

# Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 81st CONGRESS, SECOND SESSION

#### SENATE

TUESDAY, APRIL 25, 1950

(Legislative day of Wednesday, March 29. 1950)

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

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

Almighty God, who hast entrusted this earth unto the children of men and called us unto a heavenly citizenship. grant us, we humbly beseech Thee, such shame and repentance for the disorder and injustice and cruelty that blights our world that, fleeing unto Thee for pardon and for grace, we may with full purpose of spirit set ourselves to establish that city which has justice for its foundation and love for its law.

Forgive our national sins and our social sins. Forgive our sloth and indifference to great public issues when through the indifference of the many injustice and greed and tyranny flourish. In this hour of peril raise up men of spiritual vision and decisive action. Let the flag of freedom for which so many have suffered and died fly from the castle of every heart as the bugle of Thy call wakens our souls in this crucial day and musters for service our feeble wills. In tile Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. Myers, and by unanimous consent, the reading of the Journal of the proceedings of Monday. April 24, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT-APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by M . Miller, one of his secretaries, and he announced that on April 24, 1950, the President had approved and signed the joint resolution (S. J. Res. 166) to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1862) for the relief of Mrs. Walter K. Miyamoto (formerly Miyoko Takahashi).

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H.R. 1861. An act for the relief of Elizabeth and Lawrence Wong;

H.R. 4857. An act for the relief of Mrs. Katsuko Nakahara Huntley; and H.R. 5580. An act for the relief of Mrs.

Tsuneko Shimokawa Guenther.

The message further announced that the House had passed a bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes, in which it requested the concurrence of the Senate.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3482) granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico, and it was signed by the Vice President.

#### LEAVE OF ABSENCE

Mr. WHERRY. Mr. President, I ask unanimous consent that the junior Senator from Utah [Mr. WATKINS], who is returning to his State for the purpose of attending hearings on a Federal judgeship for the district of Utah, be granted leave of the Senate to be absent from the sessions beginning today and through May 8, inclusive.

The VICE PRESIDENT. Without objection, leave is granted.

#### CALL OF THE ROLL

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Gurney	Magnuson
Anderson	Hayden	Malone
Benton	Hendrickson	Martin
Brewster	Hickenlooper	Maybank
Bricker	Ноеу	Millikin
Butler	Holland	Morse
Byrd	Ives	Mundt
Cain	Jenner	Myers
Capehart	Johnson, Colo.	Neely
Chapman	Johnson, Tex.	O'Conor
Chapman	Johnston, S. C.	Robertson
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Darby	Kerr	Smith, Maine
	Kilgore	Stennis
Douglas Dworshak	Knowland	Taft
		Taylor
Eastland	Langer Leahy	Thomas, Okla
Ecton	Lehman	Thomas, Utal
Ellender		Tobey
Ferguson	Lodge	
Flanders	McCarran	Tydings
Frear	McCarthy	Wherry
Fulbright	McClellan	Wiley
George	McFarland	Williams
Gillette	McKellar	Withers
Green	McMahon	Young

Mr. MYERS. I announce that the Senator from California [Mr. Downey] is absent because of illness.

The Senator from North Carolina [Mr. GRAHAM], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Wyoming [Mr. HUNT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent on official business. The Senator from Louisiana [Mr. Long] is absent by leave of the Senate.

The Senator from Illinois [Mr. Lucas]. the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Georgia [Mr. Russell] are necessarily absent.

The Senator from Montana IMr. MURRAY] is absent because of illness in his family.

Mr. SALTONSTALL. I announce that the Senator from Missouri [Mr. Don-NELL], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. Bridges] and the Senator from Michigan [Mr. Vandenberg] are necessarily absent.

The PRESIDING OFFICER (Mr. Douglas in the chair). A quorum is

#### TRANSACTION OF ROUTINE BUSINESS

Mr. MYERS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD, without debate and without speeches.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### VISIT OF MEMBERS OF GERMAN BUNDESTAG

The VICE PRESIDENT. Assembled in the office of the Vice President are 15 members of the German Bundestag. which is the Parliament of the new government in western Germany. Their schedule is such that they are required to fill other engagements. If there is no objection, the Chair will appoint two Senators to escort the distinguished Germans into the Chamber, to be received and welcomed by the Senate. They may stay as long as they wish. It may be interesting to them to observe our procedure in the preliminary stages of the session. If there is no objection the Chair will appoint the Senator from Pennsylvania [Mr. Myers] and the Senator from Nebraska [Mr. WHERRY] to accompany the distinguished members of the German Legislature into the Chamber. It will not be necessary to

take a recess. Under the rules our distinguished visitors are entitled to the floor.

The delegation from German Bundestag, consisting of Frau A. Brauksiepe, Dr. G. Bucerius, Herr J. Degener, Dr. R. Tillmanns, Prof. E. Wahl, Herr W. Fischer, Frau I. Keilhack, Herr E. Lange, Herr W. Lausen, Herr B. Leddin, Dr. W. Nomack, Dr. J. Trischler, Herr A. Ahrens, Dr. G. Seelos, and Dr. B. Reismann, were escorted into the Senate Chamber by the committee appointed by the Vice President, and took the seats assigned to them on the respective sides of the aisle.

