.

I offer this information because I believe it reveals the extent to which hate has gripped many of those who are carrying on American interests, a hatred which breeds only hatred, which prolongs and intensifies mutual jealousies, bitterness, and a burning desire for revenge—hatred which goes even so far as to despoil the graves of victims of its own perverted delight. In saying this, Mr. President, no one is more determined than I to see stern justice meted out to those who have been guilty of indescribable crimes against humanity. But I cannot forget the greatest heights that have ever been reached by an American statesman, when Abraham Lincoln pleaded in his Second Inaugural Address for justice administered "with malice toward none, with charity for all."

Mr. President, I am about to read from a letter written to General Clay on December 6, 1948, by Johann Neuhausler, Catholic auxiliary bishop of Munich. Mr. President, if the other Members of the Senate read nothing else of what I have to say at this time except this letter, I shall be satisfied. The letter reads as follows:

DEAR GENERAL: I would like to call to your attention two deplorable incidents which have happened at Landsberg.

On December 2, the guards tore down the Christmas wreaths, which the prisoners had put up in their cells, and kicked them to bits.

I was astonished to hear this because I never experienced anything like it or so shocking during the 4 years, and Christmas I spent as prisoner at the concentration camp at Dachau. There the Christmas wreath was never taken from us.

The second matter is much more important. In recent weeks in the Spoettinger graveyard, near Landsberg, the crosses and tablets with the names of those buried there were taken away. The graves of those are the graves of men executed at Landsberg. In the place of the crosses little tablets with the numbers of the prisoners were put up.

Even if one actually believes that after death, even the names of the condemned men must be wiped out, it is still incredible, from the Christian standpoint, to take away from them the cross that priestly hands have put over them with the words: "May the Cross of our Lord and Saviour, Jesus Christ, who has redeemed you in this sign, be shown above you. Peace be with you."

When the church speaks over such graves these words of grace for law-breakers, it only follows the example of its founder who promised paradise to a sinner on the cross. And on His grace we are all dependent.

Formerly, when the Nazis tore down the crosses in graveyards, as at Munich, Catholic men and women rose up and put the crosses back in spite of all danger. Priests were sent to concentration camps for many years for doing this, for instance, Father Martin Rohrmeier of Affertig.

Christians of many professions see also in the removal of the crosses from the graves, a contempt of the cross itself and a violation of the dead. These Christians will not and cannot be silenced, so deeply do they resent and condemn what was begun by the Nazis.

I am sure that the general will condemn this behaviour of the prison authorities at Landsburg and will order restoration of the crosses at once.

(Signed) JOHANN NEUHAUSLER,
Auxiliary Bishop of the Catholic Diocese of Munich.

In conclusion, Mr. President, I say when administrators of American justice have to stoop to these levels to wreak their hate and vengence even on the dead, it is time the American people demanded to know if this is what American justice has come to be, so grand a name for so mean a thing.

So I say once more, Mr. President, the resolution offered last Thursday by the distinguished Senator from Connecticut and the resolution I offered on the same day deserve favorable consideration by the Senate, so that the American people may know once and for all whether the charges made by Lutheran and Catholic, the charges made by Judge Simpson and Judge Van Roden, two men appointed by the President, are true or whether they are false.

REGULATION OF EXPORTS

The Senate resumed the consideration of the bill (S. 548) to provide for continuation of authority for the regulation of exports, and for other purposes.

The PRESIDING OFFICER. The committee amendments will be stated.

The first committee amendment was, in section 2, on page 2, in line 9, after the word "and", to strike out "fulfill" and insert "to aid in fulfilling," so as to make the section read:

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that it is the policy of the United States to use export controls to the extent necessary (a) to protect the domestic economy from the excessive drain of scarce materials and to reduce the inflationary impact of abnormal foreign demand; (b) to further the foreign policy of the United States and to aid in fulfilling its international responsibilities; and (c) to exercise the necessary vigilance over exports from the standpoint of their significance to the national security.

The amendment was agreed to.

The next committee amendment was, in section 3, subsection (a), on page 2, in line 21, after the word "financing", to strike out "carriage" and insert "transporting"; and on page 3, after line 2, to insert the following:

(c) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (b) or clause (c) of section 2 hereof.

So as to make the section read:

AUTHORITY

SEC. 3. (a) To effectuate the policies set forth in section 2 hereof, the President may prohibit or curtail the exportation from the United States, its Territories, and possessions, of any articles, materials, or supplies, including technical data, except under such rules and regulations as he shall prescribe. To the extent necessary to achieve effective enforcement of this act, such rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person.

(b) The President may delegate the power, authority, and discretion conferred upon him by this act to such departments, agencies, or officials of the Government as he may deem appropriate.

(c) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (b) or clause (c) of section 2 hereof.

The amendment was agreed to.

The next committee amendment was, in section 4, subsection (a), on page 3, in line 15, after the word "department" to insert a comma, and after the word "agency" to insert a comma and "or official"; and in subsection (b), on page 4, in line 5, after the word "agency", to insert a comma and "or official", so as to make the section read:

CONSULTATION AND STANDARDS

SEC. 4. (a) In determining which articles, materials, or supplies shall be controlled hereunder, and in determining the extent to which exports thereof shall be limited, any department, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports.

(b) In authorizing exports, full utilization of private competitive trade channels shall be encouraged insofar as practicable, giving consideration to the interests of small business, merchant exporters as well as producers, and established and new exporters, and provisions shall be made for representative trade consultation to that end. In addition, there may be applied such other standards or criteria as may be deemed necessary by the head of such department or agency, or official to carry out the policies of this act.

The amendment was agreed to.

The next committee amendment was, in section 6, subsection (a), on page 5, in line 4, after the word "court", to insert "of the United States"; and in subsection (c), in line 17, after the word "department", to insert a comma and "or official", so as to make the section read:

ENFORCEMENT

SEC. 6. (a) To the extent necessary or appropriate to the enforcement of this act, the head of any department or agency exercising any functions hereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in case of contumacy by, or refusal to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443), shall apply with respect to any individual who specifically claims such privilege.

(c) No department, agency, or official exercising any functions under this act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

The amendment was agreed to.

The next committee amendment was, in section 8, on page 6, in line 7, after the word "agency", to insert a comma and "or official", so as to make the section read:

QUARTERLY REPORT

SEC. 8. The head of any department or agency, or official exercising any functions under this act shall make a quarterly report, within 45 days after each quarter, to the President and to the Congress of his operations hereunder.

The amendment was agreed to.

The next committee amendment was, in section 11, on page 7, in line 5, before the word "regulations", to insert "rules", so as to make the section read:

EFFECTIVE DATE

SEC. 11. This act shall take effect February 28, 1949, upon the expiration of section 6 of the act of July 2, 1940 (54 Stat. 714), as amended. All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under said section 6 of the act of July 2, 1940, shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this act.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BUTLER. Mr. President, in my judgment, the time has come to take off all limitations and restrictions on exports of agricultural products, except those necessary from the point of view of our national security and our diplomatic position.

On the basis of our experience during the last few months with the administration of these controls on exports, they have been used to a large extent to beat down the prices of many of our principal agricultural products. During the last few days in particular, the cattle market has been in a tailspin. All the grain markets generally have been falling further, and the fats and oils have suffered worst of all. The price of lard has actually fallen to a point lower than at any time since 1942. In the face of these facts, the administration is still holding down sale of our surpluses to foreign markets of most of these products.

In section 2 of this bill, the declaration of policy under (a), it is stated that the purpose of the bill is "to reduce the inflationary impact of abnormal foreign demand." Translated into plain language, I presume that means that it is the purpose to push down the prices of the controlled commodities. Certainly that is what has been done, very effectively. A manipulation of these controls has pushed the price of lard down almost to prewar prices. Apparently some administration officials feel that the cure for inflation is to push farm prices down to prewar levels. That policy simply will not work today. It is out of the question for the farmer to operate on the basis of prewar prices for the products he produces when his living costs, his costs of operation, his hired man, and everything else he must pay have gone up about double and have stabilized at a new high level.

On the side of agricultural prices there is no longer a problem of inflation. The real problem is deflation. That has been true for some months, and it is more true than ever today. Apparently many officials of this administration do not realize that fact.

The distinguished chairman of the committee, the Senator from South Carolina, has said frankly that in his judgment the controls on fats and oils have been miserably handled. Certainly that is the case. Although controls have been taken off the inedible fats and oils, our exports of edible fats, such as lard, are still under control in spite of the extreme slump in the markets. Under these circumstances, I cannot see why our Government should continue to restrict our export outlets. If we do extend this authority, we can only expect that the controls on lard and other agricultural products will continue to be "miserably handled," as the distinguished Senator has put it.

The PRESIDING OFFICER. If there are no further amendments, the question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEF CARDINAL MINDSZENTY

Mr. O'CONOR. The expected has happened. True to their predetermined plan the Communist government of Hungary has imposed a sentence of life imprisonment on Josef Cardinal Mindszenty. His "crime" was that he remained true to his convictions and refused to be intimidated by oppressors who are bent upon spreading the doctrines of Soviet Russia.

The sentence is worse than death. The tortures, to which this helpless individual has been subjected, will now be continued.

Of course, the individual considerations of any one person, serious though they may be, might not be of world-wide importance. But, in this instance, the real issue is not one man. No better description of it could be given than in the words of the reverend Chaplain of the Senate, Rev. Frederick Brown Harris, when he said:

> This fight is not just between Roman Catholicism and communism. It is between a godless communism and any type of Christianity worthy of the name.

We protest this outrageous treatment of an outstanding religious leader. If allowed to remain unchanged, it offers proof that conditions behind the iron curtain are abhorrent to American concepts. Because it is the climax of continued and uninterrupted persecution and oppression of free institutions, it stamps Communist leaders everywhere, taking orders from Moscow, as determined to uproot the basic principles from which democracy springs.

Most significant is the statement made today by the so-called judge in imposing the sentence on Cardinal Mindszenty. This morning in citing three alleged extenuating circumstances in the case, he specified one, as follows:

> The United States through its Minister here, Selden Chapin, made him (the Cardinal) hope that the United States of America would start a war and this war would help him attain his aims.

That is an excellent sample of the integrity, the truth, and the justice of this disgraceful court. The news dispatches declare that the presiding judge severely criticized the United States for meddling in Hungarian affairs. Such criticism is praise, indeed. America will continue to cry out in protest against godless men who are engaged in a vain effort to abolish religion from the hearts of men.

I respectfully urge that the State Department, voicing the feelings of the American people as revealed so definitely these past few days, convey to the Hungarian Government the sense of outrage and shock which has been the reaction of the American people to the arrest and trial of Cardinal Mindszenty.

I urge that the State Department present as vigorously as possible to the representative of the Hungarian Government the conviction that immense good could be accomplished toward the improvement of relations between Hungary and the United States if this sentence of life imprisonment could be suspended.

TWO-YEAR CRUSADE—BOY SCOUTS OF AMERICA

Mr. KNOWLAND. Mr. President, one of America's great agencies, the Boy Scouts of America, which operates under a Federal charter granted by Congress, is this week observing its thirty-ninth anniversary. Since it was founded, in 1910, over 15,500,000 Americans have been members, a segment of our population large enough to exert a real impact on our national life. The Boy Scouts of America are inaugurating what they term a 2-year crusade, under the slogan Strengthen the Army of Liberty.

The purpose of this campaign is to stimulate a better understanding of the principles of liberty and democracy, symbolized by the great Statue of Liberty in New York Harbor, and specifically to give training to boys in citizenship and those vigorous qualities of character which we like to believe are typically American.

The Boy Scouts of America have announced that as an appropriate celebration of their fortieth anniversary next year they propose to present to America by the end of 1950 a Scout movement surpassing in its outreach and program anything that has been previously achieved.

I am sure that all American citizens will wish the Scouts well in this ambitious undertaking. I hope that Members of the Senate will go further, and lend our support and leadership to them, both in our home communities and on a national basis.

SPECIAL SMALL BUSINESS COMMITTEE

Mr. LUCAS. Mr. President, yesterday the distinguished minority leader submitted a resolution which he requested be referred to the Committee on Rules and Administration. The resolution dealt with small business. The Chair held that the resolution should be referred to the Committee on Banking and Currency, from which ruling the able Senator from Nebraska took an appeal. At the close of the morning hour we were still debating that appeal. It is now on the table, as I understand the parliamentary situation, and I should like to move that the Senate proceed further to consider the matter.

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

Mr. LUCAS. I yield.

Mr. WHERRY. Mr. President, it is unnecessary for the majority leader to move to bring up the resolution. If he wants to consider it at this time, I should be glad to grant consent. I have already stated to the majority leader that I wanted to work with his program, as I understood it. As I understand the situation, a vote was not taken and the resolution is now at the desk or on the table, and has the same status as would a bill. It can be raised by unanimous consent or by a motion. Is that correct?

The VICE PRESIDENT. It is on the calendar. It may be taken up either by motion or by unanimous consent.

Mr. WHERRY. Yesterday we considered the resolution offered by the Senator from California [Mr. KNOWLAND] and this subject was the unfinished business. I do not wish to delay the proceedings. I should be glad to grant unanimous consent to proceed to debate and a vote on the appeal.

Mr. LUCAS. I appreciate the courtesy of the Senator from Nebraska, and I ask unanimous consent for the Senate to proceed to the consideration of the appeal from the ruling of the Chair taken by the Senator from Nebraska.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senator from Illinois made a motion that the appeal be laid on the table. That went over with the resolution.

Mr. LUCAS. I will withdraw that.

Mr. WHERRY. Does it require unanimous consent to withdraw a motion to lay on the table?

The VICE PRESIDENT. No, it does not, no action having been taken.

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

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Murray
Anderson	Holland	Myers
Baldwin	Humphrey	Neely
Brewster	Hunt	O'Conor
Bricker	Ives	O'Mahoney
Bridges	Johnson, Colo.	Pepper
Broughton	Johnson, Tex.	Reed
Butler	Johnston, S. C.	Robertson
Byrd	Kefauver	Russell
Cain	Kem	Saltonstall
Capehart	Kerr	Schoeppel
Chapman	Kilgore	Smith, Maine
Chavez	Knowland	Smith, N. J.
Connally	Langer	Sparkman
Cordon	Lodge	Stennis
Donnell	Long	Taft
Douglas	Lucas	Taylor
Eastland	McCarthy	Thomas, Okla.
Ecton	McClellan	Thomas, Utah
Ellender	McFarland	Thye
Ferguson	McGrath	Tobey
Flanders	McKellar	Tydings
Frear	McMahon	Vandenberg
George	Magnuson	Watkins
Gillette	Malone	Wherry
Gurney	Martin	Wiley
Hayden	Maybank	Williams
Hendrickson	Miller	Withers
Hickenlooper	Morse	Young
Hill	Mundt	

The VICE PRESIDENT. Eighty-nine Senators having answered to their names, a quorum is present.

The question is on the appeal of the Senator from Nebraska [Mr. WHERRY] from the ruling of the Chair referring his resolution, Senate Resolution 55, to the Committee on Banking and Currency.

Mr. LUCAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LUCAS. Mr. President, before the vote on the question now pending, I desire to address the Senate briefly in reply to the argument that was made by the distinguished minority leader [Mr. WHERRY] yesterday.

I think it goes without saying that the distinguished Vice President, in his answer to the able Senator from Nebraska, said all that could be said with respect to the merits of the controversy pending before the Senate at this time. The sole question is whether or not the Senate will approve the position taken by the Chair in referring Senate Resolution 55 to the Committee on Banking and Currency, or will sustain the appeal from the decision of the Chair, which would mean that Resolution 55 would be sent to the Committee on Rules and Administration.

Any Senator who has carefully examined the Reorganization Act, and studied the jurisdiction of the various committees which are created by the Reorganization Act, must reach the conclusion that the Committee on Rules and Administration has no jurisdiction whatsoever of the subject matter of Senate Resolution 55. In my judgment the Committee on Rules and Administration is the last committee of the Senate which has any jurisdiction over the subject matter contained in the resolution. I agree with the able Senator, and agree with the position taken by the distinguished Vice President, that many committees do have jurisdiction over some of the questions which are involved in the problems of small business, but by and large, when consideration is given to all the bills which have been referred to the Banking and Currency Committee with respect to finance, the allocation of materials, controls, and all other similar questions, obviously this resolution must go to the Committee on Banking and Currency if it is to be decided strictly upon a legal basis.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I am delighted to yield.

Mr. BALDWIN. I have been following the distinguished Senator's argument for the past 2 or 3 minutes, and I ask him if the issue is not whether the problem of small business is of such consequence and importance in our country today, by reason of a number of different factors, that it warrants the creation of a special, separate committee. That being the case, it seems to me it is not a question of whether the particular subject to be dealt with by the committee falls under the jurisdiction of the Committee on Banking and Currency, but rather, it is an administrative question. That is, in the organization of the Senate, in order for the Senate to carry on its business, is not the problem of the small-business man so important that it warrants being dealt with through the services of a special committee? Is not that really the issue?

Mr. LUCAS. I would not agree with the Senator from Connecticut that that is the issue so far as the pending question is concerned.

I do not want to be misunderstood, Mr. President, with respect to my interest in small business. Members of the Senate will recall that the Senator from Illinois, before the Reorganization Act came into being, was chairman of the Committee To Audit and Control the Contingent Expenses of the Senate of the United States. As chairman of the Senate Committee To Audit and Control the Contingent Expenses of the Senate from 1941 through 1946 it became my duty to pass upon the amount of funds to be allotted to carry on the activities of the Small Business Committee during that year.

Mr. BALDWIN. Will the Senator yield at that point?

Mr. LUCAS. Let me finish, please. From 1941 to 1946, as chairman of the Committee To Audit and Control the Contingent Expenses of the Senate, I saw to it that $380,000 was appropriated by the United States Senate to carry on the activities and the functions of the Small Business Committee. The distinguished Senator from Nebraska [Mr. WHERRY] at that time was a minority member of that committee, and we worked together with respect to the amount of funds that we believed to be necessary in order for the Small Business Committee to carry on in an efficient manner.