The VICE PRESIDENT. In order that our distinguished visiting friends might not be regarded exclusively as either Democrats or Republicans, the Chair has suggested that they sit on both sides of the aisle. [Laughter.]

Members of the Senate, we have with us this morning 15 distinguished Germans who are members of the Parliament of Germany, the Bundestag, and members of the Government, including two charming ladies who are members of the Bundestag. They are in this country studying our government and our institutions. They are here today to have a look-in on Congress. They desire to observe wherever possible the action of congressional committees in order that they may gother such information as may be helpful to them in the working out of the processes of their own government.

On behalf of the Senate, the Chair would like to say that we welcome these distinguished guests into the Chamber of the Senate of the United States. Under the rules of the Senate, they are entitled to sit in the Senate Chamber, so long as it pleases them and is convenient for them to do so. Therefore the Chair says to our visitors that he hopes they will remain with us as long as possible.

It so happens that we have under consideration at this time a bill providing for a continuation of the Economic Cooperation Administration, which is commonly referred to as the European aid measure.

We trust that these distinguished representatives of the German people, who sit in counsel and in legislative capacity, may find instruction, may find cooperation, may find something here they may take back with them which will be of benefit to their people, and that their presence in the United States may not only be pleasant and profitable but that also as a result of their visit they may make some contribution to a better understanding not only between the German people and the new German nation and our people and our Nation, but among all the peoples of the world and among all nations, to the end that ultimately, out of the chaos and frustration which seem now to exist in the world, there may come a better feeling of cooperation and understanding, and a just and permanent peace may bless all mankind.

The Chair assures our visitors that we are glad to have them here, and we will proceed with our ordinary legislative process in their presence. As the Chair

has said, they may remain as long as they desire to do so, and we hope that they will come back to see us again in the near future. [Applause.]

Mr. ROBERTSON. Mr. President, I ask unanimous consent to proceed for 1 minute

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERTSON. Mr. President. I wish to take this opportunity, before debate begins on the ECA authorization, to join with other Members of the Senate in welcoming our distinguished guests from Germany. Last fall I was privileged to pay a brief visit to Germany, and while there I went to Frankfurt, Heidelberg, Bremerhaven, Bremen, and Berlin. Other members of our party visited Munich and other places. I came away with certain very definite impressions, one of which was that Germany would need some financial aid from us after the Marshall plan ends, and I hope the Congress will provide it. In studying the rehabilitation of western Germany, I would invariably ask ministers of foreign countries, "Who was your best customer before the war?" and the answer would be "Germany." I am satisfied that the industrial rehabilitation of Germany is very essential to the industrial and economic well-being of all western Europe.

I was very happy that during my stay in Europe the Allied Governments agreed at Petersberg that there shall be no further dismantling of German industrial plants which were not primarily for war purposes.

I make these remarks, Mr. President, to indicate how much pleasure it gives me to have present in the Senate Chamber this delegation from the German Bundestag. I am looking forward with pleasure to having its members as guests of the small group over which the Senator from Wisconsin [Mr. Wiley] presides at our breakfast meeting tomorrow morning at 8:30. I hope that on that occasion, in that small intimate group, I shall have a chance to meet and to know personally the members of this delegation. [Applause.]

The VICE PRESIDENT. Without objection, the Chair will recognize Senators who wish to speak with reference to our visiting guests.

Mr. WILEY. Mr. President, I desire to associate myself with the remarks of the Vice President and the remarks of the distinguished Senator from Virginia in welcoming these representatives of the German Government. I need not call attention to the fact that many of the people of this great land stem from the German race. Probably 30 or 35 percent of the people of my State of Wisconsin are of German extraction. They have helped build up the wealth not only of that great State, but of the great Middle West and of whatever part of the United States to which they have gone.

We are met, of course, in a fateful hour. We hope your visit here will bring about a complete understanding between these great peoples.

We have no hate in our hearts. The fact that we have contributed some \$30,000,000,000, since the war, to friend and foe alike, must indicate to you that we are simply engaged in the large task of seeking to bring together men and women of great minds, to the end, as the President of this great body has said, that peace will prevail.

So I am happy to welcome you, and I hope to see you tomorrow morning at our little breakfast group.

Mr. WHERRY. Mr. President, I am sure I bespeak the sentiments of every Senator on this side of the aisle and, I feel sure, of every Member of this body, when I join the Vice President in extending a most cordial welcome to our distinguished guests from Germany.

We are glad to welcome you, as we have welcomed groups from other countries. We hope you will make the most of your opportunities while you are here, not only in visiting our various cities, but in seeing our country as a whole. I hope you will be invited to visit and will visit, many of our homes, school systems, and churches, as well as the seats of government of the United States of America. Our Americanism is built upon those four cornerstones. We believe sincerely in them

As you go back to your beloved land, if you can take something of our American ideals, which have been built upon this solid foundation, it will help us to convince all nations that we truly mean that we would like to bring peace to the world, that we would like to see each country operate as a nation of free people and, if possible, under the free-enterprise system, under which we feel all countries enjoy their greatest opportunities.

So, as the junior Senator from Nebraska, and as the minority leader, representing the minority party in the Senate, I extend to you a hearty welcome. We trust that your stay here will be not only pleasant but profitable, and will be of assistance in our mutual desire to have peace come to your country as well as to the other countries of the world. [Applause.]

Mr. MYERS. Mr. President, I speak for neither side of the aisle for I do not believe that we are or should be divided by any arbitrary line in welcoming our visitors; but in the absence of the majority leader, the distinguished senior Senato from Illinois [Mr. Lucas], in his name, and for myself, I welcome our distinguished visitors here today. think it is particularly significant that at the time when they visit us, we have under discussion the Marshall-plan program, because I am confident that the members of Parliament from western Germany know that we in America, through the Marshall plan are doing our best to build a peaceful world and a world of human decency, by reviving the economies of the countries of western

I feel that this program which is under discussion on the floor of the Senate today Las done more than anything else to save western Europe from communism. It has aided in restoring the production of western Europe to prewar levels. It has brought new hope to those who suffered so much in World War II. I am indeed delighted and happy that when our distinguished visitors are with

us today, we have under consideration this program which is so important to the peace of the world.

am happy to welcome our distinguished visitors. I hope they will stay with us for some time, and that they will enjoy their visit here. [Applause.]

Mr. CONNALLY. Mr. President, as chairman of the Foreign Relations Committee of the Senate, I wish to join in the sentiments which have so ably been expressed by the Senators who have spoken in welcoming the delegation from Germany which is attending us today.

We take it that in making their visit here they come here for the purpose of contacting the United States, its institutions, and its people. We hope the impressions our country makes upon them will contribute to their efforts to rebuild their shattered and broken country and its institutions. We take their visit here as an omen of peaceful intentions.

The war is behind us. We desire to live in peace and in harmony with the other nations of the world. We have no spirit of vengeance or retaliation. Our only desire is to live under the practices of international law and international

good feeling.

We wish for you and your people rehabilitation and reintegration, as it were. We welcome you here. We have been honored by visits from representatives of other foreign countries, including Japan. We are glad that you come here. Your visit to us indicates your respect for our country, your idea that you can gain something from contact with our country. It indicates, according to our view, your desire to live in peace and in harmony with the other great nations of the earth.

In that spirit we welcome you here. We hope your stay will be beneficial. When you return to your own homeland we hope you will carry back with you, among the impressions you gain while you are here, a helpful concept of our free democracy, which for more than 150 years has grown and flourished and strengthened in this happy, free land.

We shall continue in the future, as in the past, to stand for freedom, for democracy, and for intellectual as well as physical freedom. Here in the United States we are undertaking to set before the world that concept of government, which we hope you will embrace, if you do not already possess it. We hope you will carry back to you: country this message from the United States: That we welcome you into the sisterhood of states; that all of us will exert our best efforts to preserve, maintain, and strengthen the peaceful intentions of the people of the world, so that the time will come, through orderly processes, when the peace of the world will grow and be strengthened, until people like yourselves can pursue in the projects of peace the welfare of their people, and the improvement of their own country and institutions, so that all of us may reach across the waters and, joining hands, may march forward to a greater and a better day. [Applause.]

Mr. LANGER. Mr. President, I personally wish to join with my colleagues in bidding our distinguished guests welcome. To our guests I may say we have in America, roughly, 33,000,000 of your blood brothers and sisters. It is unnecessary to leave Washington to find out what they did. The dome of this Capitol was designed by a man of Germanic origin. The beautiful Congressional Library nearby was likewise so designed. The finest post-office building in the the United States was also designed by a man of Germanic origin. In this very building will be found painting after painting, the work of a man of German origin. When our guests travel over this country, they will find among our most law-abiding citizens many of their blood sisters and brothers, distinguished in medicine, in the arts and sciences. Among the farmers of the Northwest they will also find their blood sisters and brothers. No matter where they may go, whether it be to Florida or to the far western State of Washington, they will find a great many of their sisters and brothers.

Mr. President, I ask unanimous consent that I may speak for 1 minute in German.

The VICE PRESIDENT. Without objection, the Senator from North Dakota may speak to us in German, and will then interpret his remarks in English.

Mr. LANGER. Herr Praesident, sehr geehrte Damen und Herren der Bundes-

tagsdelegation.

Die ungewoehnlichen Umstaende Ihres so erfreulichen Besuches beim Senat veranlassten mich, allgemeine Zustimmung dazu nachzusuchen, dass ich kurz zu Ihnen in Ihrer eigenen Sprache rede. Der Senat gewaehrte mir dieses Ersuchen und es ist mir eine grosse Freude fuer diejenigen von Ihnen, die die vorhergehenden Reden nicht verstanden haben, hier auszusprechen, wie erfreut der Senat darueber ist, dass Sie an diesem Nachmittag bei uns sind.