Mr. President, I relate the early history of the Small Business Committee created in the United States Senate so that the Senate and the country may know that the Senator from Illinois is just as interested in finding a way here in the Senate to help small business, as is any other Senator. But what I am arguing today is not that question at all. I am merely presenting the argument before the Senate with respect to the wording of the resolution which is before us; and the merits or the demerits of the Small Business Committee have nothing to do with the parliamentary situation with which the Senate is now confronted.

Let me say a word, Mr. President, with respect to parliamentary law and procedure. I undertake to say that the Senate of the United States must adhere rigidly and strictly to parliamentary procedure if we are to handle the business of the Senate in an orderly way.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. LUCAS. I am glad to yield to the Senator from Connecticut.

Mr. BALDWIN. I should like to ask the Senator from Illinois a question. Does he believe—and I base the question upon his representation, which I know to be sincere, of his wide interest in small business—does the Senator believe that the problem of the small-business man is so important and so peculiar that it warrants the creation of a separate committee to deal with it?

Mr. LUCAS. Does the Senator mean a separate standing committee?

Mr. BALDWIN. A separate committee, standing or otherwise.

Mr. LUCAS. I will say to my friend that this question is not before the Senate at this time. The question is not germane to the issue here at all. And while I know the rule of germaneness does not apply, and that a Senator can ask another Senator almost any question he desires, the only reply I am going to make to my able friend is that small business will not suffer one iota under the Democratic administration here in the United States Senate, whether it functions through a special committee, whether it functions through a standing committee, or whether it functions through a subcommittee of a standing committee.

Mr. BALDWIN. I submit, Mr. President, that my good friend is trying to carry water on both shoulders on this matter.

Mr. LUCAS. Oh, no.

Mr. BALDWIN. I did not ask the Senator whether the small-business man is going to suffer under the Democratic administration. I asked the simple question whether my distinguished friend from Illinois thinks that the importance and the complications of the problems of small business warrant a separate committee. That, it seems to me, Mr. President, is what we are dealing with here. It is an administrative question. In carrying on the business of the Senate is this problem so important and so complicated that it requires a special committee? That is really the point. I know that my distinguished friend has obligations, as majority leader, but I am asking him for his own opinion as to whether he thinks that the difficulty in which the small-business man now finds himself requires separate treatment? Personally, I think it does. What does the Senator from Illinois think about it?

Mr. LUCAS. The Senator from Connecticut has made quite a speech in my time. I do not object to that at all. I think we should get away from that as much as we possibly can, however, under the strict interpretation of the rules.

Mr. BALDWIN. All my friend has to do in order to quiet me down is to answer my question and I shall be satisfied. I shall be satisfied if he answers "Yes" or "No."

Mr. LUCAS. If the Senator from Connecticut does not quiet down I will have to ask the Vice President to invoke the rule, because I did not yield to him for a long speech. The only thing I am going to say to my good friend from Connecticut is that if I must ever carry water on both shoulders I know exactly the person to whom to go in order to give me accurate information respecting how it is done. I will always turn to my friend from Connecticut if I need information as to how that performance can be accomplished.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I will yield in a moment. But what the Senator from Connecticut asks has nothing to do with the issue here. I am not going to answer the Senator from Connecticut on that point at all, because it is not before the Senate. I will answer that question at the proper time, and there will be no doubt as to what I stand for when that time comes, Mr. President. My vote will be recorded. I will be here on the floor of the Senate when that issue is raised, and I will debate the issue at that time with my good friend. The great trouble with my friend, the Senator from Connecticut, is that he is an expert in what he is now doing. He always wants to bring in extraneous questions. He does not want to hew to the line.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. No, Mr. President.

The VICE PRESIDENT. The Senator from Illinois declines to yield to anyone.

Mr. DONNELL. I did not know whether the Senator objected to a query.

Mr. LUCAS. Just one moment.

Mr. DONNELL. Certainly.

Mr. LUCAS. I have always found it to be true that when a Senator is making a point, some other Senator rises and asks, "Will the Senator yield?" because he does not want the first Senator to finish the argument he is making. That is an old trick.

Mr. DONNELL. Mr. President, will the Senator yield for a query?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Missouri for a question?

Mr. LUCAS. I yield to the able Senator from Missouri.

Mr. DONNELL. I thank the Senator for yielding. In order that he may not feel disturbed by my request, I will say that it is not my purpose to disturb him. Indeed, I agree with him quite heartily.

I should like to ask the Senator a question. In the first place, the question now before the Senate is not on the merits of the resolution submitted by the Senator from Nebraska, is it?

Mr. LUCAS. The Senator is absolutely correct.

Mr. DONNELL. It is merely the appeal from the ruling of the Chair.

Mr. LUCAS. The Senator is precisely correct.

Mr. DONNELL. Therefore the only question is a question under the rules of the Senate, as to whether the Chair has or has not complied with the rules of the Senate in determining to which committee the resolution should be referred.

Mr. LUCAS. The Senator from Missouri has correctly stated the position of the Senator from Illinois, and he has correctly stated the question with which we are dealing. This is really a technical parliamentary argument, and nothing else.

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

Mr. LUCAS. I will not be carried away by the eloquence or any other persuasion of my friend from Connecticut upon some extraneous, irrelevant matter.

Mr. WHERRY. Mr. President——

Mr. LUCAS. I am going to address myself to the point before the court, so to speak, just as I would do in arguing a demurrer before a court in a lawsuit. I will say to my good friend from Missouri that there will be plenty of time to discuss the merits or demerits of the question as to how a small-business committee should be handled in the United States Senate when that issue is raised. But that is not the present issue; and I am not going to be taken away from the issue.

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

Mr. BALDWIN. Mr. President——

Mr. DONNELL. Mr. President, will the Senator yield to me to complete my inquiry?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. DONNELL. In other words, I take it that the Senator from Illinois takes the view that the merits of the pending resolution are not before the Senate at this time for consideraion. The only question is whether or not the Chair was correct in his ruling that the resolution should be referred to the Committee on Banking and Currency rather than the Committee on Rules and Administration. Therefore the question is solely a question to be determined under the rules of the Senate, and not on the basis of the merits of the resolution of the Senator from Nebraska. Is not that correct?

Mr. LUCAS. The Senator from Missouri states my view exactly, and I think he is eminently correct. That is the only point before the Senate. The merits are not involved. The substance of the resolution is involved, of course——

Mr. DONNELL. Only as determinative of the committee to which reference should be made.

Mr. LUCAS. Only in making a final determination, from the subject matter contained in the resolution, as to whether it should be referred to the Committee on Banking and Currency or some other committee. However, the question raised by my good friend from Connecticut is another issue, to be decided on another day.

Mr. DONNELL. The Senator from Connecticut has raised a question as to the merits of the resolution, rather than the legal question before the Senate.

Mr. LUCAS. That is correct.

Mr. TOBEY and Mr. BALDWIN addressed the Chair.

The VICE PRESIDENT. Does the Senator yield, and if so to whom?

Mr. LUCAS. I yield first to the Senator from New Hampshire.

Mr. TOBEY. I suggest to the distinguished majority leader, and to the Senator from Connecticut in response to his suggestion, "Sufficient unto the day is the evil thereof." Let me put into the form of a resolution the question now before the Senate:

Whereas, a resolution was submitted in the United States Senate; and

Whereas, by decision of the Presiding Officer, such resolution was referred to the Committee on Banking and Currency because that committee traditionally has considered all matters of costs, distribution, and production, plus the La Follette Act suggestion that all matters pertaining to financial aid to industry should be referred to that committee: Now, therefore, be it

Resolved, That such action on the part of the Presiding Officer is fully justified.

It is beyond my understanding how anyone can attack the action of the Vice President in referring this resolution to the Committee on Banking and Currency. So far as small business is concerned, let me say that there is not a member of that committee, headed by the distinguished Senator from South Carolina [Mr. MAYBANK], who would permit any letting down of the bars so far as concerns help to small business, by virtue of our handling of the subject.

Mr. BALDWIN and Mr. ROBERTSON addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so to whom?

Mr. LUCAS. I yield first to the Senator from Connecticut.

Mr. BALDWIN. Let me state the issue as I see it——

Mr. LUCAS. I ask the Senator not to take too long in stating the issue.

Mr. BALDWIN. The Senator says that we have before us a technical parliamentary question. The question is, Which committee is going to pass upon the question of whether or not there is to be a small-business committee? That is the issue. My point is that that issue is an administrative issue.

We have in the Senate a Committee on Rules and Administration. Therefore, that committee should pass upon that particular administrative question. It is not a question of the substance of the resolution at all. It is a question of determining in what way the Senate shall function. I submit that it is the job of the Committee on Rules and Administration to determine through what committees the Senate shall function. In determining that question, ultimately we must pass upon the question whether or not the problem of the small-business man is so important and so peculiar that it warrants a special committee. In approaching the question from that angle, we have a question of rules and administration, which I submit should properly be decided by the Committee on Rules and Administration.

That is the point I wished to make, in order to make my position clear. I thank the Senator for yielding.

Mr. LUCAS. I congratulate the Senator for at last confining his arguments strictly to what is before the Senate. I appreciate that. The Senator has his viewpoint on the question, and I respect it, although I wholly disagree with him. I do not believe that his argument would be sustained in any fair and impartial court; and I know that the distinguished Vice President is a fair and impartial individual.

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

Mr. LUCAS. I yield.

Mr. ROBERTSON. Early in the session a resolution was submitted by the distinguished Senator from Montana [Mr. MURRAY] to continue the Select Committee on Small Business. That resolution was referred—and properly referred, in my opinion—to the Committee on Banking and Currency. It is my understanding—and I wish to ask the Senator from Illinois if I am correct—that this is a similar resolution. The effort is now being made to have one resolution to continue the Small Business Committee before the Committee on Banking and Currency and another before the Committee on Rules and Administration. Is not that the issue?

Mr. LUCAS. To all intents and purposes, the resolutions are the same, in my opinion. I have examined Senate Resolution 55, submitted by the able Senator from Nebraska. It is much longer and contains more material, more substance, than the Murray resolution.

Mr. ROBERTSON. But its purpose is to establish a select committee to aid small business. Was there any objection to reference of the Murray resolution to the Committee on Banking and Currency? If not, why is the issue raised now?

Mr. LUCAS. The Senator will have to ask my good friends on the other side of the aisle, who are now raising the issue.

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

Mr. LUCAS. I yield.

Mr. FLANDERS. I should like to ask the distinguished Senator from Illinois for information. Does he remember to what committee the original resolution by which the Small Business Committee was established was referred?

Mr. LUCAS. I do not. That was before the Reorganization Act was passed. I cannot answer that question.

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

Mr. LUCAS. I yield.

Mr. MAYBANK. Is the Senator from Vermont referring to the original resolution?

Mr. FLANDERS. Yes.

Mr. MAYBANK. If my memory serves me correctly, that resolution was referred to the Committee on Education and Labor in 1940 or 1941. At that time I happened to be a member of the Committee to Audit and Control the Contingent Expenses of the Senate, as was the distinguished minority leader.

Mr. FLANDERS. I thank the Senator.

Mr. LUCAS. Mr. President, there is not much more that I can add to what has already been said.

It seems to me that the United States Senate must sustain the position taken by the distinguished Vice President.

Mr. CORDON. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

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

Mr. LUCAS. I yield.

Mr. CORDON. Will the Senator discuss his views as to the difference between a resolution for the creation of a Special Committee on Small Business, on the one hand, and a resolution for the creation of a standing committee of the same type, on the other hand, with respect to the standing committee which should consider and report such a resolution?

Mr. LUCAS. I shall not go into that question, I say to my friend the Senator from Oregon, because to my way of thinking that question is not now before the Senate. So I shall not be drawn into a discussion of it. It is an important question, I say to my friend, but I shall not be drawn into an argument on that point at this time, because if I am drawn into arguments on points which I do not consider germane to the issue before us, I shall be talking all afternoon.

The issue before us, as I see it, is based on the fact that the President of the Senate has ruled that the resolution should be referred to the Committee on Banking and Currency, whereas certain Senators believe it should be referred to the Committee on Rules and Administration. In my study of the Reorganization Act and the precedents involved, I am certain that there cannot be any question about the correctness of the decision of the Chair in this matter.

I sincerely hope that all Democratic Members of the Senate will vote to sustain the decision of the Chair; and as a matter of good parliamentary practice and a matter of keeping straight our precedents regarding important matters of this kind, I appeal to my friends on the Republican side of the aisle also to vote to sustain the decision of the Chair.

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

Mr. LUCAS. I yield.

Mr. BALDWIN. I wish to ask my friend the Senator from Illinois this question: Is it true that already the Banking and Currency Committee has indicated by its action that it will not report this resolution to the floor of the Senate? In other words, I understand that the Banking and Currency Committee has set up a Subcommittee on Small Business. Am I correct as to that?

Mr. LUCAS. I think the Senator is correct, according to my information, but that answer may be subject to qualifications.

Mr. BALDWIN. Under those circumstances, the Banking and Currency Committee has already judged the case, for that committee has created a subcommittee to deal with this matter. I submit to my friend the Senator from Illinois and I also submit to the President of the Senate that that is perfectly within the province of the committee and is perfectly proper procedure; but under those circumstances can my friend, the Senator from Illinois, assure me if the Senate ever will have an opportunity to vote on the issue whether there should be a separate standing committee to deal with the important question of the small-business man and all his complicated problems?

I submit that if the resolution is referred to the Banking and Currency Committee, as the Chair has ruled that it should be, the Banking and Currency Committee will never report it. It is not in the nature of things that the committee should do so, for it already has taken the step of creating a special subcommittee, which, as I have previously stated, it is within the committee's province to do, and is a perfectly proper thing for it to do. But my question is, When shall we have an opportunity here in the Senate to vote on the question of whether there shall be a separate committee to deal with the small-business man's problems?

A consideration of that question will give my good friend, the Senator from Illinois, an opportunity to express his feelings, as he has previously indicated he wishes to have a chance to express them, toward the problems of small business. But I submit that, under these circumstances, the question is whether the resolution will ever be reported.

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

The VICE PRESIDENT. The Senator from Illinois has the floor.

Mr. LUCAS. I have the floor, but other Senators are still making speeches in my time.

The VICE PRESIDENT. The Chair will say that every Senator has a right to protect himself against an invasion of the rules, but if Senators do not feel inclined to protect themselves in that way, the Chair will attempt to do so himself.

Mr. LUCAS. Mr. President, I dislike to attempt to apply the rule strictly as against other Senators, unless a serious question is involved. However, I should say that my good friend, the Senator from Connecticut, could have made a speech much more effectively in his own time, rather than in mine.

Mr. BALDWIN. I tried to ask a question, but perhaps it was too long.

Mr. LUCAS. The question was about as long as from here to the other end of Pennsylvania Avenue. It was an argument, rather than a question.

Mr. ROBERTSON. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield for a question.

Mr. ROBERTSON. What I have to say will not strictly be a question, but the Senator may be assured that it will be brief.

We discussed this matter in the Banking and Currency Committee this morning, and all of us in the committee agreed that if the resolution comes to us, it will be reported. I do not say it will be reported favorably, but it will come out of the committee.

Mr. LUCAS. Mr. President, a moment ago, when I began to answer the question of the Senator from Connecticut, he immediately proceeded to go into another question, and I never had an opportunity to tell him that I do not know, any more than he does, what the Banking and Currency Committee will do about the resolution. The Senator is a member of two committees, and if he can tell what the committees of which he is a member are going to do from day to day, he can do more than most Senators can.

Yet he wishes me, as majority leader, to advise him what members of the Banking and Currency Committee will do with the resolution. Obviously, I do not know what the committee will do. The Senator could file a motion to discharge the committee from the further consideration of the resolution, if he is so interested in it, and thus get it on the floor, if such a resolution were agreed to. Such an attempt on another resolution was made yesterday.

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

Mr. LUCAS. I yield.

Mr. MAYBANK. In connection with what the Senator from Virginia [Mr. ROBERTSON] has said, I should like to say that Senate Resolution 29, submitted by Senator MURRAY on January 15, was referred to the Banking and Currency Committee. Question regarding the resolution came up this morning at the meeting of the committee. The Senator from Indiana [Mr. CAPEHART] was there, and also the Senator from Virginia [Mr. ROBERTSON] and other Senators.

I then suggested that no action be taken on the resolution in the committee at this time, in view of the issue now before the Senate. Of course, I do not know what the Banking and Currency Committee will do so far as the resolution is concerned; but at any rate, at the meeting of the committee this morning we postponed taking action on the resolution, pending the determination of the issue, now before the Senate, regarding the appeal from the decision of the Chair on the reference of the resolution of the Senator from Nebraska [Mr. WHERRY], which is similar to the resolution submitted by the Senator from Montana [Mr. MURRAY] and which is pending before our committee.

Let me say to the Senator from Connecticut that in the Banking and Currency Committee there has been a Subcommittee on Small Business ever since I have been a member of the committee, and two-thirds of the legislation enacted for the benefit of small business has been handled by the Banking and Currency Committee. For instance, it has handled all the legislation regarding the meat problem and all the legislation relative to war assets, as affecting small business.

I do not know whether the committee will act favorably on the resolution; but I can state, at any rate, that it met this morning, and at that meeting I asked that action on the resolution be withheld until the issue now before the Senate is determined.

The VICE PRESIDENT. Let the Chair state the pending question. The question is on the appeal from the decision of the Chair referring the resolution to the Committee on Banking and Currency. Therefore, when the vote is taken, the question will be, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. CAPEHART. Mr. President, I shall take only a minute or two of the time of the Senate.

For 4 years I have been a member of the Special Committee on Small Business. I am very anxious, as I am certain all other Senators are, to have the Senate select some sort of committee to which the small-business man may bring their problems.

We now have before us three proposals: First, that we continue the special committee; second, that a standing committee on the subject be created to handle the matters affecting small business; and, third, that a subcommittee of the Banking and Currency Committee handle all matters which heretofore have been handled by the special committee, with a special staff, with additional appropriations, and that the subcommittee of the Banking and Currency Committee take over the files and the staff of the special committee.