Schaetzungsweise gesagt, befinden sich dreiunddreissig Millionen Amerikaner deutscher Herkunft in diesem Lande. Diese Leute haben sich einen guten Ruf erworben als patriotische Buerger, die Gott fuerchten, ehrlich sind und hart arbeiten. Sie gehoeren unter die Fuehrenden auf den Gebieten der Kunst und Wissenschaft und haben sich ausgezeichnet bewaehrt in landwirtschaftlicher Ar-

Es ist uns eine Freude Sie hier willkommen zu heissen als Vertreter derienigen, denen von amerikanischen Vorfahren freudige Hilfe geleistet wurde. Kurz nachdem die aktive Kriegsfuehrung beendet wurde, begannen wir, Ihnen Buendel mit Nahrung und Kleidung zu senden. Im Oktober des Jahres 1948 sandten diese Amerikaner einundvierzig Millionen Pfund an Nahrung und Kleidung und viele, die Verwandte dort hatten, sandten jenen Verwandten und Freunden Geld.

Es ist uns eine Freude Sie unter uns zu sehen; es gewaehrt uns Genugtuung festzustellen, dass Sie an dem Wesen unserer Demokratie Interesse haben und wir hoffen, dass Sie eine lange Zeit bleiben und danach bald wiederkehren werden. Moege Gott dazu helfen, dass als Folge Ihres Besuches das Leiden und die Not derjenigen, fuer die Sie hier als Vertretei stehen, Linderung erfahren moege.

Dieser Hoffnung im Namen des Senats Ausdruck gebend, darf ich mit den Worten schliessen "auf Wiedersehen."

#### [Translation]

Mr. LANGER. Mr. President, ladies and gentlemen of the delegation, the unusual circumstances of your very delightful visit to the Senate prompted me to ask unanimous consent to speak to you briefly in your own language. The Senate granted me this privilege and I am happy to state to you who have not understood the prior speeches, how very happy the Senate is to have you with us this afternoon.

Roughly 33,000,000 Americans of German ancestry live in this country. They have made a good record as God-fearing, honest, hard-working, patriotic citizens. They are among the leaders in the arts and sciences and have done excellent

farming work.

We are glad to welcome you here as representatives of those whom American ancestors have been glad to help. Shortly after the conclusion of active warfare we commenced to send you bundles of food and clothes. In the month of October 1948, these Americans sent over to you 41,000,000 pounds of food and clothing, and many who had relatives there sent money to those relatives and friends.

We are pleased that you are with us, happy to know you are interested in our democratic ways and we hope that you will stay a long time and then return soon. May God grant that, as a result of your visit, suffering and want among those whom you represent may be alleviated.

With that expressed in behalf of the Senate, may I say to you in closing "auf Wiedersehen."

Mr. ROBERTSON. Mr. President, will the Senator from North Dakota permit me to interpret his German address?

Mr. LANGER. Yes. Mr. ROBERTSON. As I understood, Mr. President, he told our German friends that North Dakota is a great State, and that we are very proud of the contributions made by the Germans especially to agriculture in the Northwest. But I may say to our distinguished visitors, if they really wish to see the finest example in the United States of German skill in farming the land, they must visit the Shenandoah Valley of Virginia. [Laughter.]

The VICE PRESIDENT. The Chair wishes to congratulate the Senator from North Dakota on his accurate and meticulous German. He made but one mistake: He left a comma out after one word

Mr. MARTIN. Mr. President, I should like to be recognized for a moment in order that I may greet our distinguished guests from Germany.

The VICE PRESIDENT. The Senator from Pennsylvania is recognized.

Mr. MARTIN. To our distinguished visitors, I may say I sincerely trust that while you are in the United States you will visit the southeastern part of Pennsylvania, where German people have presided in government, in the schools, and in the churches for more than 200 years. The farms they presently occupy have been occupied by the same families for more than 200 years. They exemplify at its best the American tradition of government. They are deeply religious. They are most law abiding, and they are most industrious. They not only preside over the farms, but they are also in the factories and in the mills, and even in our mines. In behalf of the senior Senator from Pennsylvania and myself, I sincerely trust that you will visit that part of Pennsylvania. I may call your attention to the fact that three capitals of this Nation are embraced in that area. We are indeed most proud of the Pennsylvania Germans.

Mr. BRICKER. Mr. President—
The VICE PRESIDENT. The Senator from Ohio.

Mr. BRICKER. Mr. President, in the year 1919, a classmate of mine in school, having participated in the war in which our respective countries were engaged, remained in Germany for quite a while. He there married a very beautiful German girl. I subsequently returned to school and there met his younger brother, who kept up correspondence with him. The brother in Germany, in one of the letters to his younger brother, stated he was wondering whether his bride would enjoy the United States, whether she would feel at home and would be comfortable among our people. The younger brother-and remember that Cincinnati is in Ohio-wrote back to the older brother in Germany, saying, "When you bring your bride home, stop first in Cincinnati; then go on to your own home in Milwaukee, and she will never know she has been away from Germany." [Laughter.]