I do not know that I particularly care which way the matter is handled, so long as a good job is done; and I believe either the special committee, a standing committee, or a subcommittee of the Banking and Currency Committee can do a good job.

I presume my preference might well be for a standing committee. Of course, that is something which would take a little time to decide, and I am certain that the Senate would wish to give considerable thought to the question of the creation of an additional standing committee.

I feel confident that a subcommittee of the Banking and Currency Committee can and will do a good job. That is particularly true if the Committee on Rules and Administration will allocate additional funds to it.

I am inclined to agree with the majority leader that at the moment the question is not whether we should or should not have a small-business committee; but I should like to ask this question, if it is in order: Would it be possible by unanimous consent to suspend the rule, in order that this question may be decided? I understand the staff of the Small Business Committee are not at the moment able to draw any pay. The authority of the committee has expired. It is therefore unable to function. The staff members I presume are quitting, because they are not being paid. I ask, when can this matter be settled? Can we have a statement from the majority leader at this time, that either a special committee, a standing committee, or a subcommittee within the Banking and Currency Committee, with sufficient funds and with a sufficient staff, will be created to handle the small-business problem?

Mr. LUCAS. I think the question is a fair one. It is hardly germane to the discussion.

Mr. CAPEHART. I appreciate that, but I think we are entitled to know.

Mr. LUCAS. As majority leader of the Senate, I may say to my able friend from Indiana, I shall make it my business to try to take constructive action with respect to the creation of some sort of small-business committee, with all convenient speed.

Mr. CAPEHART. In other words, it is not the intention, is it, to eliminate entirely some sort of committee having to do with small business, either standing or special or a subcommittee within Banking and Currency?

Mr. LUCAS. No. I know of no Senator on this side of the aisle who favors doing without a small-business committee of some kind. It is solely a question of how such a committee should be established, and of who should be in charge of it. That is about all there is to it. We will endeavor to work it out.

Mr. CAPEHART. I feel certain the Senate should be able to handle the problem or to come to a decision with respect to it within the next week.

Mr. LUCAS. I may say to my friend, if there is one resolution on the question of small business pending before the Banking and Currency Committee, and another resolution goes to the Committee on Rules and Administration, nothing will be accomplished as a result of the exercise of divided authority upon two similar resolutions to speed up the matter in line with what the Senator from Indiana is trying to accomplish.

Mr. CAPEHART. I may say in closing, I am most anxious to see a continuation of some sort of committee which will help small business. I hope the particular question now under discussion may be resolved, and then, within the next few days, the Senate may decide exactly what it intends to do. With such a decision, I am certain, whether it be to continue the special committee or to constitute a standing committee or a subcommittee of Banking and Currency, either one of the three, a good job will be done on behalf of the small-business men of America.

Mr. WHERRY. Mr. President, I merely feel that inasmuch as a few observations have been made and questions asked, which I think have not been answered, I should like to make a very brief statement in what I hope will be the closing argument on this matter.

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

Mr. WHERRY. I yield for a question.

Mr. DONNELL. I merely wanted to say I should like to be heard briefly on the matter. The Senator is proceeding upon the theory that his remarks will be the concluding remarks. I should like to have the Senator understand I expect to say a few words.

Mr. WHERRY. I waited briefly. I thought everybody was through. If the Senator desires to speak, I shall be glad to yield the floor to him. On the other hand, I would just as soon go ahead and sum up my observations at this time.

Mr. DONNELL. Certainly, but I want it understood I expect to make a few remarks after the Senator has spoken.

Mr. WHERRY. Mr. President, the question has been raised as to what is involved in this debate, and the statement has been made that it is only a question of procedure, that the merits of the resolution are not involved. There is no other way I know of to get a resolution or a bill referred to another committee except to appeal from the decision of the Chair after an order of reference has been made. Merely because the President of the Senate has made his decision, even though I respect it, and although I have a deep affection for the occupant of the chair, does not preclude me from asking that the resolution be referred to another committee. It is no reflection at all upon the present occupant of the chair if I avail myself of the only procedure I know of to seek to have the resolution referred to another committee where, in my opinion, it will receive more favorable consideration than in the Committee on Banking and Currency.

The distinguished Senator from Connecticut hit the nail on the head when he said it is a matter of procedure. In the final analysis what it really is, and what the businessmen of the country know it to be, is the question of whether the Congress is going to establish a special committee or a standing committee to help solve the problems of small business. That is what is involved. So when the distinguished occupant of the chair in his wisdom—and certainly he has sound argument to support his position—assigns the resolution to the Committee on Banking and Currency, he does so on the ground, as stated, that the committee predominantly has jurisdiction over the subject matters involved in the resolution. I ask the majority leader, or any other lawyer in the Senate, on that basis, how in the world are we to determine the jurisdictional question unless we make a study of substantive law? That is imperative. That is why I presented in the argument yesterday nine points showing that the provisions of the resolution go completely outside the province of the Committee on Banking and Currency.

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

Mr. WHERRY. I am glad to yield.

Mr. MAYBANK. I merely wish to say as chairman of the Committee on Banking and Currency, when the President of the Senate refers the resolution to the Committee on Banking and Currency, as he did the resolution offered by the Senator from Montana [Mr. MURRAY], we shall take action. I do not know what type of action it will be, but we shall take action. I want the Senator to know that since January 1 we have been doing everything we could for the small-business men. We have already had controls removed from oils and fats.

Mr. WHERRY. That is fine.

Mr. MAYBANK. We have already studied steel.

Mr. WHERRY. That is fine.

Mr. MAYBANK. We have obtained some allotments for small producers in the steel business, and so forth. I may say to the Senator, the Eighty-first Congress is going to do a great deal more for small business than was done by the Eightieth Congress, whether the matter is considered in the Banking and Currency Committee or in the Committee on Rules and Administration.

Mr. WHERRY. Mr. President, there has been much said here, not about the merits or demerits of the proposition, or even about procedure, but about what is to be done for the small-business man. I appreciate that. I am glad to have all those declarations. But one of the first things to be done, and it should be done now, is to give the small-business men a place to come. In the event a small-business committee is set up as a subcommittee of Banking and Currency, what would happen? In order to do that, it would be necessary to go completely beyond the jurisdiction set by the Reorganization Act. The committee does not have jurisdiction of matters pertaining to monopoly. The committee would be given authority to go into questions of interstate commerce, which again is not within its province. I could stand here and cite case after case involving problems of small business, subjects entirely beyond the jurisdiction of the Committee on Banking and Currency. That is what I object to. I may say now in defense of the decision of the present occupant of the chair, when he referred the resolution to the Committee on Banking and Currency, he thought that committee had predominant jurisdiction; but he knows, and the majority leader knows, that if the matter is assigned to Banking and Currency, and a small-business subcommittee is set up in the Banking and Currency Committee, we shall be attempting illegally to give to a subcommittee of the Banking and Currency Committee matters over which that committee does not now have jurisdiction. Senators may argue from now till doomsday, but that is the fact.

Mr. TOBEY. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I am happy to yield.

Mr. TOBEY. If the Senator had absolute power, to what committee would he assign the resolution?

Mr. WHERRY. I answered that question yesterday. I said that if I were the present occupant of the chair I would not know to what committee to refer the resolution, for the very reason that the resolution I introduced cuts across every committee line. I think there are predominantly more subjects involved in it that are judicial in character than subjects which would be under the jurisdiction of the Banking and Currency Committee, the Committee on Interstate and Foreign Commerce, or any of the other committees, because, in my humble opinion, if I may say so to the Senator from New Hampshire, the most vital problems involving small business today hinge around the Judiciary Committee, such as the question whether we will eliminate vertical competition which is centralizing industry in the hands of the few, whether we will provide protection for the rights which are being encroached upon in the small-business field, and whether we will permit small-business men to procure materials necessary to enable them to produce. Those questions involve consideration by the Committee on the Judiciary; they involve monopoly.

So, Mr. President, my answer is that I would not know to what committee to refer the resolution, because one standing commitee has as much jurisdiction as another. For that reason I asked to have the resolution referred to the Committee on Rules and Administration. The question was asked, "Why was the resolution creating a permanent committee assigned to the Committee on Rules and Administration?" The answer was the creation of a standing committee involved a change in the rules of the Senate. The statement was made very eloquently yesterday by a distinguished Senator that the creation of a special committee was in violation of the spirit of the Reorganization Act. Every Senator has a right to his own opinion. I agreed when the reorganization bill was considered by the Senate to the inclusion of a provision which would ban special committees. The bill went to the House in that form, and that provision was eliminated. I submit to the President of the Senate and to every Senator that establishing special committees does not violate the spirit of the Reorganization Act.

As I say, I would not know where to send the resolution, so far as the standing committees are concerned.

Mr. TOBEY. If we should continue the committee, the Senator would be, to use the vernacular, "reneging" on his convictions of 2 years ago. The Senator from Nebraska is opposed to special committees, is he not?

Mr. WHERRY. Yes.

Mr. TOBEY. The Senator gave as his dictum last year that he would never ask for a continuance of the Small Business Committee.

Mr. WHERRY. Mr. President, a great deal has been said with regard to my not asking for a continuation of the committee. My statement was always predicated on the premise that if and when a standing committee or committees would take over the work of the Small Business Commitee, I would not ask for a further continuance of that committee.

Mr. TOBEY. That time has arrived. It is here.

Mr. WHERRY. Mr. President, at this point I should like to read the statement which I made on March 15, 1948, which is found in the CONGRESSIONAL RECORD at page 2806. The statement is as follows:

> Mr. President, if the Senator making the objection will withhold it for a moment, I should like to explain the purpose of the resolution. It is very necessary that the

resolution should be agreed to if the Small Business Committee is to be extended for the remainder of the session. The life of the committee terminates on the 1st day of April. If that is to occur, and if that is what the Senate wants, it is imperative that the personnel of the committee be notified now. The resolution asks for a continuance of the committee for the remainder of this Congress. When this Congress terminates, the committee likewise would terminate. It is not requested that it be extended into the next Congress.

I know that there are those who feel that because it is a special committee it should not be continued. But the Members of the Senate will recall that when the resolution was considered at the last session, a compromise was reached under which the date of termination was fixed at April 1.

At that time I stated—

Here is what I said—

that while I felt the committee should be continued until the termination of the Congress—

That is the Eightieth Congress—

if there were no need for it, and if a standing committee had in the meantime taken over the work, I would not ask for its continuance.

Mr. TOBEY. Now, Mr. President——

Mr. WHERRY. Just a moment. I have the floor.

The VICE PRESIDENT. The Senator declines to yield.

Mr. WHERRY. The then minority leader, Mr. BARKLEY, asked this question:

If this resolution should be agreed to, either at this time or under a motion to take it up, which the Senator can make at any time, may we have the assurance that no effort will be made to extend it beyond this Congress?

That meant the Eightieth Congress.

Here is my answer:

It so happens that my term as United States Senator will terminate this year, and it would be rather embarrassing for me to answer that question, inasmuch as I may not be in the Senate next year.

Certainly everything I had to say at that time referred to the Eightieth Congress, not to the Eighty-first Congress. It would have been rather embarrassing for me to answer the question before I went through the campaign.

I read further:

But the same question was raised by some of the Republican Members, and I believe I can say, with assurance, that several Members are in the same position in which the Senator from Kentucky finds himself. They feel that if the committee is to continue it should not be as a special committee; that if it is to continue at all, it should come under the provisions of the Reorganization Act, by action of both Houses.

Some Members took that position, which I think is tenable, to a certain extent.

Personally, I feel it involves a great deal of work, and so far as I am concerned, if it be the will of the Congress to terminate the committee—

I was speaking of the Eightieth Congress—

I should like to have an early vote on it. I personally feel that it should be continued. I again call the attention of the distinguished Senator from Kentucky to the fact that I voted for the reorganization plan and that I share in his belief relative to the existence of special committees under the provisions of that act.

I want to say, as sincerely as I possibly can, that there is no standing committee which can take up the work of the Small Business Committee at this time and serve the purpose needed to be served for the small-business man. I should like to see the committee continued until this Congress shall terminate. There will be no more requests from me for any further extension.

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

Mr. WHERRY. I refuse to yield until I finish my remarks. The Senator is not questioning my integrity, is he?

Mr. TOBEY. Oh, no; certainly not.

The VICE PRESIDENT. The Senator from Nebraska declines to yield.

Mr. TOBEY. Mr. President, a question of privilege.

The VICE PRESIDENT. No Senator can interrupt a Senator on the floor without the Senator's consent.

Mr. WHERRY. I said there would be no more requests from me for any further extension of the special committee. My interpretation of what I said, in view of everything I said before, in all the paragraphs of my statement, is simply that if the work of the Special Small Business Committee could be taken over by some other committee I would not ask for the continuance of the Small Business Committee. That time has not yet arrived. The more I have gone into the question, during the past 2 years especially, the more I have become convinced, regardless of any statement to the contrary, that we need a special committee or a standing comittee which will handle the problems of small business. That is my opinion.

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

Mr. WHERRY. I yield to the Senator from New Hampshire at this time.

Mr. TOBEY. Mr. President, what I took exception to was the side-remark of the Senator. He inquired if I was trying to challenge the sincerity of his remarks. I want to read something which the Senator did not read. It is found in the CONGRESSIONAL RECORD of February 7, 1949. This is the Senator from Nebraska [Mr. WHERRY] speaking:

Mr. President, I also wish to say that I am not asking that the special committee be made a permanent special committee. I see no reason why, in the future, the Senate cannot use for such purposes the Banking and Currency Committee and the other committees which otherwise would handle such problems. For instance, I refer to the Judiciary Committee and the Interstate Commerce Committee as well. When those committees are properly organized they can take care of the subject matter, and then the Senate can terminate the work of the special committee which is proposed by Senate Resolution 20. Because of that fact I have amended the resolution so as to provide for the continuation of the special committee for only 240 days.

The time limit is up. The Senator said only 5 minutes ago, Mr. President, that when a standing committee was ready to take over the work, it should take it over. The Committee on Banking and Currency is the very one to do so. That committee was organized, and its godfather is on the bench and it will begin functioning in very short order for the benefit of small business.

Mr. WHERRY. Mr. President, the junior Senator from Nebraska has been very lenient with his time in yielding to the Senator from New Hampshire to make a speech on his interpretation of my remarks.

Mr. TOBEY. I have merely read the Senator's speech.

Mr. WHERRY. Let me comment about my remarks. I said:

Does not the Senator further feel—

And so forth. Then we start in with the quotation:

I also wish to say that I am not asking that the special committee be made a permanent special committee.

I never asked that until I joined a few days ago with the Senator from Florida [Mr. HOLLAND], and that was after I felt that this resolution would not go to the Committee on Rules and Administration as I had hoped it would, and as it should under the precedent already established. I do not care whether it goes by unanimous consent or by motion or in what way it goes.

Two years ago a similar resolution went to the Committee on Rules and Administration, and its reference to that committee established a precedent as to where the pending resolution should go. Whether it is by unanimous consent or otherwise makes no difference at all. The precedent is established.

So I said, in answering the question:

I see no reason why, in the future—

And I see no reason now—

the Senate cannot use for such purposes all of its standing committees if they would set up a subcommittee, each and every one of them, to carry out the work of the special committee.

Let any Senator read the RECORD. Anyone who would interpret it any differently is prejudiced.

Mr. President, I did not intend to take so long, but I am glad to answer these arguments. We may argue about procedure, we may argue about merit, we may argue about the jurisdictional question, but let me tell the Senate that the interpretation of the small-business man will be that if this resolution goes to the Committee on Banking and Currency it will meet the same fate the Murray resolution met. The Murray resolution has been here for several weeks, and not longer ago than a few hours, I was contacted and asked if I would sign a petition to discharge the Committee on Banking and Currency because it failed to act on that resolution.

Mr. MAYBANK. Mr. President——

Mr. WHERRY. The Senator himself well knows that there has been such a movement on the other side of the aisle, and some of us have been solicited to go along with it. I waited for a month and a half. I tried my level best to have the Murray resolution reported; but nothing has been done about it. So the only thing I could do, as chairman of the committee that has been folded up because it terminated, was to submit a resolution asking that it be continued.

I knew when I offered the resolution that it would be referred to the Committee on Banking and Currency, because that is where the administration here wants it to go.

I now yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I was merely going to make a suggestion because I know the Senator would wish to be correct. The Murray resolution has not been before the Committee on Banking and Currency for a month and a half.

Mr. WHERRY. I said several weeks.

Mr. MAYBANK. It was offered on January 19.

Mr. WHERRY. That is correct.

Mr. MAYBANK. About 2 weeks ago. We have had two regular meetings since, and it was brought up this morning at the second regular meeting, and it was determined to defer action, in view of the appeal pending before the Senate.

Mr. WHERRY. I do not disagree with the Senator. I have much respect and affection for the Senator from South Carolina, and I will say to him that if a standing committee of the Senate is to have a small-business subcommittee, that is all right with me.

I know something else that has been done. Request has been made that the committee files of the speci:l committee be turned over to the Senator's committee because they want to proceed with the work, and if that is done, in those files will be found communications, applications, problems, which belong to every other standing committee besides the Committee on Banking and Currency.

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

Mr. WHERRY. I yield.

Mr. MAYBANK. Of course we want the special committee files.

Mr. LUCAS. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I am glad to yield.

Mr. LUCAS. The Senator raised a very important question, with respect to the files. The special committee is dead. Just who has the files?

Mr. WHERRY. Until it is either permanently dead, or is reorganized, it will be up to the Senate to dispose of the files in whatever way the Senate desires to dispose of them. I brought out the fact that the subcommittee of the Committee on Banking and Currency expects to take complete jurisdiction of what the Special Small Business Committee has been doing, and that it has asked for the files.

Talk about setting a precedent as to special committees. A precedent is being set here this afternoon, by authorizing one standing committee to reach over the lines of all the other standing committees.

Mr. LUCAS and Mr. MAYBANK addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield and if so to whom?

Mr. WHERRY. I yield to whoever desires to speak.

The VICE PRESIDENT. The Senator has to indicate to whom he yields.