The VICE PRESIDENT. If no other Senators wish to comment upon the presence of our visitors, the Chair will reiterate the sincere welcome which the Senate feels toward our distinguished guests. The Chair would be excused, he is sure, if he advised our friends that, if they really want to see America, they should not fail to go to Kentucky before returning home. The Chair may say to them, they will be interested in the fact that the first Speaker of the House of Representatives of the American Congress was of German descent, a man named Frederick Augustus Conrad Muhlenberg, and that in Kentucky there is a county named after him.

We have really enjoyed, ladies and gentlemen, your presence here today. These tributes to you and these expressions of welcome have been sincere. They have come from the heart. The remarks of the Members of the Senate who have spoken represent the unanimous feeling of this legislative body, into which you have come as guests.

The Chair expresses the hope that you will remain long with us, and that you will find in the United States, outside the legislative bodies and outside the precincts of government, a cordial welcome and the same desire for cooperation that you find here.

The Chair has been reminded that Muhlenberg was from the State of Pennsylvania. Mr. WHERRY. Mr. President, is there not some way in which the Chair can work in the State of Nebraska?

The VICE PRESIDENT. The Chair is going to Nebraska very soon to make a Democratic speech. [Laughter.]

Mr. WHERRY. May I inquire if the distinguished Vice President will invite me to accompany him? I should like to be there to greet the German people who I know will welcome the Vice President. I should like to go along in the Vice President's plane, if possible.

The VICE PRESIDENT. When the Chair goes anywhere to make a political speech he takes a commercial plane.

Mr. WHERRY. I trust the Vice President will invite me as his guest.

May I ask the majority leader if he has arranged for an opportunity for Senators to meet our distinguished guests? I do not want in any way to dictate the program, but I think it would be a fine gesture if we can take some time, at least a 5-minute recess, in which to meet these guests before they leave the Chamber.

Mr. MYERS. It had been thought unnecessary to take a recess, but if it is the will of the Senate to take a recess I think that might well be done.

The VICE PRESIDENT. The Chair would suggest that it would probably be more dignified and orderly to take a recess and for the distinguished guests to stand in line and meet the Senators,

Mr. MYERS. I had discussed that question with the Vice President, and we thought at first that it might not be necessary to take a recess, but, in view of the thoughts which have been expressed, I move that the Senate stand in recess subject to call of the Chair.

The VICE PRESIDENT. If any of the guests would like briefly to respond to the expressions of welcome to which they have listened, the Chair would suggest that that be done at this time. Without objection, the Senate will stand in recess subject to call of the Chair so that the Members of the Senate may meet our distinguished guests.

Thereupon (at 12 o'clock and 52 minutes p. m.) the Senate took a recess subject to call of the Chair.

During the recess the delegation from the German Bundestag took their places in line in front of the desk and were greeted by the Members of the Senate.

The VICE PRESIDENT. Dr. Bucerius, one of the members of the delegation from Germany, would like the opportunity to say a few words in response to the addresses of welcome which have been delivered, and therefore the Chair is glad to recognize Dr. Bucerius.

Dr. BUCERIUS. Mr. President and distinguished Members of the Senate, I must apologize for speaking in a foreign language, and certainly for making many blunders. Of course, it does not help that I am deeply moved by what we have just gone through. We come from a country which undoubtedly has done very bad things to the world and to your country. However, I must say to you that all the Americans we have met during the course of our visit have been ex-

tremely kind to us, especially when they heard we were Germans. And now this experience in the Senate has added emphasis to the warmth of the greeting we have received.

We came here to study American institutions, because we wanted to find out how democracy, the oldest democracy in the world, the real democracy, where everybody has the same voice in the affairs of his state, really works. Our intention was to study institutions. We are here for only a week, and, of course we do not know too much yet. However, we have found out one thing, that it is not institutions which make your democracy, but the spirit of the people, the feeling which apparently every American has, that it is necessary to help other Americans and, as we learn now, to help the people of the whole world.

When the Marshall plan help was inaugurated, and when the first flood of money began to pour into our very poor and disturbed country, Germans were very doubtful about what was being done. They said, "Why are Americans doing that? Do they do it just to do it, or because they want to get rid of their surplus?" I think many Germans entertained such thoughts.

Nowadays, gentlemen, I can assure you that every German, except a few who confess to being Communists, knows very well that America does all these wonderful things in private and public to help everybody in the whole world out of a very good heart.

I do not wish to take any more of your time, but let me say that millions of Germans would no longer be alive today if it were not for the generosity of your country and of Congress. When we left Germany our Chancelor, the President of our House of Representatives, and everyone whom we asked what we were to say over here, stressed upon us the necessity of expressing thanks every time we met anyone.

Thank you, gentlemen, for everything you have done for us. [Applause.]

The distinguished visitors having been escorted from the Chamber, and the recess having expired, the Vice President (at 1 o'clock and 11 minutes p. m.) called the Senate to order.

TRANSACTION OF MORNING BUSINESS

The VICE PRESIDENT. Under the unanimous-consent order entered earlier today, routine matters, as is customary, may be presented now.

APPRECIATION FOR WELCOME EXTENDED TO MEMBERS OF KOREAN NATIONAL ASSEMBLY

The VICE PRESIDENT laid before the Senate a communication from Sae Sun Kim, Chargé d'Affaires ad interim, of the Korean Embassy, Washington, D. C., conveying to the Senate the text of a resolution adopted by the Korean National Assembly, thanking the Congress and Government of the United States for the cordial welcome and courtesies extended the Representatives of the National Assembly during their stay in Washington, which was referred to the Committee on Foreign Relations.

EXECUTIVE COMMUNICATIONS, ETC.

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

RESTORATION TO TRIBAL OWNERSHIP OF CERTAIN LANDS ON FORT PECK INDIAN RESERVATION, MONT.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation authorizing the restoration to tribal ownership of certain lands upon the Fort Peck Indian Reservation, Mont., and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

SEMIANNUAL REPORT OF SECRETARY OF DEFENSE, ETC.

A letter from the Secretary of Defense, transmitting, pursuant to law, his semiannual report, together with the reports of the Secretaries of the Army, the Navy, and the Air Force, for the period July 1 to December 31, 1949 (with an accompanying report); to the Committee on Armed Services.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL MOTOR WHALEBOAT TO BOSTON (MASS.) COUNCIL OF GIRL SCOUTS, INC.

A letter from the Assistant Secretary of the Navy, reporting, pursuant to law, that the Boston (Mass.) Council of Girl Scouts, Inc., had requested the Navy Department to transfer one 26-foot motor whaleboat with engine, for use in operation of an island camp; to the Committee on Armed Services.

GRANTING OF STATUS OF PERMANENT RESI-DENCE TO CERTAIN ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to the subjects of such orders, together with a complete statement of the facts and pertinent provisions of law and the reasons for granting such status of permanent residence (with accompanying papers); to the Committee on the Judiclary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation of certain aliens, together with a complete and detailed statement of the facts and pertinent provisions of law as to each alien and the reason for ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF AGRICULTURAL ACT OF 1949, RELATING TO PARITY PRICE OF CORN AND WHEAT

A letter from the Acting Secretary of Agriculture, recommending that paragraph 2 of Public Law 74, Seventy-seventh Congress, be amended so as to provide that the rate of the penalty shall be 50 percent of the parity price per bushel of the commodity as of August 1, in the case of corn, and as of May 1, in the case of wheat, of the calendar year in which such crop is produced; to the Committee on Agriculture and Forestry.

CERTIFICATIONS OF COST OF REHABILITATION AND REPAIR ON CERTAIN PUBLIC AIRPORTS

A letter from the Acting Secretary of Commerce, transmitting pursuant to law, certification by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by Federal agencies at certain public airports (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AUDIT REPORT OF VETERANS CANTEEN SERVICE A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of Veterans Canteen Service, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF MARITIME COMMISSION UNDER MERCHANT SHIP SALES ACT

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, the quarterly report of the Commission on its activities and transactions under the Merchant Ship Sales Act of 1946, for the period January 1 through March 31, 1950 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

#### PETITIONS AND MEMORIALS

Petit'ons, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature o' the State of Mississippi; to the Committee on Labor and Public W' fare:

"Senate Concurrent Resolution 16

"Concurrent resolution memorializing the Congress of the United States not to federalize the practice of medicine

"Whereas the American people now enjoy the highest level of health, the finest standards of scientific care and the best quality of medical institutions thus far achieved by any major country in the world; and

"Whereas the experience of all countries where government has assumed control of medical care has been progressive deterioration of the standards and quality of that care to the serious detriment of the sick and needy; and

"Whereas the great accomplishment of American medicine is the result of a free profession working under a free system, unhampered by government control: Now, therefore, be it

"Resolved by the Mississippi State Senate (the house of representatives concurring therein):

"1. The Congress of the United States is hereby memorialized not to enact any proposed legislation, the effect of which is to bring the practice of medicine in this country under Federal direction and control.

"2. The Senators and Representatives from Mississippi, now in the Congress of the United States, are hereby respectfully requested to bend their efforts and utilize all facilities at their command to prevent the enactment of such legislation.

"3. Copies of this resolution shall forthwith be transmitted to the President of the United States, the Presiding Officer of each branch of Congress, and each Senator and Congressman from Mississippi.

"Adopted by the senate March 20, 1950.

"SAM LUMPKIN,

"President of the Senate.

"Adopted by the house of representatives April 10, 1950.

"Walter Sillers, "Speaker of the House of Representatives."