Mr. WHERRY. I am glad to yield to the majority leader.

Mr. LUCAS. I raised a question a moment ago about the files. The committee expired on the night of January 31, and somebody has asked for the files. I was asking who would have the files.

Mr. WHERRY. When the Senate takes action and directs that the files should go to any committee, we will be glad to send them.

Mr. LUCAS. I think it is perfectly proper for the Senator to turn over the files.

Mr. WHERRY. Let me complete my remarks.

Mr. MAYBANK. Mr. President, I wish to comment on what the Senator said about the Small Business Subcommittee of the Committee on Banking and Currency asking for the files. We asked for the files in view of the legislation we were being called upon to study and were studying. If there were any that belonged to the Committee on the Judiciary, certainly the Committee on Banking and Currency would be the first to pass them on.

Mr. WHERRY. Mr. President, all this argument, summed up, is complete support of my position. I realize it is very difficult to override the decision of a distinguished Presiding Officer on an appeal, but if this appeal is lost, there will be no other procedure whereby I can have this resolution referred to any other committee. It will be gone, and to my mind I think it is through now. I appreciate what the Chairman of the Committee on Banking and Currency has said, but in my opinion it is through.

Mr. MAYBANK. Mr. President——

Mr. WHERRY. I do not yield now.

The VICE PRESIDENT. The Senator from Nebraska declines to yield further.

Mr. WHERRY. If the Senate today sustains the ruling of the Chair, then what the Senate really is doing is permitting a subcommittee of the Committee on Banking and Currency to be given authority to continue the work of the Small Business Committee in all its various fields, and when that is done, it either by assumption or by acquiescence gives to a standing committee more authority than ever was intended in the Reorganization Act. So I have asked that the resolution go to the Committee on Rules and Administration. I agree with the Senator from Connecticut that it is an administrative matter. I think it should go there, because a resolution was submitted by the Senator from Florida, setting up a permanent standing Small Business Committee, in submitting which he permitted me to join as a cosponsor last night, and that resolution was sent to the Committee on Rules and Administration, and properly so.

Of course that must be the rule, if we want to be technical about the matter, but in this instance there is no other way to have the resolution referred to another committee except by taking the course I have pursued. In doing so I cast no reflection upon the President of the Senate, none whatever. Whatever decision he makes, of course, that is his decision.

Mr. President, the businessmen of the country are looking to what the Senate is going to do this very afternoon with respect to continuing the special Committee on Small Business. My opinion is that a vote to sustain the appeal means that the committee is killed, and a vote not to sustain the appeal means that the resolution will be sent to the Committee on Rules and Administration, where it will receive favorable consideration and have a chance to be reported tc the Senate, and then, either as a special committee, or as a permanent committee under the Holland resolution, we can go forward with a committee which is duly authorized, which has the authority to handle the problems of small business. That is the whole thing in a nutshell.

Senators can speak about procedure; they can speak about politics; they can speak about anything. All I want is to have the Small Business Committee continued. I have said I will support the Murray resolution; I have said I will support the Holland resolution; and, of course, I shall support the resolution I have submitted.

Mr. DONNELL and Mr. TOBEY addressed the Chair.

The VICE PRESIDENT. Before recognizing any other Senators the Chair wishes to make a statement in response to a suggestion by the Senator from Nebraska a moment ago in debate when he stated that the Chair referred the resolution to the Committee on Banking and Currency because the admin:stration wanted it sent there. The Chair does not know just what implication was in the Senator's mind when he made that statement. But the administration as such, either outside the Senate or in the Senate, has made no suggestion to the Chair as to how he should rule on the resolution. The Chair made his ruling on his own interpretation of the rules, and after consultation with the Parliamentarian of the Senate, for whom the Chair is sure every Senator ha respect. No administration representative, inside or outside the Senate, has the slightest influence or would have the slightest influence on the Chair in passing upon a rule of this sort.

Mr. DONNELL and Mr. TOBEY again addressed the Chair.

Mr. WHERRY. Mr. President, may I reply to the statement just made by the Presiding Officer?

The VICE PRESIDENT. The Chair recognizes the Senator from Nebraska for that purpose.

Mr. WHERRY. I thank the Chair for calling the matter to my attention. I did not mean for one moment that the present occupant of the Chair had been asked by the administration to send the resolution to the Committee on Banking and Currency and that he complied with such a request. It is my opinion that the administration wanted the resolution sent to the Committee on Banking and Currency.

The VICE PRESIDENT. If the administration had any such desire it never communicated it to the Chair.

The Senator from Missouri is now recognized.

Mr. DONNELL. Mr. President, it seems to me that the argument that the resolution should be sent to the Committee on Rules and Administration because it would be more favorably received there than in the Committee on Banking and Currency is not a proper consideration for either the Presiding Officer or the Senate. The same point was made yesterday. For instance, at page 839 of the RECORD the distinguished Senator from Nebraska [Mr. WHERRY], the minority leader, said:

My appeal is that the resolution be referred to the Committee on Rules and Administration, because it is my opinion that if the resolution goes to the Banking and Currency Committee, it will meet the same fate as that of the so-called Murray resolution which now is before that committee.

A few minutes ago the Senator from Nebraska again in substance said that the only way that he could get the resolution before a committee in which he would obtain favorable action is the course which he is now following, which is to appeal from the ruling of the Chair and seek to cause the resolution to be sent to the Committee on Rules and Administration.

Earlier this afternoon the Senator from Nebraska in substance said that he is asking that the resolution go to the Committee on Rules and Administration where, as he said in substance, the resolution will receive more favorable consideration.

Mr. President, before addressing myself to what is the real question in this matter, I would like very briefly to express myself as being in opposition to the view that the reception that is to be accorded by a particular committee to a given resolution shall determine which committee it is to which the resolution shall be referred. As I see it, the Presiding Officer should not base his position upon any such question as that. The rules of the Senate presumably direct the Presiding Officer as to the committee to which reference should be made. Of course he realizes, as do we all, that in numerous instances it is difficult to determine to which committee the reference should be made. There are many cases, as was pointed out last year by the preceding Presiding Officer of the Senate, in which more than one committee may well be argued to have jurisdiction. The La Follette-Monroney Act clearly recognizes, as the Chair pointed out yesterday, and as was pointed out in debate, that cases may arise in which there will be controversy as to which committee shall have the resolution referred to it. Section 137 of that act of the Congress, the La Follette-Monroney Act, provides:

In any case in which a controversy arises as to the jurisdiction of any standing committee of the Senate with respect to any proposed legislation, the question of jurisdiction shall be decided by the Presiding Officer of the Senate, without debate, in favor of that committee—

Which committee?—

that committee which has jurisdiction over the subject matter which predominates in such proposed legislation.

So, Mr. President, clearly the La Follette-Monroney Act, under which we operate, namely, Public Law 601 of the Seventy-ninth Congress, recognizes the probability of cases arising in which a reference may be made, or may be claimed to be subject to being made, to more than one committee.

Mr. President, it seems to me that the question involved here is comparatively simple. The Chair has referred the resolution to the Committee on Banking and Currency. An appeal has been taken from the action of the Chair on the ground that the reference was improper, and the proponent of the appeal has taken the view that the reference should have been made to the Committee on Rules and Administration. On yesterday he said at page 838 of the RECORD:

I should like to present my observations as to why I feel this resolution should go to the Committee on Rules and Administration.

And again on page 839 he said:

I believe the time has come when a resolution so providing—

That is, providing as his does—

should be presented to the Committee on Rules and Administration, which I contend has proper jurisdiction of the matter.

Now, Mr. President, the question before the Senate is the same question that was before the Presiding Officer before he ruled, and that is, under the rules of the Senate to which committee should the reference be made? We are not undertaking here this afternoon to decide the merits of the resolution; not to decide whether a special committee should be set up; not to decide whether the functions of that special committee should embrace the various projects and purposes set forth in the resolution. The only question now before the Senate is that with which the Presiding Officer was confronted, namely, to which committee, under the rules of the Senate, should the reference be made?

I have studied as best I could, after hearing this question raised, the contents of the rules as I see them that are applicable to the situation. I have studied as best I could the provisions of the Senate's rules in the endeavor to find out to which committee the resolution the Senator from Nebraska has submitted should have been referred. I have been aware of the proposition asserted by the Senator from Nebraska, as I have indicated from the RECORD, that it is the Committee on Rules and Administration to which reference should be made. I have searched the provisions of the La Follette-Monroney Act to ascertain the particular portion of the jurisdiction of the Committee on Rules and Administration which, in the opinion of the Senate, could justify sending this resolution to the Committee on Rules and Administration, or make mandatory such reference.

A great variety of subjects is embraced in the rule relative to the jurisdiction of the Committee on Rules and Administration. Obviously, many of them have no applicability whatsoever—for illustration—

Matters relating to the Library of Congress and the Senate Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress—

And a number of others which I need not detail, which clearly have no possible connection with the resolution now before us.

There are two provisions in the rule relative to jurisdiction of the Committee on Rules and Administration to which I have addressed myself—I trust with reasonable care. One of those items of subject matter embraced in the jurisdiction of the Committee on Rules and Administration is:

Matters relating to parliamentary rules.

It seems to me that the resolution now before us clearly is not one which is embraced within the term "matters relating to parliamentary rules." I see nothing in the resolution which could bring it within the term "matters relating to parliamentary rules."

I searched further in the provisions of the La Follette-Monroney Act to see what other basis of jurisdiction the Committee on Rules and Administration could have. The only thing I could find, by a somewhat careful search of the rules, is this:

Matters relating to the payment of money out of the contingent fund of the Senate or creating a charge upon the same.

I observe that in the resolution submitted by the Senator from Nebraska there is a sentence which reads as follows:

The expense of the committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

It may be that at first glance one would say that the Committee on Rules and Administration has jurisdiction over this subject matter because there is a provision in the Wherry resolution which relates to the payment of money out of the contingent fund of the Senate, or creating a charge upon that fund. But when we study the resolution, as was so eloquently and clearly described and set forth yesterday, and argued by the Senator from Nebraska, it seems to me that clearly the matter of the payment of money out of the contingent fund of the Senate, or the creation of a charge upon that fund, is not the predominant subject matter of the resolution.

In the first place, the resolution, as set forth in yesterday's CONGRESSIONAL RECORD, consists of language which covers substantially one entire column of small type. The entire portion which relates to a charge upon the contingent fund of the Senate is contained in one sentence in that entire column. I believe that from the standpoint of the mere matter of space, there is at least a hint that the charge upon the contingent fund of the Senate is not the predominant purpose of the matter contained in the resolution. That hint is well justified and corroborated by reading the resolution. I shall not read it because it would take too much time; but I invite the attention of the Senate to the fact that the committee which the resolution undertakes to create, and to which various authorities and directions would be given, is—

To conduct a study, by means of research and investigation, of the existing or future problems of American independent small business, including but not limited to the following problems.

Then follows a series of eight specific problems which are set forth. I mention only two or three of them.

(1) Supply and distribution of basic industrial materials with particular reference to whether or not independent small business is obtaining its fair share of such materials under existing or future distribution methods and patterns.

(2) Policies of Federal Government departments, agencies, and corporations with respect to inclusion of independent small business in their present programs and future planning with particular reference to the procurement activities of such departments, agencies, and corporations.

(3) Prices charged for materials needed and utilized by independent small business to determine whether they are fair and equitable in relation to prices charged their larger competitors.

Now that I have gone thus far, I may be permitted to mention the remaining purposes which this committee, if it should be created, would carry out.

(4) Pressures of vertically and horizontally integrated combinations to eliminate independent small business in the American industrial distributive system.

(5) Inability of both new and old independent small business to adequately finance itself from its own earnings due to tax structure and effect of such tax structure on the merger movement.

(6) Participation of independent American small business in foreign-aid programs and adequacy of representation of independent small business by diplomatic and consular officials abroad.

(7) Development of program to adequately insure independent small business a fair share of raw and finished materials and services produced on and from publicly owned mineral resources, forest reserves, and irrigation and reclamation projects.

Finally—

(8) Development of a sound program to safeguard the place of independent small business in the American economy.

Is it not too clear to require further argument that the provision about the payment of expenses from the contingent fund is merely minor and incidental—although very important, of course—to the larger purposes the consummation of which the appropriation of such money is intended to effectuate?

It seems to me that every one of the provisions which I have read relates to financial aid to commerce and industry, particularly, and perhaps almost, if not entirely, exclusively, with relation to small business. The language of the rule relating to the jurisdiction of the Committee on Banking and Currency is:

Financial aid to commerce and industry, other than matters relating to such aid which are specifically assigned to other committees under this rule.

Financial aid to commerce and industry, to which I have referred, is a subject matter within the jurisdiction of the Committee on Banking and Currency, as set forth in rule XXV of the standing rules of the Senate, under the La Follette-Monroney Act.

So if it be contended—as it has been by the distinguished Senator from Nebraska—that more than one purpose is set forth in the resolution, if we come to that question, I say that certainly it cannot be successfully contended that the mere charge of the expense of all these purposes to the contingent fund of the Senate is a predominating subject matter of the resolution.

So, Mr. President, we have a case very clearly for applicability of section 137 which makes it the duty of the Presiding Officer to decide the question of jurisdiction in favor of the Committee on Banking and Currency. It may be that some of the subject matters to which reference is made, and which I have read this afternoon, constitute matters which may properly come within the purview and jurisdiction of other committees of the Senate. But obviously every one of them comes within the jurisdiction of the Committee on Banking and Currency.

The question raised by the Senator from Nebraska in his own mind is as between the Committee on Rules and Administration on the one hand and the Committee on Banking and Currency on the other. It seems perfectly clear to me that under the contention of the Senator from Nebraska it is undoubtedly true that the subject matter which predominates in his resolution is that which comes clearly within the jurisdictional matter placed within the functions of the Committee on Banking and Currency by the La Follette-Monroney Act. So, Mr. President, it seems to me, first, that the question whether or not this resolution would fare better in one committee or the other is not the question before the Senate, any more than it was the question before the Presiding Officer.

Second, the real question, and the only question before the Senate in connection with this particular resolution, is, To what committee should the Presiding Officer have referred the resolution? Should he have referred it to the Banking and Currency Committee or to some other committee? It seems to me, Mr. President, most respectfully, that none of the arguments adduced tend even remotely, to convince one that the Chair erred in referring this resolution to the Banking and Currency Committee. I earnestly believe, and shall support that belief with my vote, that the President of the Senate ruled correctly in referring the resolution to the Banking and Currency Committee; and I submit that the appeal which has been respectfully presented by the Senator from Nebraska with all the earnestness he commands, and in view of his great interest in small business, in which so many of us join, should not be sustained by the Senate.

Mr. TOBEY. Mr. President, I shall be very brief. The Senator from Missouri has eloquently summed up the situation, and I concur 100 percent in his remarks.

In all kindness to my friend, the Senator from Nebraska [Mr. WHERRY], I wish to quote statements made by him on two occasions, one when a few minutes ago he said, if I correctly jotted down his words:

If you do away with the special committee, you will be giving a standing committee more power than it should have or ever has had before.

That is his statement regarding the dire effect which he anticipates if we take that step.

Yet here is the Senator from Nebraska speaking of the effect, in another instance:

Mr. President, I also wish to say that I am not asking that the special committee be made a permanent special committee. I see no reason why, in the future, the Senate cannot use for such purposes the Banking and Currency Committee and the other committees which otherwise would handle such problems.

* * * * *

When those committees are properly organized they can take care of the subject matter, and then the Senate can terminate the work of the special committee which is proposed by Senate Resolution 20.

Mr. FLANDERS. Mr. President, I wish to speak very briefly to the subject, because I suspect that the way I shall vote on this little matter will please few of those who have been writing to me, and will displease more.

Let me say that it seems to me one would need the wisdom of Solomon to correctly refer this resolution. I likewise, as did my friend the Senator from Missouri, examined the Reorganization Act, and found myself in somewhat more doubt as to where the resolution should be referred, because it seemed to me that the question is, not whether the subjects covered by the resolution shall lie in the purview of the Banking and Currency Committee, but how they should be handled. So the issue presented by the reference to the Banking and Currency Committee is not a clear-cut one.

Furthermore, if I correctly understand the situation, the chair is perhaps in the somewhat embarrasing position of having referred three resolutions relating to this matter, two of them to the Banking and Currency Committee, and one to the Committee on Rules and Administration.

Out of this somewhat confused situation, it seems to me that my own course in voting is clear, and it has been made clear by the assurance of the chairman of the Banking and Currency Committee that the resolution will not be allowed to languish behind the closed doors of that committee, but will be brought back to this floor within a very short period of time.

That being the case, Mr. President, it seems to me that most of the time we have spent in talking about this matter has been—and I do not say this in criticism of anyone—largely wasted, for this resolution will be presented on the floor of the Senate; it will come back here, perhaps with a report which will be either favorable or unfavorable; but at any rate we shall have a chance to decide here, within a very few days, what shall be done.

Since the President of the Senate has made his reference of the resolution and since it seems to me, in view of the assurances given, that the question of the committee to which the resolution should be referred is not too important, and since we can do with the resolution what we will when it returns here, I shall vote to sustain the decision of the Chair.

Mr. PEPPER addressed the Chair.

The VICE PRESIDENT. The Senator from West Virginia.

He is not in the Chamber. The Chair promised to recognize him for a moment.

The Senator from Florida.

Mr. PEPPER. Mr. President, I wish to take only a few minutes of the time of the Senate.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Oregon will state it.

Mr. MORSE. I did not catch the Chair's observation in regard to having promised to recognize some Senator.

The VICE PRESIDENT. The Senator from West Virginia [Mr. NEELY] was seeking to introduce a bill, and the Chair persuaded him to wait until the debate concluded, or at least until the Senator from New Hampshire and the Senator from Vermont concluded their remarks. The Chair was merely seeking to carry out that obligation.

Mr. MORSE. Is the junior Senator from Oregon correct in his understanding that the rule is that Senators should be recognized in the order in which they address the Chair?

The VICE PRESIDENT. No; the Senator is not correct.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Does the Senator from Florida yield for the purpose of permitting the propounding of a parliamentary inquiry?