A joint resolution of the legislature of the State of New Jersey; to the Committee on Expenditures in the Executive Departments:

"Joint Resolution 3

"Joint resolution memorializing the Congress of the United States to carry out recommendations, concerning the relationship between Federal and State tax systems, made by the Commission on Organization of the Executive Branch of the Government

"Whereas the Commission on Organization of the Executive Branch of the Government, popularly known by the name of its distinguished chairman as the Hoover Commission, recommended that our tax systems—National, State, and local—be generally revised and that, in this revision, every possible effort be made to leave to the localities and the States adequate resources from which to raise revenue to meet the duties and responsibilities of local and State governments; and

"Whereas the Commission further recommended that the grant-in-aid plan and program be clarified and systematized; and

"Whereas the Commission proposed, in order to carry out these recommendations, the establishment of a continuing agency on Federal-State relations: Therefore be it

"Resolved by the Senate and General Assembly of the State of New Jersey:

"1. The Congress of the United States is hereby memorialized to promptly adopt and carry out the recommendations concerning the relationship between Federal and State tax systems of the Hoover Commission on Organization of the Executive Branch of the Government.

"2. The secretary of state is hereby directed forthwith to transmit a copy of this joint resolution, properly authenticated, to the President of the United States, to the respective presiding officers of the United States Senate and the House of Representatives, and to all of the Senators and Representatives from New Jersey in the Congress.

"3. This joint resolution shall take effect immediately.

"Approved April 13, 1950."

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"Assembly Joint Resolution 11

"Joint resolution relative to memorializing Congress to appropriate sufficient sums of money to continue the activities of the Bureau of Indian Affairs in California

"Whereas on February 28, 1950, the Subcommittee on the Interior Department of the Committee on Appropriations of the House of Representatives voted to delete from the appropriations bill to the Interior Departmen the sum of \$2,647,871, the total necessary for operations of the Bureau of Indian Affairs in California for the fiscal year 1950-51; and

"Whereas this action was taken largely in reliance on testimony of individual Indians claiming to represent all of the California Mission Indians; and

"Whereas since the action of said subcommittee protest meetings have been held by Indians from at least 13 reservations in California expressing disapproval; and

"Whereas it now appears that the individual Indians who appeared before the subcommittee had no authority to represent the said Mission Indians; and

"Whereas failure of Congress to make appropriations for activities of the Bureau of Indian Affairs in California for the fiscal year 1950-51 will place a heavy burden on the State for education of Indian children now educated by the Federal Government, and the burden of proceeding with health and sanitation projects now conducted among the Indians by the Federal Government: Now, therefore, be it

"Resolved, by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes the Congress of the United States to reconsider the action of said subcommittee and to take such action as may be necessary to effectively protect the interests of the Indian population in California by appropriating sufficient sums to carry out the activities of the Bureau of Indian Affairs in the State of California; 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 Member of Congress from the State of California.

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Assembly Joint Resolution 12

"Joint resolution relative to the proposed closing of the Birmingham Veterans' Hospital at Van Nuys, Calif., and the Long Beach Naval Hospital at Long Beach, Calif., and to the use of the Corona Naval Hospital

"Whereas the Veterans' Administration has announced its intention to move the facilities of the Birmingham Veterans' Hospital at Van Nuys, Calif., to the Long Beach Naval Hospital at Long Beach, Calif.; and "Whereas the Long Beach Naval Hospital

is due to be shut down June 30, 1950; and

"Whereas each of these hospitals is at present operating at full capacity, and it is virtually impossible to gain admission to either of them; and

"Whereas there are insufficient beds in Government hospitals for veterans in California as evidenced by waiting lists and by the large number of tubercular and mentally ill veterans now adding to the overcrowded conditions of California State and county hospitals, and many disabled veterans in other parts of the United States are requesting that they be transferred to hospitals in southern California, thus creating a need for additional hospital facilities in this area; and

"Whereas the closing of the Birmingham Veterans' Hospital and the Long Beach Naval Hospital will seriously inconvenience many veterans now being treated therein, many of whom have families who have established residences near the hospitals; and

"Whereas the closing of these hospitals will produce economic hardship among the employees of the hospitals, their families, and the business interests of the communities in which the hospitals are located; and

"Whereas the Birmingham Veterans' Hospital has a large number of tuberculosis patients requiring treatment extending over a period of 18 months to 2 years; and

Whereas the United States Government has spent many thousands of dollars in the vicinity of the Birmingham Veterans' Hospital for the construction of special homes for paraplegia patients who need specially built homes near the hospital to enable them to return easily for frequent treatment; and

"Whereas the continuation of both of these hospitals is required for the adequate treatment of thousands of veterans in the southern California area who are in need of hospitalization and hospital treatment; and

"Whereas the closing of these hospitals is not necessitated by recent reductions in the appropriations for the Veterans' Administration inasmuch as those reductions do not affect the appropriations for hospital expenses; and

"Whereas the Veterans' Administration has announced plans for a future building program for hospitals to meet this need; and

"Whereas the United States Naval Hospital at Corona, built by the Navy since 1941 at an expenditure of \$19,000,000, has been abandoned by the Navy and is now idle but in every way suitable and desirable for the care of veterans by the Veterans' Administration; and