Mr. PEPPER. Mr. President, I am very anxious to complete my remarks and be able to leave the floor of the Senate. If the Senator from Oregon will indulge me, I should prefer not to yield for a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Florida declines to yield.

Mr. PEPPER. Mr. President, the greatest threat to American democracy is the concentration of economic power in the hands of a few giant corporations. There has been a constant increase in the importance of these huge corporations, and there has been a decline in that of small-business concerns. More than 500,000 small-business men were forced out of business during the war years. Today the 250 largest corporations in the United States own about two-thirds of the Nation's usable manufacturing facilities. At the beginning of 1948, 113 manufacturing companies, each with assets of more than $100,000,000, owned 50 percent of the Nation's entire manufacturing property, plant and equipment. Seventy thousand others owned the other 50 percent. About 2 percent of our manufacturing concerns employed 60 percent of all the industrial workers.

So, Mr. President, I thoroughly believe in the re-creation of the special Committee on Small Business, which has done such excellent work since its establishment in 1940, at the instance and by the initiative of the able senior Senator from Montana [Mr. MURRAY], my esteemed neighbor in the Senate Chamber.

Mr. President, I ask unanimous consent to have incorporated in the body of the RECORD, at the conclusion of my remarks, a list of publications issued by the Special Committee To Study the Problems of American Small Business, dated October 10, 1946. This publication will show altogether almost six entire pages of various publications which were issued by the Senate Special Committee on Small Business during its tenure. So I ask unanimous consent that the list may be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit A.)

Mr. PEPPER. Mr. President, in addition, I ask unanimous consent to have incorporated in the body of the RECORD, following the printing of the list of publications to which I have just adverted, a statement by the Senator from Montana [Mr. MURRAY] of reasons for the continuance of the Senate Small Business Committee.

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

(See exhibit B.)

Mr. PEPPER. Mr. President, that document states ably and succinctly the justification for the continuance of the Special Committee on Small Business, which has served very well not only the Senate but the country in the more than 8 years of its existence since its establishment in 1940, as I have said, as a result of the initiative and farsightedness of the Senator from Montana. So, Mr. President, I very strongly believe the Senate should recreate a Special Committee on Small Business. I believe when a small-business man living in any of the States thinks in terms of somebody in Washington who might be able to help him with his small-business problem he primarily thinks of one of the special committees in the Congress on small business, the Special Committee on Small Business in the House of Representatives, under the able chairmanship of Mr. WRIGHT PATMAN, of Texas, who was, I believe, the author of the resolution creating the special committee in the House, and the Special Committee on Small Business of the Senate. If a businessman of small stature gets into trouble and writes a letter to Washington to the Small Business Committee of Congress, that letter would go to one or the other of those special committees. But, Mr. President, if the only agency of the Senate—because the House has already re-created its Special Committee on Small Business—if the only agency in the Senate dealing with that subject is a subcommittee, that troubled small-business man in the country does not know whom to write. I merely believe he will have a feeling that a source of help upon which he has depended, and with considerable confidence and credit to the committee in the past, will be taken away from him.

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

Mr. PEPPER. I yield for a question.

Mr. CAPEHART. Does not the able Senator from Florida feel that a committee within the Committee on Banking and Currency with the same number of dollars, with the same sized staff, manned by five or seven Senators, would be able to do just as good a job as a special committee?

Mr. PEPPER. Mr. President, I think in the debate the answer has already been given to that question. In the first place there is no single committee in the Senate which has exclusive jurisdiction over the problems of small business. The Interstate and Foreign Commerce Committee might with almost equal propriety be said to have the same problems before it, and the Senate Committee on Finance has one of the important aspects of the matter within its jurisdiction, namely, the tax feature with respect to small business.

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

Mr. PEPPER. I should like to finish the answer, if I may. That is the first answer. The second answer is that a special committee, while it no doubt has its vices, has also its peculiar virtues. The members who are on such a committee ordinarily have a considerable interest and sometimes zeal for the prosecution of problems with which the committee was created to deal. I am sure that would be true of the able Senator of Montana, if he were to continue as chairman of it, as he was under the Democratic regime in the Senate. No doubt Senators specially interested in the problem would make request for appointment by the President of the Senate to membership on the committee.

In the third place, a special committee not restricted to a particular jurisdiction is seldom limited to a particular point of view. It realizes this problem is one which concerns almost every general committee in the Senate. It would take a broad perspective of the problem, and would try to formulate a comprehensive program which might be the subject of recommendation to appropriate committees thereafter. So, while as I say, I think special committees are not to be too much encouraged, and while, as a member of the Reorganization Committee of the Congress, I was in accord with the recommendations first made by that committee to exclude special committees altogether, yet, since the Congress did not see fit to adopt the committee's recommendation, and since there was no such inclusion in the final law, due to the fact that the House of Representatives did not concur in the prohibition that was in the version of the bill passed by the Senate, of course Congress itself chose to leave the respective bodies free to set up special committees when in their respective wisdoms they might see fit to do so.

While opinions might differ, those are the general reasons which impel me to believe on that question alone in the desirability of the continuity of the special committee on small business. I do not hesitate to say to my colleagues on this side of the aisle that since the Democrats, recognizing this problem, initiated the special committee, I do not see any inconsistency in our continuing it, now that we are again in the majority in the Senate. As I said, the House has already created a special committee on small business. But, as much as anything else, the special committee is a symbol to the small-business men of the country. For more than 8 years the small-business man has repeatedly turned to a special committee on small business in the Senate or House, and he has obtained a considerable measure of relief, because this was a general matter which a special committee could approach with a little more perspective than any standing committee might have the opportunity to do.

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

Mr. PEPPER. I am anxious to allow other Senators to be heard, but I shall yield to the Senator again, because I certainly do not want to deny him an opportunity to ask any other questions. I shall appreciate it if the Senator will ask what he started to ask a moment ago.

Mr. CAPEHART. I simply wanted to ask, is it not a fact that the special committee has no legislative authority and therefore cannot initiate legislation?

Mr. PEPPER. That is correct; and, if the Senator will allow me to answer, no general committee in the Senate has legislative jurisdiction over the whole matter that needs to be attacked.

Mr. CAPEHART. That is very true. All the special committee can do is to hold hearings and investigate. That is all in the world the special committee can do, besides answering letters from small-business men and giving them personal help. I have been a member of the committee for 4 years. I know of its plans, I know of its work. Under no circumstances would I ever vote to discontinue the Small Business Committee of the Senate. But my position is that it can be handled equally well, possibly better, by a subcommittee of the Committee on Banking and Currency, providing the subcommittee is given the same amount of money and has the same staff, and provided there is the same interest in it as there is on the part of members of a special committee; which I am certain there would be.

Mr. PEPPER. Mr. President, if the Senator will allow me, I should like to make this observation: As I said, there are perhaps a score of things at the moment that should be done to afford additional relief to small business.

Mr. TOBEY. Mr. President, will the Senator yield for just one moment? It will not take 30 seconds.

Mr. PEPPER. I yield.

Mr. TOBEY. I merely want to point out to my friend from Florida the fact that 2 years ago he was one of the Senators on the other side of the aisle who voted against a continuation of the Special Committee on Small Business.

Mr. PEPPER. The Senator is absolutely correct. I am glad he brought that up, because I was going to bring it up myself, so I would not appear in a contradictory or inconsistent position. But, if I may, I shall finish my answer to the able Senator from Indiana. I say, let us suppose there are at a minimum 20 different things that should be done in the near future to aid small business. It is unlikely it seems to me that the standing committees of the Senate, 15 in number, are likely to carry on a contemporaneous inquiry into what should be done to aid small business. It is very unlikely those committees would take up this subject at even anything like the same time. It is unlikely that a comprehensive program would come from a standing committee of the Senate, which will tend to meet the challenging problems of small business. Especially is that so, if it is more or less generally recognized that one of the committees, namely, the Senate Committee on Banking and Currency, is taking the initiative in that field, and——

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

Mr. PEPPER. Excuse me; let me finish my sentence—and that any other committee might perhaps be infringing a little bit or encroaching somewhat upon the initiative and jurisdiction of the committee. I now yield to the Senator.

Mr. CAPEHART. I agree 100 percent with the able Senator, unless the Senate gives the subcommitee of the Committee on Banking and Currency the same amount of money which would be given a special committee, and unless the Senate gives them the same kind and type of staff as is given to a special committee. Unless we do that, I should be opposed to a subcommittee of the Committee on Banking and Currency handling the matter, but there is no reason why the Senate should not be just as willing to give a subcommittee as much money and as large a staff as it gives to a special committee.

Mr. PEPPER. But would not the Senator have to add one more condition? The Senator has said the standing committee should have the same amount of money as the special committee, it should have a staff of the same size and caliber. Would not the Senator have to ask also for the same breadth of jurisdiction as the special committee would have?

Mr. CAPEHART. My opinion is the Committee on Banking and Currency at the moment could make the same sort and type of inquiries that the Senate Small Business Committee could make. I think they have that authority at the moment.

Mr. PEPPER. Mr. President, I have expressed the idea that the other committees would be a little hesitant about initiating an inquiry if one committee had already announced that it had received a special allocation of funds for the making of such an inquiry or investigation. I have been addressing myself to a matter which I want to make very clearly of record, and that is that I favor the principle of a continuation of the Special Committee on Small Business in the Senate.

Let me advert to what was suggested by the able Senator from New Hampshire [Mr. TOBEY]. Two years ago I was one of the Senators who voted against a continuation of that special committee. We were in the midst of our first session of the Congress after the enactment of the Reorganization Act. I wanted to preserve as much as possible the spirit as well as the letter of the Reorganization Act. But we have learned by experience. In 2 years' time some things have caused us to take a different attitude from the one we took 2 years ago. For example, it was discovered in the Democratic council a few days ago that it was not feasible to report a legislative budget by the 15th of February, as the Reorganization Act requires. I have heard of no opposition from the minority side to the position of the majority that it was not found feasible to report a legislative budget by the 15th of February. So that led us to defer the filing of the legislative budget until a later time. I do not know what date has finally been fixed. If that matter had come up 2 years ago, I venture to say a different position would have been taken, because we did not know at that time whether it was altogether feasible and practicable to observe the literal requirements of the Reorganization Act. I think that in 2 years' time a Senator should be open to learning something. I should not care to have it said that I had not learned something in the past 2 years.

In view of the fact that the House struck out the prohibition in the Reorganization Act excluding special committees, now that the House has continuously had a special committee on small business, now that the Senate, against my vote 2 years ago, continued the special committee, I am not disposed now to cut them off.

So, Mr. President, I think the Senators who voted the other way 2 years ago are not at all to be charged with improper inconsistency. I am sure we shall not find applicable the admonition of the sage of New England, who said:

> A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines.

Mr. President, I want to make it clear as to how I stand upon this issue, but it does not lead me to favor the position of my distinguished friend the minority leader in this matter. I think the Chair has ruled correctly. I think a reading of the rule which defines the jurisdiction of the Committee on Rules and Administration makes it obligatory for the Chair to refer the resolution to the Committee on Banking and Currency. In view of the fact that if the special committee is created it will be a charge upon the contingent fund of the Senate, it would be equally necessary for the Chair to refer the resolution to the Committee on Rules and Administration. So certainly not only shall I not hope to override the Chair, but I shall welcome an opportunity to confirm the rightness of the Chair's ruling. However, I go further and say that if the Banking and Currency Committee should not report the resolution favorably, and the subject comes up again, I certainly shall vote on the floor to create a committee on small business as a special committee. But I think attention should be called to the fact that before the resolution of the Senator from Nebraska was offered, the resolution offered by the Senator from Montana [Mr. MURRAY], who was the original sponsor of the special committee on small business, had already been offered and referred to the Committee on Banking and Currency. It certainly would not be proper or consistent for the Chair to have referred an identical resolution to another committee.

So, Mr. President, I am hopeful that we shall get what the Senator from Nebraska has in mind. On the merits of the matter I am very much in accord with him and the Senator from Montana. I think that probably another opportunity will be afforded. I am sure it can be worked out in some way for the Senate to continue its Committee on Small Business as a special committee.

EXHIBIT A

LIST OF PUBLICATIONS ISSUED BY THE SENATE SPECIAL COMMITTEE TO STUDY PROBLEMS OF AMERICAN SMALL BUSINESS PURSUANT TO SENATE RESOLUTION 28 (79TH CONG.) EXTENDING SENATE RESOLUTION 298 (76TH CONG.)

SENATE COMMITTEE PRINTS

Seventy-seventh Congress, first session

No. 1. Small Business Problems in the Nursery Industry.[1]

No. 2. The Supreme Court in Relation to Small Business and the Sherman Act.

No. 3. Small Business Problems of the Tire and Rubber Manufacturers and Retailers.

No. 4. Small Business Bibliography.

No. 5. Small Business Bibliography. Chain Store Reference, 1920–30 (appendix to Committee Print No. 4).

No. 6. Small Business and Defense.[1]

No. 7. Small Business Research and Education.

Seventy-seventh Congress, second session

No. 8. Small Business Loans and Risk Capital.[1]

No. 9. Digest of Bills To Aid Small Business Introduced into Congress, 1939–41.

No. 10. Survey of Private Automobile Passenger Car Needs of Major War Plant Areas.

No. 11. Record Keeping for Small Stores. (Revised and reprinted, 79th Cong., 1st sess., as Senate Committee Print No. 2; October 1, 1945.)[2]

No. 12. Pooling for Production.

No. 13. Small Retailers Face the War.

Seventy-eighth Congress, first session

No. 14. The Fate of Small Business in Nazi Germany.[1]

No. 15. Small Business: Access to Capital.[1]

No. 16. The Federal Agencies and Small Business.

No. 17. Small Business Wants Old-Age Security.

No. 18. Effect of the War on British Retail Trade.

Seventy-eighth Congress, second session

No. 19. Buyer's Guide for Surplus Property. (Second revised edition, December 18, 1944.)

Seventy-ninth Congress, first session

No. 1. Construction, Small Business and Employment. September 12, 1945.

No. 2. Record Keeping for Small Stores. (Revised Edition, October 1, 1945.)[2]

No. 3. Maintaining Free Competitive Enterprise. December 6, 1945.

Seventy-ninth Congress, second session

No. 4. Small Business Opportunities in FM Broadcasting. April 10, 1946.

No. 5. Operations Under the Federal Reports Act. May 16, 1946.

No. 6. Economic Concentration and World War II, June 14, 1946. (Reprinted as S. Doc. No. 206.)[3]

No. 7. Farm Construction. May 30, 1946.

No. 8. Standards for Measuring Housing Needs. June 4, 1946.

No. 9. Sustained-Yield Capacity for American Forests in Relation to Postwar Requirements for Lumber. June 6, 1946.

No. 10. Progress Under the Federal Reports Act—International Statistical Coordination. July 22, 1946.

No. 12. Antitrust Cases in the Construction Industry. September 12, 1946.

SUBCOMMITTEE PRINTS

Seventy-eighth Congress, second session

No. 6. Survey of the Nation's Critical and Strategic Minerals and Metals Program.

No. 7. Future Problems of the Nation's Critical and Strategic Minerals and Metals Industry. January 16, 1945.

Seventy-ninth Congress, first session

No. 1. Disposal of Surplus Consumer Goods by the Treasury Department. February 27, 1945.

No. 2. World Markets for Small Business. March 17, 1945.

No. 3. American Small Business in Foreign Trade. June 18, 1945.

No. 3a. Disposal of Surplus Machine Tools. May 21, 1945.

No. 4. The Gold-Mining Industry. August 7, 1945.

No. 5. Future of Light Metals. September 10, 1945.

Seventy-ninth Congress, second session

No. 6. Barkley - Bates Amendment and Other Factors Affecting Operation of Meat-Packing Industry. April 24, 1946.

No. 7. Export Insurance Act of 1946. May 13, 1946.

No. 8. Premium Price Plan for Copper, Lead, and Zinc. February 1, 1946.[4]

No. 9. OPA Shortening and Vegetable Oil Price Policy. May 3, 1946.

No. 10. Discussion of Contract Settlement for the Critical and Strategic Minerals and Metals Industry. May 21, 1946.

No. 11. Small Business and the Webb-Pomerene Act. August 21, 1946.

No. 12. The Veteran in Small Business. July 10, 1946.

No. 14. Transportation Program for Small Business. September 16, 1946.[5]

SENATE REPORTS

Seventy-seventh Congress, first session

No. 479, part 1. A Report on the Federal Reports Act of 1941. June 26, 1941.

Seventy-seventh Congress, second session

No. 479, part 2. Recommendations on Effective Participation and Protection of American Small Business in the War Effort; and On Its Preservation and Extension in the American Economy After the War. S. 2250. February 5, 1942.

No. 479, part 3. Recommendations for the Relief of Dealers in Rationed Commodities. S. 2315. February 25, 1942.

No. 479, part 4. Recommendations for the Effective Utilization of Existing Stocks of Rubber Tires, etc. S. 2560. June 1, 1942.

Seventy-eighth Congress, first session

No. 12, part 1. Report to Congress on the Work of the Committee. January 18, 1943.

No. 12, part 2. Small Business in War and Essential Civilian Production. March 11, 1943.

No. 12, part 3. Poultry Market. July 6, 1943.

No. 12, part 4. War Contract Termination Legislation. July 1943.

Seventy-eighth Congress, second session

No. 12, part 5. Preparing Small Business for Postwar. July 14, 1944.

No. 12, part 6. Commercial Rent Control. October 1944.

No. 12, part 7. Progress Under the Federal Reports Act. November 17, 1944.

Seventy-ninth Congress, first session

No. 47, part 1. Senate Small Business Committee—Its Record and Outlook. February 12, 1945.

No. 47, part 2. Two Years of Progress Under the Federal Reports Act. March 20, 1945.

No. 47, part 3. Impact of Reconversion Policies on Small Business. July 27, 1945.

Seventy-ninth Congress, second session

No. 47, part 4. Small Business Price Problems and Government Stabilization Policies. May 14, 1946.

DOCUMENTS

Seventy-ninth Congress, second session

No. 135. Small Business and Civic Welfare. February 13, 1946.

No. 206. Economic Concentration and World War II. June 14, 1946. (Committee Print No. 6, 79th Cong., 2d sess.)[3]

HEARINGS

Seventy-seventh Congress, first session

Part 1. Small Business and the War Program; December 15, 16, 17, 18, 1941.

Seventy-seventh Congress, second session

Part 2. Tire Dealer and Rebuilder Problems; March 3, 4, 5, 6, 1942.

Part 3. Conference of Retail Automobile Dealers; January 9, 10, 1942.

Part 4. Small Business Conference, Bozeman, Mont.; September 21, 1942.

Part 5. Small Business Conference, Miles City, Mont.; September 14, 1942.

Part 6. Small Business Conference, Helena, Mont.; September 17, 1942.

Part 7. Small Business Conference, Billings, Mont.; September 18, 1942.

Part 8. Economic Background and Tendencies; September 29, 1942.

Part 9. Adjustment of Obligations—Long-Term Capital—Public Morale—Independent Packers—Food Distribution; September 30, October 1, 6, 7, 1942.

Part 10. Smaller Concerns in War Production: I; October 13, 14, 15, 1942.

Part 11. Smaller Concerns in War Production; II; December 3, 4, 7, 1942.

Part 12. Smaller Concerns in War Production: III; December 8, 15, 16, 1942.

Seventy-eighth Congress, first session

Part 13. Critical, Strategic and Essential Materials; January 13, 1943.

Part 14. Problems of Small Distributors; January 19, 20, 21, 1943.

Part 15. Long-Term and Equity Capital; February 23, 24, 1943.

Part 16. Smaller Concerns in War Production; IV; March 4, 1943.

Part 17. Effect of Exchange Services on Retail Trade; March 16, 17, 1943.

Part 18. Critical, Strategic, and Essential Materials; II; March 30, 31, April 1, 1943.

[1] Copies no longer available.

[2] Supply limited. Can only fill individual orders. Copies may be purchased from Superintendent of Documents, Government Printing Office, Washington, D. C., at 35 cents per copy.

[3] Committee allotment exhausted. Copies may be purchased from Superintendent of Documents, Government Printing Office, Washington, D. C., at 50 cents per copy.

[4] Committee allotment exhausted. Copies may be purchased from Superintendent of Documents, Government Printing Office, Washington, D. C., at 35 cents per copy.

[5] Supply limited. Can only fill individual orders. Copies may be purchased from Superintendent of Documents, Government Printing Office, Washington, D. C., at 25 cents per copy.

[3] Committee allotment exhausted. Copies may be purchased from Superintendent of Documents, Government Printing Office, Washington, D. C., at 50 cents per copy.

Part 19. Tire Dealer and Rebuilder Problems: II; April 5, 6, and 8, and May 6 and 13, 1943.

Part 20. Rationing Problems of the Baking Industry; April 9 and 12, 1943.

Part 21. Maritime Procurement: I; May 4, 5, and 14, 1943.

Part 22. Price Practices of OPA; May 11, 1943.

Part 23. Quota for Florida Livestock Industry; June 1, 1943.

Part 24. Poultry Market Situation; June 11 and 15, 1943.

Part 25. Maritime Procurement: II; July 19, 1943.

Part 26. Critical, Strategic, and Essential Materials: III—Tucson, Ariz., April 5; Phoenix, Ariz., April 6; and Prescott, Ariz., April 7, 1943.

Part 27. Critical, Strategic, and Essential Materials: IV—Riverside, Calif., April 7; Sacramento, Calif., April 15; and Los Angeles, Calif., April 16, 1943.

Part 28. Critical, Strategic, and Essential Materials: V—Las Vegas, Nev., April 9; Grants Pass, Oreg., April 10; Reno, Nev., April 13; Pioche, Nev., April 20; Salt Lake City, Utah, April 24; and Deming, N. Mex., April 21, 1943.

Part 29. Critical, Strategic, and Essential Materials: VI—Helena, Mont., August 2; Missoula, Mont., August 4; Spokane, Wash., August 5; and Seattle, Wash., August 7, 1943.

Part 30. Navy Yard Subcontracting and the Type C Contract; October 26, 1943.

Seventy-eighth Congress, second session

Part 31. Small Business in the Changing War Programs; April 25, 1944.

Part 32. Small Business in the Changing War Program: II; April 26, 1944.

Part 33. Small Business in the Changing War Program: III; April 28, 1944.

Part 34. Small Business in the Changing War Program: IV; May 3, 1944.

Part 35. Small Business in the Changing War Program: V; May 9, 1944.

Part 36. Businessmen's Views on Reconversion Needs: I—Indianapolis, Ind.; May 24 and 25, 1944.[1]

Part 37. Businessmen's Views on Reconversion Needs: II—Fort Wayne, Ind.; May 26, 1944.

Part 38. Businessmen's Views on Reconversion Needs: III—Boston, Mass.; June 22, 23, and 24, 1944.

Part 39. Commercial Rent Control; July 14, 1944.

Part 40. Developing the West Through Small Business: I—Kalispell, Mont.; July 24 and 25, 1944.

Part 41. Developing the West Through Small Business: II—Seattle, Wash.; July 26 and 27, 1944.

Part. 42. Developing the West Through Small Business: III—Portland, Oreg.; July 28, 1944.

Part 43. Developing the West Through Small Business: IV—San Francisco, Calif.; July 31 and August 1, 1944.

Part 44. Developing the West Through Small Business: V—Los Angeles, San Diego, Calif.

Part 45. Developing the West Through Small Business: VI—Phoenix, Tucson, Prescott, Ariz.; August 7, 8, and 9, 1944.

Part 46. Surplus War Property Disposal; December 12, 14, and 15, 1944.

Seventy-ninth Congress, first session

Part 47. Future of Light Metals; February 27, 1945.

Part 48. Future of Light Metals; February 28, 1945.

Part 49. Future of Light Metals, March 1, 5, and 6, 1945.

Part 50. Future of Light Metals; March 7 and 20, 1945.

Part 51. Future of Light Metals, March 21, 1945.

[1] Copies no longer available.

Part 52. Future of Light Metals; March 22, 1945.

Part 53. Future of Light Metals; March 27, 1945.

Part 54. Future of Light Metals; March 28, 1945.

Part 55. Future of Light Metals; March 29, 1945.

Part 56. Future of Light Metals; March 30, 1945.

Part 57. Future of Light Metals: The Shipshaw Contract I; March 30 and April 10, 1945.

Part 58. Future of Light Metals: The Shipshaw Contract II; April 11, 1945.

Part 59. Future of Light Metals: The Shipshaw Contract III; April 12, 1945.

Part 60. Future of Light Metals: The Shipshaw Contract IV; May 14, 1945.

Part 61. World Markets for Small Business: I; April 17, 18, 20, and 25, 1945.

Part 62. World Markets for Small Business: II; May 18 and 21, and June 5 and 6, 1945.

Part 63. Machine Tools Industry; April 25, 26, and 27, 1945.

Part 64. Construction Industry; May 8, 9, and 10, 1945.

Part 65. Impact of Reconversion Policies on Small Business; June 15, 18, and 19, 1945.

Part 66. Investigation of Textile Problems; July 10, 1945.

Part 67. Surplus Machine Tools; July 27 and August 3, 1945.

Part 68. Restaurants and Foods: I, July 30 and 31, 1945.

Part 69. Restaurants and Foods: II, August 7, 1945.

Part 70. Fats and Oils, Margarine; August 6 and 7, 1945.

Part 71. Postwar Adjustments of Domestic Mining Industry; August 7 and 8, 1945.

Part 72. Sugar Supply Problems and Their Impact on Small Business; August 22, 1945.

Part 73. Butter, Oleomargarine, Fats, and Oils, and Meat Distribution; October 22, 1945.

Part 74. Problems of Housing Shortage, Construction and Housing Price Controls: I; October 23 and 24, 1945.

Part 75. Problems of Housing Shortage, Construction and Housing Price Controls: II; October 25, 1945.

Part 76. Impact of Price Controls and Stabilization Policies on Small Business: I; December 4, 1945.

Part 77. Impact of Price Controls and Stabilization Policies on Small Business: II, December 5, 1945.

Part 78. Impact of Price Controls and Stabilization Policies on Small Business: III; December 6, 1945.

Part 79. Impact of Price Controls and Stabilization Policies on Small Business: IV; December 11, 1945.

Part 80. Impact of Price Controls and Stabilization Policies on Small Business: V; December 12, 1945.

Part 81. Impact of Price Controls and Stabilization Policies on Small Business: VI; December 13, 1945.

Part 82. Impact of Price Controls and Stabilization Policies on Small Business: VII; December 17, 1945.

Part 83. Impact of Price Controls and Stabilization Policies on Small Business: VIII; December 18 and 19, 1945.

Seventy-ninth Congress, second session

Part 84. Problems of Smaller Users of Steel Products as a Result of Recent Steel Strike; February 7 and 8, 1946.

Part 85. California Looks to its Economic Future: I; San Diego, Calif.; February 20 and 21, 1946.

Part 86. California Looks to its Economic Future: II; Fresno, Calif.; February 25, 1946.

Part 87. California Looks to its Economic Future: III; Los Angeles, Calif.; February 26, 27, and 28, 1946.

Part 88. Nylon and Rayon Hosiery Production and Distribution Problems; April 10 and 11, 1946.

Part 89. Food Shortages and World Relief as Related to Small Business; April 15, 1946.

Part 90. OPA Shortening and Vegetable Oil Price Policy; April 25, 1946.

Part 91. Nylon Hosiery Wholesale-Retail Distribution Problem: May 25, 1946.

Part 92. World Food Supplies in Relation to Small Business: I; June 3, 4, and 5, 1946.

Part 93. World Food Supplies in Relation to Small Business: II; June 6, 7, and 10, 1946.

Part 94. World Food Supplies in Relation to Small Business: III; June 11, 12, and 13, 1946.

Part 95. World Food Supplies in Relation to Small Business: IV; June 14 and 15, 1946.

Part 96. Effect of Current Surplus Property Disposal Policies on Veteran in Small Business: I; June 12 and 13, 1946.

Part 97. Effect of Current Surplus Property Disposal Policies on Veteran in Small Business: II; June 18, 1946.

Part 98. Effect of Current Surplus Property Disposal Policies on Veteran in Small Business: III; June 19, 1946.

JOINT HEARINGS

Seventy-ninth Congress, first session

Parts 1 to 5, inclusive. Aluminum Plant Disposal (Revised); October 15, 16, 17, 18, and 19, 1945. (Together with Surplus Property Subcommittee of Committee on Military Affairs and Industrial Reorganization Subcommittee of Special Committee on Postwar Economic Policy and Planning.)

LEGISLATION SPONSORED BY THE COMMITTEE

Public Law 549 (77th Cong.): An act for the relief of dealers in certain articles or commodities rationed under authority of the United States.

Public Law 603 (77th Cong.): An act to mobilize the productive facilities of small business in the interests of successful prosecution of the war, and for other purposes.

Public Law 831 (77th Cong.): An act to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services and to minimize the burdens of furnishing information to Federal agencies.

Public Law 47 (78th Cong.): An act to provide for the suspension of annual assessment work on mining claims held by location in the United States (including the Territory of Alaska).

Public Law 349 (78th Cong.): An act providing for the suspension of certain requirements relating to work on tunnel-site mining claims.

Public Law 457 (78th Cong.): An act to aid the reconversion from a war to a peace economy through the distribution of Government surplus property and to establish a Surplus Property Board to effectuate the same, and for other purposes.

Public Law 157 (79th Cong.): An act to authorize the Secretary of the Interior to modify provisions of a contract for purchase of power plant for use in connection with San Carlos irrigation project.

LEGISLATION UPON WHICH THE COMMITTEE EXERTED A SUBSTANTIAL INFLUENCE

Public Law 395 (78th Cong.): An act to provide for the settlement of claims arising from terminated war contracts, and for other purposes.

Public Law 458 (78th Cong.): An act to amend the Social Security Act, as amended, to provide a national program for war mobilization and reconversion, and for other purposes.

Public Law 88 (79th Cong.): An act to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

EXHIBIT B

STATEMENT BY SENATOR JAMES E. MURRAY

REASONS FOR THE CONTINUANCE OF THE SENATE SMALL BUSINESS COMMITTEE

Independent and small businesses need this committee because of present abnormal economic conditions

As changing conditions in the Government and the economy have required, the Senate Small Business Committee has focused its work on the solution of those problems which affect the survival and growth of independent and small business. Consequently, it has come to mean a great deal to the independent business community in every State of the Nation. Today when business hazards are mounting, these businessmen need the Senate Small Business Committee as never before. Here are some illustrations:

1. The Federal Government is the biggest single buyer in the country. All its experience, bureaucratic tradition, and the desire to get the job done the easiest way point toward big purchases from big business. For example, the Defense Establishment will buy some $15,000,000,000 of goods this next year. It has no adequate machinery for contracting with small and independent businesses. On its own it apparently is not inclined to do so. Yet at least $5,000,000,000 of all its purchases should go to such businesses, which would spell the difference between a healthy situation and one where many of these smaller business firms will sustain losses or fail.

The Senate Small Business Committee has proven by its wartime efforts in forcing the services to establish purchasing practices equally fair to small and big business, and in continuing to police these practices and to break bottlenecks as they occur, keeping the procurement program constantly under scrutiny, that this is the only practical way of insuring a square deal for independent and small business. Experience has shown that only the surveillance of a Senate Committee having a full-time staff and possessed of the powers of subpena and public hearings gets the job done well.

All but a very few of the Members of the Senate have used the specialized service of the Senate Small Business Committee in behalf of their constituent small businesses. This saves the Senators much time and gives them expert help. Because of the respect of Government agencies for the effectiveness of the committee, the work has received high commendation. The practice has developed of not only getting action on individual cases, but of using them to illustrate the need for correct procurement and contracting policies, to the end that the Government agencies eventually establish them.

2. Major shortages continue to menace independent and small business. For example, thousands of fabricators of steel and aluminum products cannot get their normal amounts of these basic raw materials, and are prevented from developing prosperous expanding businesses during good times, laying up the needed reserves against any eventualities—all because of raw-materials shortages entirely beyond their individual control.

The Senate Small Business Committee has held hearings and conferences over several years, repeating them as necessary, to get a better break for these small concerns from their suppliers who are at the same time their competitors. Often only the threat of publicity, and possible imposition of compulsory controls, suffice to bring about fairer treatment. Pressure has to be kept on almost continuously to force some big-business operators to dribble out supplies of raw materials to these independent and small concerns. The files of the committee and the remarks of many Senators give ample proof that this service is a most important tangible help to American small business during these times of abnormal scarcities of needed raw materials.

3. Large integrated companies are in a position to put the "squeeze" on small or independent suppliers during these days of full use of resources, which an alert Senate Small Business Committee can and does prevent. An example of such effort is the recent case of the independent oil companies in California whose crude oil can only be processed if refineries operated by the large integrated corporations will process it. In normal times this is no problem. But now the large corporations refused to accept more than a small fraction of the usual amount of crude oil from the independent companies. The Senate Small Business Committee was asked to investigate and take appropriate action. A 1-day hearing was sufficient to force the big corporations to halt their detrimental action and reinstall former practices, resulting in savings of many thousands of dollars to the small independents.

4. Grey and black markets are a serious menace in these times of materials shortages. The Senate Small Business Committee uncovered an active grey market in steel, and its hearings and watchful oversight of the situation have materially reduced such harmful activities, to the lasting benefit of many small businesses.

5. A large export program is underwritten by the Government through the European recovery program. American independent and small business has never received its rightful share of attention in the procurement programs which use our taxpayers' dollars. Only a beginning effort has been made by the Senate Small Business Committee to insure fair procedures and practices in such purchases. Much yet remains to be done in this connection if the remaining 3 years of ECA are to benefit our independent business community as they should.

6. Export controls and policies have never been developed with the peculiar problems of small and independent business in mind. These important elements in our business community are discriminated against by the Government and the purchasing missions of foreign governments. The Senate Small Business Committee has begun an investigation of such conditions, and if allowed to complete its work will force through changes in policies and procedures which will give small business fair treatment.

7. A substantial program of plant expansion is now contemplated in the interest of national defense, urged by the administration and particularly advocated by the President. Included are programs to develop vastly more hydroelectric power, steel, aluminum, and strategic metals such as copper, chrome, and manganese. Special consideration should be given, also, to the need for an increased supply of wood pulp for newsprint.

Much of the preliminary work of investigation to establish the need for such expansion has already been done by the Senate Small Business Committee. Its steel investigation, and the report, Steel Supply and Distribution Problems, made by Senator JAMES E. MURRAY, the first chairman of the committee, have been a major factor in focusing attention on this situation. The work has only been partly done. The committee contemplates further study and active participation in the formulation of any proposed legislation to carry out the recommendations of the President. It intends that such legislation will not increase the concentration of economic power but provide for a wider degree of competition as the only business atmosphere in which small and independent business can operate successfully. Therefore, it is imperative to have the Senate Small Business Committee continued during the Eighty-first Congress when these decisions on plant expansion will be made.

The administration and the Democratic Party are pledged to the continuance of the Senate Small Business Committee

The President of the United States, in his campaign for election, pledged his administration to a vigorous program specifically directed toward the peculiar and particular needs of independent and small business. The National Committee of the Democratic Party established an Independent Business Committee for Truman and Barkley and the Democratic Candidates, and issued literature directing the attention of the business people of the Nation to the record in their behalf as made by the Democrats. That record was pointed up largely in terms of the work of the congressional Small Business Committees. The Democratic Party pledged itself to continue these efforts in behalf of independent and small business. This effort played no small part in the successful outcome of the November elections.

After the election, Senator JAMES E. MURRAY, long-time chairman of the Senate Small Business Committee, called upon the President to ascertain his views concerning the continuance of the committee. President Truman was emphatic in his endorsement of the committee and insistence that it be continued during the Eighty-first Congress.

Senator HOWARD MCGRATH, who, as Democratic National Committee chairman, had set up the independent and small business committee referred to above and has testified to its great contribution in the campaign, has informed Senator MURRAY that he unequivocally endorses the Senate Small Business Committee and urges its continuance as a partial fulfillment of the party's pledge to the voters. Numerous other Senators have indicated their support for continuance of the committee.

The continuance of the Senate Small Business Committee does not contravene either the spirit or practice of the reorganization bill

Mention has been made that continuance of the Senate Small Business Committee might be in contradiction to the Reorganization Act. That act contemplated keeping special committees to a minimum, permitting subcommittees of standing committees to do particular tasks of short duration for which special committees are usually set up.

The Senate Small Business Committee's work overlaps the legislative interest of several standing committees. That work does not primarily, nor necessarily, lead directly to legislation. When it does (as witness the record of its accomplishment in the passage of such substantial contributions as the Smaller War Plants Corporation, the Surplus Property Act, and the Full Employment Act, and several other measures designed to aid small business directly, such as access roads to small mines, and stock piling of strategic materials), the investigating work done by the committee is made use of directly in the hearings on proposed legislation held by the appropriate standing committees. This is not duplication of effort, but on the contrary speeds up the legislative process, for a phase of legislation, that of the investigation of the problem in all its ramifications, has already been done and a considerable understanding has developed upon which specific legislation can be built and hearings conducted.

But the peculiar importance of the Senate Small Business Committee is that the independent business community of the Nation knows it has a committee in the Senate avowedly concerned with its manifold problems. In this day and age, when the encroachments of large corporations into all fields of economic endeavor threatens the very life of the free competitive-enterprise system which is the foundation of our cherished American institutions, it is not too much to expect that the Senate of the

United States would be sufficiently interested in the problems of independent and small business to maintain a committee devoting full time to investigating these problems and their solution.

The work of the Senate Small Business Committee, while often leading to legislation, is in very considerable measure concerned with the effectiveness of legislation already passed and being administered by the administrative branch of the Government. This work, as has been pointed out above, overlaps the special province of any one standing legislative committee. Moreover, and this is of substantive importance, it is of a character that is considerably beyond the scope and experience of standing committees or their staffs. It calls for specialized experience and requires experts trained in investigation and negotiation in a broad field of business, economics, and government administration, all of which is pointed up in terms of the specific interests of independent and small business. To include such work as a part of the effort of a standing committee would be to overshadow that committee's customary effort, for the volume of work done by the Senate Small Business Committee, the demands on its time and staff, are considerably greater than that required by the usual standing committee in the course of its legislative work.

The work of the Senate Small Business Committee does not duplicate in any noticeable way any work now being done or contemplated by standing legislative committees. It has an important field all to itself, and over the years the dependence of the business community at large upon it furnishes ample proof that this is a field of congressional activity very much in the public interest and demand. If the committee should be discontinued, and some subcommittee of a standing committee be given its assignments, not only would it distort the work of the standing committee, but no savings in time of Senators, or in funds would be made, unless it is the intention by such action to deliberately destroy the effectiveness of the program being carried on in behalf of independent and small business. That has never been suggested as a purpose behind any move to discontinue the Senate Small Business Committee and tuck its effort away as a subcommittee activity of a standing legislative committee. But American business men and women who have contacted the members and staff of the Senate Small Business Committee view with alarm any such move, for they fear that this is just another way of curtailing, stifling, and eventually killing the program in behalf of independent and small business.

The Reorganization Act has been in effect long enough now to have settled into the fabric of congressional organization. Consequently, no rash of new special committees will break out if the decision is made to continue the Senate Small Business Committee. For it is widely recognized that this committee is of a very special character and therefore does not fit into the pattern of subcommittees of standing committees, whereas all the special investigations sought can be organized expeditiously that way.

The House of Representatives is continuing its Special Committee on Small Business. If the Senate Committee is not continued, there results a lopsided arrangement, where Members of the Senate will have to refer the problems of their small-business constituents to the House for action, action which is entirely beyond their control and cannot be fitted into their own efforts in behalf of their constituents. The House of Representatives sees nothing in the continuance of its Small Business Committee which is disturbing to the effectiveness of the Reorganization Act.

Proposed program of the Senate Small Business Committee during the Eighty-first Congress

The work of the committee is practical—it is aimed to make certain that independent and small business comes through this unnatural postwar period of inflation and shortages as well as is possible, to the end that competitive business will survive and grow strong. This work is divided into two, not completely distinct parts: (1) Those investigations, negotiations, hearings, and meetings which result in independent and small business receiving fair and equal treatment with big business competitors in relationships with the Government, and (2) an investigation of those fundamental and long-range problems which restrict competition and strengthen monopoly practices to the detriment of independent business.

Specifically, the Senate Small Business Committee intends working in the following areas:

1. Small business participation in Government procurement (military, research and development, and normal procurement programs).
2. Small business participation in international trade (ECA, export-control policies, etc.).
3. Breaking the bottlenecks of scarce materials for small business (steel, aluminum, newsprint, power, etc.).
4. Small business participation in the plant expansion and development program launched by the Government as a defense and economy plan.
5. Small business participation in the program of development and stock piling of strategic metals and materials.
6. The antitrust laws and practices of the agencies (Federal Trade Commission, Department of Justice, Department of Commerce, and Department of Labor) as they affect small business.
7. Accounting, statistics and reports required by the Government and their effect on small business.
8. Transportation problems of small business.
9. Small business interest in the surplus property disposal program.
10. Financial problems of small business (equity, capital taxation).

The continuance of the Small Business Committee has widespread support

Any attempt to discontinue the Senate Small Business Committee, or to tuck it away as a subcommittee of a standing legislative committee, will meet with the greatest disfavor of many thousands of American businessmen scattered widely over the Nation. They have come to expect its services as necessary in their behalf, as one small means of balancing the scales in comparison to their powerful big business rivals. They have repeatedly given the finest commendations of its work. Its continuance has been pledged them by responsible leaders in the Congress and the administration.

No attempt has been made to assemble any pressure, or to allow any pressure to be exerted in behalf of continuance of the committee, for that has such obvious merit that no such pressure would appear to be required. It is recommended, therefore, that full support be given the resolution being introduced to continue the committee during the 81st Congress.

ELEMENTARY AND SECONDARY SCHOOLS, COAUTHOR OF BILL

Mr. NEELY. Mr. President, on the 10th of January I introduced Senate bill 287 to provide for grants to assist the States, Territories, and dependencies in the construction of elementary and secondary schools. That bill is now before the Committee on Labor and Public Welfare. I ask unanimous consent that it be reprinted for the sole purpose of having the Senator from Florida [Mr. PEPPER] joined as cosponsor of the bill.

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

APPLICATION OF RULE XIX

Mr. MORSE. Mr. President, I wish very respectfully to refer to the application of rule XIX of the Senate. The rule reads as follows:

> When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him. No Senator shall interrupt another Senator in debate without his consent, and to obtain such consent he shall first address the Presiding Officer.

The rule goes on to cover other matters not germane to the point which I wish to raise.

A few minutes ago the Presiding Officer recognized the Senator from West Virginia [Mr. NEELY], who was not at the time even on the floor, although at that time the Senator from Florida [Mr. PEPPER] was seeking recognition. The junior Senator from Oregon raised the question, by way of a parliamentary inquiry, as to the propriety of the course of action of the Presiding Officer under that rule. As the RECORD tomorrow will show, as a result of the exchange between the junior Senator from Oregon and the Presiding Officer, the Senator from Oregon found himself in a position in which the senior Senator from Florida would not agree to yield for any further raising of the parliamentary inquiry.

I want to assure the Presiding Officer, because I think he knows, on the basis of his relationships with the Senator from Oregon, that the Senator from Oregon holds the Presiding Officer in very fond affection. I meant it when I said some days ago that I think the Presiding Officer is a great inspiration to the liberals of the country, and that his record has been a great record of social service. But my extremely high regard for the Presiding Officer must be considered quite independent of my duty to protect my rights and the rights of other Senators who have since this occurrence this afternoon conferred with me and expressed complete agreement with the point of view I am now expressing that rule XIX should be applied by the Presiding Officer in accordance with its clear meaning and without any understandings or arrangements entered into between the Presiding Officer and any Senator whereby he will recognize some other Senator in preference to a Senator who first addresses the Chair, is standing on the floor, and is seeking to be recognized.

This is not the first time in the history of the Senate that the Chair—not the present Presiding Officer, but another Presiding Officer—has recognized a Senator who was not even on the floor at the time. I remember quite clearly a couple of years ago an occasion when the then Presiding Officer recognized the junior

Senator from Michigan [Mr. FERGUSON], because, on the basis of a list that was being kept at the desk, he was supposed to be the next Senator to be recognized, but he was not on the floor at the time, and after some little exchange a Senator who was on the floor at the time was finally recognized.

I wish to say, in all courtesy and with deep respect, that I think that we must insist that the present Presiding Officer and every other Presiding Officer of the Senate, see to it that our rights under the rules are protected, and I submit that the type of ruling the Chair handed down this afternoon may, by accretion of further misrulings, eventually reach the point where our rights are in fact seriously jeopardized. We cannot start varying the letter as to our rights under the rules of the Senate without soon finding ourselves in the position of finding that our rights are seriously interfered with.

I have been moved to comment on a recognition which occurred on the floor when I was acting as minority leader, and which I protested at the time, and I turn to the CONGRESSIONAL RECORD of yesterday, page 854, the first column on the page, starting with the language in which the RECORD says:

Mr. BRIDGES and Mr. HAYDEN rose and addressed the Chair.

The VICE PRESIDENT. Does the Senator from Arizona wish to oppose the resolution?

Mr. HAYDEN. I have sought recognition to speak on the resolution itself. As chairman of the Committee on Rules and Administration, I should like to discuss the resolution.

The VICE PRESIDENT. The Chair thinks the Senator from Arizona is entitled to recognition, if the Senator wishes to discuss the resolution now. The Chair wishes to expedite the matter by getting the resolution before the Senate.

Mr. HAYDEN. As I understand, the resolution is now before the Senate.

The VICE PRESIDENT. No, the resolution is not before the Senate. The motion of the Senator from Illinois to proceed to the consideration of the resolution is still pending. Does the Senator from New Hampshire object?

Mr. BRIDGES. Mr. President, I have been trying to secure recognition here for several hours, and I have been taken off my feet, and a few more Senators are going to be taken off their feet, too, if I do not secure recognition.

The VICE PRESIDENT. The Chair has not taken the Senator off his feet. From a legislative standpoint the Senator has not been on his feet. The Chair is trying to expedite the business of the Senate. The resolution is debatable after the motion is agreed to. The Chair recognizes the Senator from Arizona if he wishes to speak on the motion.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MORSE. I do not want to be overly technical, but I certainly question whether recognition of any Senator should depend on whether he desires to address himself to the subject matter under discussion. I am sure the Presiding Officer does not mean that recognition of the Senator from Arizona is to be given on that basis. What the Presiding Officer has suggested is that he would recognize the Senator from Arizona if the Senator from Arizona proposes to speak on the resolution. I would have to raise a point of order if that is the intention of the Presiding Officer.

I think the remarks of yesterday speak for themselves, and as a Member of this body, Mr. President, I most respectfully urge that at all times rule XIX be strictly complied with at this session of the Congress.

I find myself in opposition to a practice which I have heretofore protested time and time again on the floor of the Senate, namely, of keeping a list at the presiding officer's desk, which list should be followed in recognizing Senators on the floor of the Senate. I respectfully submit that rule XIX was put into the rules to protect each and every one of the 96 of us, insofar as we are first on our feet, and asking for recognition, to be so recognized by the presiding officer, whoever he may be. I respectfully submit that this afternoon when the presiding officer announced the recognition of the Senator from West Virginia when the Senator from West Virginia was not here to be recognized, rule XIX was violated.

Mr. NEELY. Mr. President——

The VICE PRESIDENT. The Chair feels compelled to make an observation, in view of the remarks of the Senator from Oregon. The Chair is as sincere in his belief that rule XIX should be observed by the Presiding Officer, whoever he may be, as any Senator could possibly be. As we all know, from time immemorial Senators who wanted to be recognized sometimes came to the Chair and indicated their desire for recognition. I have for many years protested the keeping of a list at the desk by private arrangement, made in the order in which Senators approached the Chair and desired to be recognized.

The Chair recognizes the full force of the rule that the Chair should recognize the first Senator who rises and asks for recognition. But when two or more Senators rise at the same time it is not always possible for the Chair to tell just which one rose first, and therefore he must exercise some discretion in determining which Senator he will recognize under the circumstances.

What has happened today is not serious. The Senator from West Virginia came to the Chair and said that he desired to reintroduce a bill, and asked me if I would recognize him. I asked him to await the conclusion of the debate on the pending appeal, and especially await the conclusion of the remarks of the Senator from New Hampshire [Mr. TOBEY] and the Senator from Vermont [Mr. FLANDERS], and told him that if he were on his feet asking recognition then, the Chair would recognize him.

When the Senator from Vermont concluded his remarks the Chair looked over on the right to see whether the Senator from West Virginia was on his feet asking recognition, and made inquiry whether the Senator from West Virginia were in the Chamber, and was advised that he was not, whereupon the Chair recognized the Senator from Florida. So that it is not a serious infraction of the rule.

If the Senator from West Virginia had been in the Chamber and on his feet asking recognition to do what he has since done, namely, reintroduce a bill, the Chair would have recognized him. The Chair did not recognize the Senator from West Virginia in his absence from the Chamber. The Chair inquired whether the Senator from West Virginia was in the Chamber, and on being advised he was not, recognized the Senator from Florida, who was on his feet.

Calling the attention of the Chair to rule XIX has served a purpose, and the Chair thanks the Senator from Oregon. The Chair has long insisted that a Senator need not yield to any other Senator for any purpose while he has the floor, unless he is guilty of misconduct or violation of the rules himself so that he is called to order and is compelled to take his seat. A Senator is not required to yield to another Senator to make a point of order, to make the point of no quorum, or for any other purpose, and even when he yields he can yield only for a question, under the rule.

In view of the importance of legislation of all sorts, which will be controversial, that is likely to arise in the Senate at this session, the Chair hopes he will have the complete cooperation of Senators in observing and enforcing all the provisions of rule XIX, and not merely one provision.

The Chair felt he was called upon to make these remarks in view of the observations of the Senator from Oregon, in explanation of why the Chair had indicated to the Senator from West Virginia that if he were present and on his feet asking recognition to do what he did the Chair would recognize him at a certain point.

SPECIAL SMALL BUSINESS COMMITTEE

The Senate resumed the consideration of Mr. WHERRY's appeal from the decision of the Chair referring Senate Resolution 55 to the Committee on Banking and Currency.

The VICE PRESIDENT. The question is——

Mr. AIKEN. Mr. President——

The VICE PRESIDENT. The Chair recognizes the Senator from Vermont.

Mr. AIKEN. As I understand, the question before the Senate is whether the Senate will vote to sustain the Chair in his reference of the resolution of the Senator from Nebraska [Mr. WHERRY] to the Committee on Banking and Currency. It is also my understanding that a resolution establishing a special committee on small business has been referred to the Banking and Currency Committee and is now in the hands of that committee. It is further my understanding, which I should like to have confirmed, that the Committee on Banking and Currency expects to act upon that resolution at a very early date, probably sometime next week, and to report it back to the Senate, either favorably or unfavorably, so that the matter of establishing a special Small Business Committee will be before this body within the next few days. I should like to ask the chairman of the Committee on Banking and Currency if my understanding is correct.

Mr. MAYBANK. Mr. President, of course, the only question before the Senate, as the Senator from Vermont knows, is the question of the appeal from the decision of the Chair on the reference of the pending resolution. Speaking for myself, and I think the committee will agree with me, we should consider this resolution and the one previously referred to it, and they should be reported to the Senate either favorably or unfavorably. Now whether or not that will be done this week, or the next week, or whether it will be done the following week, I cannot say. All I can say is that I urge it be done as soon as possible, and I am certain that the committee will report the resolution within 2 weeks. I do not say it will be done this week, because our regular meeting day has been on Tuesdays.

Mr. AIKEN. What I wanted to get clear in my mind is whether we would very soon have a chance to discuss the establishment of a special committee for small business on the merits of the question.

Mr. MAYBANK. I can only say that the Committee on Banking and Currency will report the two resolutions, the one by the Senator from Montana [Mr. MURRAY] and the other by the Senator from Nebraska [Mr. WHERRY], if it should be referred to it, within a reasonable time, and I believe it would be certainly within 2 weeks.

Mr. AIKEN. With that understanding, Mr. President, it seems to me that the Senate could have an opportunity to act upon the matter itself as early or earlier if the Committee on Banking and Currency would report the resolution back to the Senate within a week or so, than it could if such a resolution were referred to an entirely different committee, which probably has not considered the matter at all up to this time.

Mr. MAYBANK. While I now speak only for myself, the consensus of opinion of the Committee on Banking and Currency it seemed to me was that the resolution should be reported within a reasonable time.

Mr. AIKEN. I thank the Senator.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. I wish to ask a question with reference to the latter part of the remarks just made by the Chair, with particular reference to paragraphs 2, 3, and 4 of rule XIX. As I understood the Presiding Officer's remarks, it is not in order for any Senator to interrupt another Senator while he is speaking, except for a question, and with his consent—not even for points of order. My inquiry of the Presiding Officer is: If a Senator does transgress the rules as outlined in paragraphs 2 and 3 and refuses to yield for a point of order, is there not a way that a Senator can, under those circumstances, call the other Senator to order, if the Presiding Officer does not do so?

The VICE PRESIDENT. If the Senator who has the floor makes some remark that reflects upon the integrity or the good faith—the Chair is not quoting verbatim the language of the rule—of some other Senator, he may be called to order and required to sit down, whereupon he may be permitted to proceed in order. Otherwise a Senator is not required to yield the floor for any purpose, so long as he does not violate the rules of the Senate in his own conduct, or misconduct, as the case might be.

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The yeas and nays have been ordered on the appeal from the decision of the Chair.

Mr. LUCAS obtained the floor.

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

Mr. LUCAS. I yield.

Mr. WHERRY. Inasmuch as the distinguished chairman of the Committee on Banking and Currency has now made a positive statement that within 2 weeks one of the resolutions will be reported back to the Senate, if I heard him correctly——

Mr. MAYBANK. I was speaking for myself as chairman of the committee, and I believe the other members of the committee feel the same way I do. I have no right to bind any other member of the committee.

Mr. WHERRY. I realize that, Mr. President. That is quite right. The chairman has said that he will do everything within his power to report back one of the resolutions within 2 weeks.

Mr. MAYBANK. I said I hoped to.

Mr. WHERRY. Well——

Mr. MAYBANK. Now, Mr. President, I wish no one to misunderstand me. I have only my own vote in the committee. I cannot pledge any other member of the committee. No member of the committee has given me any statement that I could use here. I represent only my own vote. But I thought it to be the consensus of opinion in the committee that within a reasonable time we would report the resolution. However, I cannot pledge any other member.

Mr. WHERRY. I will make this request then. In view of the statement made by the distinguished Senator from South Carolina, in whom I have absolute confidence, I will say that I shall have accomplished the purpose I had in mind if either resolution be reported favorably by the committee. In view of the statement by the chairman of the committee, I ask unanimous consent to withdraw my appeal.

Mr. MAYBANK. Mr. President, I object, because I do not desire the charge to be made that I, as chairman of the committee, have been speaking for the committee. The Senator from New Hampshire [Mr. TOBEY], the ranking minority member of the committee, was not at the meeting held today.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate in referring Senate Resolution 55 to the Committee on Banking and Currency? On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MORSE. Does the Senator from Nebraska have the parliamentary right to withdraw his appeal if he so desires?

The VICE PRESIDENT. The yeas and nays have been ordered, and it cannot be done after that. The Clerk will call the roll.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DONNELL. A vote "yea" is a vote to sustain the Chair. Is that correct?

The VICE PRESIDENT. A vote "yea" is a vote to sustain the ruling of the Chair. A vote "nay" is a vote to overrule the decision of the Chair.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], and the Senator from Nevada [Mr. McCARRAN] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. JOHNSTON] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from Montana [Mr. MURRAY] are absent on official business at Government departments.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is paired on this question with the Senator from Missouri [Mr. KEM]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Missouri would vote "nay."

The Senator from Rhode Island [Mr. GREEN] is paired on this question with the Senator from Wisconsin [Mr. McCARTHY]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Wisconsin would vote "nay."

The Senator from Arkansas [Mr. FULBRIGHT] is paired on this question with the Senator from Indiana [Mr. JENNER]. If present and voting, the Senator from Arkansas would vote "yea," and the Senator from Indiana would vote "nay."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this question with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from California [Mr. DOWNEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. McCARRAN], and the Senator from New York [Mr. WAGNER] would vote "yea," if present.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Nebraska [Mr. BUTLER] is absent on official business.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business and is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from

New Hampshire [Mr. BRIDGES] would vote "nay" and the Senator from Minnesota [Mr. HUMPHREY] would vote "yea."

The Senator from Indiana [Mr. JENNER] is necessarily absent and is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from Indiana [Mr. JENNER] would vote "nay" and the Senator from Arkansas [Mr. FULBRIGHT] would vote "yea."

The Senator from Missouri [Mr. KEM] is detained on official business and is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Missouri [Mr. KEM] would vote "nay" and the Senator from New Mexico [Mr. CHAVEZ] would vote "yea."

The Senator from Wisconsin [Mr. McCARTHY] is absent on official business and is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from Wisconsin [Mr. McCARTHY] would vote "nay" and the Senator from Rhode Island [Mr. GREEN] would vote "yea."

The result was announced—yeas 57, nays 20, as follows:

YEAS—57

Aiken	Hill	Miller
Anderson	Hoey	Myers
Broughton	Holland	Neely
Byrd	Hunt	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Kefauver	Robertson
Connally	Kerr	Russell
Cordon	Kilgore	Smith, Maine
Donnell	Langer	Smith, N. J.
Douglas	Long	Sparkman
Eastland	Lucas	Stennis
Ellender	McClellan	Taylor
Flanders	McFarland	Thomas, Okla.
Frear	McGrath	Thomas, Utah
George	McKellar	Tobey
Gillette	McMahon	Tydings
Hayden	Magnuson	Williams
Hendrickson	Maybank	Withers

NAYS—20

Baldwin	Lodge	Taft
Brewster	Malone	Thye
Ecton	Martin	Watkins
Ferguson	Morse	Wherry
Hickenlooper	Mundt	Wiley
Ives	Saltonstall	Young
Knowland	Schoeppel	

NOT VOTING—19

Bricker	Gurney	Millikin
Bridges	Humphrey	Murray
Butler	Jenner	Reed
Chavez	Johnston, S. C.	Vandenberg
Downey	Kem	Wagner
Fulbright	McCarran	
Green	McCarthy	

So the decision of the Chair was sustained.

INFLATION AND EMPLOYMENT

Mr. O'MAHONEY. Mr. President, the sessions of the Joint Committee on the Economic Report to consider at a public meeting the recommendations made by the President began this morning in the caucus room in the House Office Building. Problems of inflation, production, purchasing power, and employment are under consideration. The testimony which will be offered there will be of vital importance, I think, to the people of the United States.

Mr. Leon Keyserling, vice chairman of the Council of Economic Advisers, testified this morning. Mr. Keyserling will be followed tomorrow by Dr. John D. Clark, also a member of the Council of Economic Advisers. Thereafter testimony will be presented by the Secretary of Commerce, Mr. Charles Sawyer; the Secretary of the Treasury, Mr. John W. Snyder; the Secretary of Labor, Mr. Maurice Tobin; the Secretary of the Interior, Mr. Julius A. Krug; and the Secretary of Agriculture, Mr. Charles F. Brannan.

Mr. Raymond M. Foley, Administrator of the Housing and Home Finance Agency; Federal Security Administrator Oscar R. Ewing; Assistant Secretary of State Willard L. Thorpe; and Chairman Thomas B. McCabe, of the Federal Reserve Board, will conclude the presentation of the testimony which has been organized by Secretary Brannan on behalf of the administration.

The Joint Committee on the Economic Report has invited a panel of nationally known economists and experts in the various problems which will be under consideration. Representatives of agricultural organizations, labor organizations, and business organizations have also been invited to attend the hearings, which will be concluded with two round table discussions, one by each of the groups which I have mentioned. These round table discussions will be conducted in public before the committee, in order to develop the best possible consensus of opinion regarding the economic situation.

In order that this information may be made available to as many readers as possible, I have had prepared a summary of the testimony which was offered this morning by the Vice Chairman of the Council of Economic Advisers, Mr. Leon Keyserling. I ask unanimous consent that this summary of his statement, together with a table which shows the state of employment in the United States from January 1946 to 1947, and a table on consumers' prices for the period 1939 to 1948 may be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the matters referred to were ordered to be printed in the RECORD as follows:

INFLATION AND EMPLOYMENT

TESTIMONY OF LEON H. KEYSERLING, VICE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS

The Employment Act of 1946 has two basic objectives—economic stability and a continuing growth of the economy. At present the economic condition of the country is good, but there are maladjustments which if not stopped by appropriate action may produce unemployment and lower national income. While the prices of some farm products and foods have gone down in some areas, there are many strategically important parts of the economy in which prices are continuing to rise. Industrial prices have reached an all-time peak. The same contrast and imbalance between managed industrial prices and low farm prices that caused so much unemployment in the 1929–33 depression is beginning to appear again and could have similar consequences unless the danger is quickly recognized and firmly met.

There are six basic maladjustments in the current economic situation that require attention.

1. The cost of living has risen 74 percent since the middle of 1939, and 29 percent since the middle of 1946. The down-turn in the cost of living in recent weeks has thus far been only about 2 percent. At current costs clearly more than a fifth and probably a fourth of the families in the country do not have sufficient income to maintain what by scientific standards has been indicated as the minimum standard for maintenance of health and decency. People in the lowest income brackets have been hit hardest. Of those getting as little as $2,000, more than one-fourth suffered decreases in money income last year compared with 1947, and an additional 45 percent had no increases at all. On the other hand most of those already in the upper income brackets got further increases.

2. The relationship between industrial prices and farm prices has operated to the detriment of the farmer since the middle of 1946. "Since the last prewar year 1939, farm prices and incomes have risen more than most oher prices and incomes. This helped to redress the unfortunate position of the farmer in the prewar economy. But since the middle of 1946, industrial prices and incomes have been outpacing agricultural; since then, wholesale prices of farm products have risen 22 percent and of industrial commodities 45 percent * * * with per capita net income of persons on farms estimated at $909 in 1948, contrasting with $1,569 for persons not on farms, we again face the emergence of the traditional problem of maintaining agriculture in balance with the rest of the economy. The farmer's share of the consumer's dollar has dropped constantly since 1946." The cost of living can and should be reduced without driving farm income further downward. This can be accomplished by lower distributor margins, and by a comprehensive program of increased farm efficiency.

3. There are "sharp and continued increases in prices of certain vital industrial products. * * * On top of earlier price increases, during the second half of 1948 there were further increases in such significant categories of wholesale prices as fuel and lighting materials and house furnishings." Prices of metals and metal products increased 6.7 percent in the second half of 1947, 4.6 percent in the first half of 1948, 9.7 percent in the second half of 1948, and 2.2 percent during January 1949. In the second half of 1948, the price of zinc increased 44.4 percent and of lead 22.9 percent. "These continuing price increases, although selective, are at vital spots where they influence the whole economy. An unchecked upward trend of these prices, when farm prices have been falling and other prices softening, may lead to even more serious maladjustment than when almost all prices were rising together."

(4) "Consumer expenditures or demand have dropped from 76 percent of total output in 1929, and 75 percent in 1939, to only 70 percent in 1948. * * * Correspondingly compensation of employees as a share of total national income has dropped from 65.9 percent in 1939 to 61.5 percent in 1948, thus moving close to the undesirably low 58.1 percent of 1929; while business and professional income and corporate profits as a share of total national income are much higher than in 1929 and even more above the 1939 level. Readjustment in the current ratios, which cannot be sustained permanently, is essential if we are to maintain full demand for an increasing output of about 3 percent per year without a large and continuing increase in Government expenditures."

(5) "The aggregate of corporate profits has been running higher than needed to maintain current or even somewhat increased levels of business investment. Between 1947 and 1948, corporate profits after taxes increased by $2,700,000,000 and undistributed profits increased by $2,000,000,000, while there was a decline of $2,000,000,000 in corporate uses of funds." At the same time that small businesses are earning less profit in 1948 than in 1947, the larger corporations are able to finance a phenomenally high proportion of their operations from internal sources. Corporate stockholders received in dividends but 36.5 percent of net profits after taxes in

1948, contrasted with 69 percent in 1929 and 76 percent in 1939.

(6) "Some basic industries are not increasing their capacities sufficiently to attain the production levels required for the steady growth of a maximum employment economy." Instead, they are gearing their capacities to the assumption that in the future as in the past there will be a sharp drop in the business cycle. This assumption of recession or depression, in turn, increases the likelihood of the very evil against which reserves are being amassed. * * * The road to more production in the main is not higher prices and profits later on, but, instead, a rounded policy which adjusts prices and profits and capacities to a long period of stability and growth."

The easiest time to correct these maladjustments is before a crisis appears, that is now. The hardest time will be later on when neglect has actually produced the crisis. Those who are intelligent and conservative have long realized that a "stitch in time saves nine," but, unfortunately, sometimes the shiftless counsel of drift and do nothing is allowed to bring on damage that is irreparable.

Labor force, 1946–49

[Thousands of persons, 14 years of age and over]

Month	Total labor force, including armed forces [1]	Civilian employment			Armed forces [1]	Unemployment
		Total	Nonagricultural	Agricultural		
1946—January	59,490	51,020	44,300	6,720	6,170	2,300
February	59,130	51,240	44,300	6,940	5,240	2,650
March	59,620	52,460	44,930	7,530	4,470	2,700
April	60,300	54,120	45,950	8,170	3,850	2,330
May	60,570	54,850	45,970	8,880	3,410	2,310
June	62,000	56,360	46,350	10,010	3,070	2,570
July	62,820	57,840	47,870	9,970	2,710	2,270
August	62,200	57,690	48,550	9,140	2,450	2,060
September	61,340	57,050	48,300	8,750	2,220	2,070
October	61,160	57,030	48,410	8,620	2,170	1,960
November	60,980	57,040	49,140	7,900	2,010	1,930
December	60,320	56,310	49,100	7,210	1,890	2,120
1947—January	59,510	55,390	48,890	6,500	1,720	2,400
February	59,630	55,520	48,600	6,920	1,620	2,490
March	59,960	56,060	48,820	7,240	1,570	2,330
April	60,650	56,700	48,840	7,860	1,530	2,420
May	61,760	58,330	49,370	8,960	1,470	1,960
June	64,007	60,055	49,678	10,377	1,398	2,555
July	64,035	60,079	50,013	10,066	1,371	2,584
August	63,017	59,569	50,594	8,975	1,352	2,096
September	62,130	58,872	50,145	8,727	1,346	1,912
October	62,219	59,204	50,583	8,622	1,327	1,687
November	61,510	58,595	50,609	7,985	1,294	1,621
December	60,870	57,947	50,985	6,962	1,280	1,643
1948—January	60,455	57,149	50,089	7,060	1,241	2,065
February	61,004	57,139	50,368	6,771	1,226	2,639
March	61,005	57,329	50,482	6,847	1,236	2,440
April	61,760	58,330	50,883	7,448	1,236	2,193
May	61,660	58,660	50,800	7,861	1,238	1,761
June	64,740	61,296	51,899	9,396	1,261	2,184
July	65,135	61,615	52,452	9,163	1,293	2,227
August	64,511	61,245	52,801	8,444	1,325	1,941
September	63,578	60,312	51,590	8,723	1,366	1,899
October	63,166	60,134	51,506	8,627	1,391	1,642
November	63,138	59,893	51,932	7,961	1,414	1,831
December	62,828	59,434	52,059	7,375	1,453	1,941
1949—January	61,546	57,414	50,651	6,763	1,468	2,664

[1] Excludes about 150,000 members of the armed forces.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

Consumers' prices, 1939–48, for moderate-income families in large cities

Period	All items [1]	Food	Apparel	Rent
	1935–39=100			
Monthly average:				
1939	99.4	95.2	100.5	104.3
1940	100.2	96.6	101.7	104.6
1941	105.2	105.5	106.3	106.2
1942	116.5	123.9	124.2	108.5
1943	123.6	138.0	129.7	108.0
1944	125.5	136.1	138.8	108.2
1945	128.4	139.1	145.9	108.3
1946	139.3	159.6	160.2	108.6
1947	159.2	193.8	185.8	111.2
1948	171.2	210.2	198.0	117.4
1939—June	98.6	93.6	100.3	104.3
1946—June	133.3	145.6	157.2	108.5
1947—June	157.1	190.5	185.7	109.2
1948—January	168.8	209.7	192.1	115.9
February	167.5	204.7	195.1	116.0
March	166.9	202.3	196.3	116.3
April	169.3	207.9	196.4	116.3
May	170.5	210.9	197.5	116.7
June	171.7	214.1	196.9	117.0
July	173.7	216.8	197.1	117.3
August	174.5	216.6	199.7	117.7
September	174.5	215.2	201.0	118.5
October	173.6	211.5	201.6	118.7
November	172.2	207.5	201.4	118.8
December	171.4	205.0	200.4	119.5
	Percentage increases			
Since June 1939 [2]	74	119	100	15
Since June 1946 [2]	29	41	27	10
Since June 1947 [2]	9	8	8	9

[1] Also includes housefurnishings, fuel, electricity, and refrigeration, and miscellaneous goods and services.

[2] To December 1948, latest data available.

Source: Department of Labor.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

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

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of Hawthorne Arey, of Nebraska, to be a director of the Export-Import Bank of Washington to fill an existing vacancy, which was referred to the Committee on Banking and Currency.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

Aubrey B. Fennell, of the District of Columbia, to be an associate judge of the municipal court for the District of Columbia.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar.

TENNESSEE VALLEY AUTHORITY

The legislative clerk read the nomination of Harry Alfred Curtis to be a member of the Board of Directors of the Tennessee Valley Authority.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified of the confirmation of this nomination.

LEGISLATIVE PROGRAM—ADJOURNMENT TO THURSDAY

The Senate resumed the consideration of legislative business.

Mr. LUCAS. Mr. President, I should like to make an announcement for the benefit of Members of the Senate. When the Senate concludes its business today, it is planned to adjourn until Thursday next. I see no reason why we should be here for any considerable length of time on Thursday. At the conclusion of business on Thursday, it is planned that the Senate shall adjourn until Monday.

I now move that the Senate adjourn until Thursday next.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate adjourned until Thursday, February 10, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 8, 1949:

EXPORT-IMPORT BANK OF WASHINGTON

Hawthorne Arey, of Nebraska, to be a director of the Export-Import Bank of Washington to fill an existing vacancy.

CONFIRMATION

Executive nomination confirmed by the Senate February 8, 1949:

TENNESSEE VALLEY AUTHORITY

Harry Alfred Curtis to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring 9 years after May 18, 1948.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 8, 1949

The House met at 12 o'clock noon.

Rev. Dale Crowley, Washington, D. C., offered the following prayer:

Our Heavenly Father, God of all mercy and grace:

With grateful hearts, we acknowledge that Thou hast wonderfully blest our Nation. We ask that Thou wilt give to all Thy servants a sense of true thanksgiving, and with this an awareness of our stewardship before Thee. Grant that every man in this Chamber today, and every day, may think not merely of his responsibility to his constituents, but especially of his high trusteeship under God. Like Daniel Webster, exemplary statesman that he was, may our foremost thought be our accountability to God.

Give wisdom, so that we may be able to discern between the right and the wrong. Give courage, that we may ever stand for that which is true. Give humility, that we may walk before Thee