"Whereas the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and other ex-service organizations have recommended the Corona Naval Hosfor transfer to the Veterans' Admin-

istration: Now, therefore, be it "Resolved by the Assembly and Senate of the State of California (jointly), That the President of the United States, the Vice President of the United States, the Veterans' Administration, and the Congress of the United States are hereby respectfully memorialized to take such steps consistent with the national economy as may be necessary to continue the Birmingham Veterans' Hospital at Van Nuys, Calif., and the Long Beach Naval Hospital at Long Beach, Calif., in operation at their present capacity; and be it further

"Resolved, That the Veterans' Administration be, and hereby is, requested to take over at once the Corona Naval Hospital as a major veterans' facility for the care of sick and disabled veterans in California; and be it further

"Resolved, That the Congress of the United States is memorialized to bring about the transfer of the Corona Naval Hospital to the Veterans' Administration and to enact any legislation which may be needed for this purpose; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, 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 Public Works:

"Assembly Joint Resolution 15

"Joint resolution relative to memorializing the President and Congress to have the Mammoth Pass Road in California constructed as a postwar construction project

"Whereas the National Government has assisted in the construction of a national highway from the Mexican border to the Canadian line, known as United States Highway No. 395; and "Whereas the United States Highway No.

395 connects with various other highways leading to other portions of California; and

"Whereas present direct traffic routes from the San Joaquin and Santa Clara Valleys through the Sierra Nevada Range connecting with said United States Highway No. 395, are closed for a large part of the year by heavy snows; and

"Whereas the Mammoth Pass, which is within a few miles of United States Highway No. 395, is much lower and in more open country and is not closed with snow for as long a time in the winter months as the other passes; and

"Whereas a portion of said proposed highway has been constructed by the forestry department, building from both sides of the mountain range, leaving a distance of approximately 34 miles to connect the said Highway No. 395 and State Highway No. 125 and State Highway No. 126: and

"Whereas the proposed highway will connect with United States Highway No. 99 from which several State highways lead across the Coast Range to the Santa Clara Valley on the west side of the said range, and connect with United States Highways Nos. 101 and 466; and "Whereas the construction of the highway

over the said Mammoth Pass which could be kept open during the entire year through the use of modern machinery would provide an important east-west traffic route through the Sierras and would be in every way a desirable postwar construction project;

"Whereas the construction of the proposed highway would not only be of importance from the standpoint of national defense, but would be of inestimable advantage from an economic standpoint, in that it would-

"(a) Afford an opportunity for the development of a virgin territory with extensive natural lumber resources amounting to upward of 2,800,000,000 board feet of a present commercial value and an additional 2,000,000,630 board feet of potential pulp timber and substantial deposits of iron, lead, and

"(b) Attract a large number of visitors to view the priceless heritage of forests, moun-

tains, game animals, birds, and other scenic beauties of the region which would be open to tourist and other travel:

"(c) Provide a loop trip for those persons traveling from southern California to the Owens Piver Valley by the eastern route;

"(d) Assist in the full power and irrigation storage development of the upper San Joaquin River in order to meet the needs of the Central Valley project; and

"Whereas the building of the proposed highway would contribute in great measure to the future, and increasing growth and prosperity of the San Joaquin Valley and of other portions of this State: Now, therefore, be it

"Resolved by the Assembly and Schate of the State of California (jointly), That the President and the Congress of the United States be memorialized to take such steps as may be necessary to have the said Mam-moth Pass Road constructed to commence at or near Casa Diablo in Mono County, on United States Highway No. 395, and continue over Mammoth Pass at the most feasible location and connect with State Highway No. 125 and Highway No. 126 in Madera County, a distance of approximately 34 miles; and be it further

"Resolved, That a copy of this resolution be sent by the chief clerk of the assembly to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative from California and from Nevada in the Congress of the United States; and the Senators and Representatives from California and Nevada are hereby respectfully urged to request such action.

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

"Assembly Joint Resolution 8

"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, with full recognition from the Federal Government. 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 de-cisions 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 substantial 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 and in the furtherance of justice that title and ownership of the lands beneath navigable waters within the boundaries of the States be restored to and 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 in the Congress of the United States."

#### "Assembly Joint Resolution 10

"Joint resolution memorializing Congress to grant former owners of Camp Beale lands first right to purchase such lands if and when the lands are sold

"Whereas the United States Government is now the owner of 86,000 acres of land in Yuba and Nevada Counties, Calif., which land was acquired from individual landholders at the beginning of World War II and was used throughout the war as a training center designated as Camp Beale; and

"Whereas said use was abandoned after the war and neither the present use of 2,000 acres as a bombing range nor any contemplated use as an air force academy or air depot requires, or would be likely to require, the full 86,000 acres, thus raising the probability that a large portion of said land may be offered for sale to private interests at some future time; and

"Whereas representatives of the United States Army in negotiating the purchases of the lands now comprising Camp Beale made representations that if the Government should at any time in the future decide to dispose of such land the Government would in all probability grant to the former owners the right to repurchase their holdings; and

"Whereas legislation has been introduced in both Houses of Congress which would give such former landowners, their heirs or devises, the first right to repurchase their land, if offered for sale: Now, therefore, be it "Resolved by the Assembly and Senate of

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact the proposed legislation which is described above, giving the former owners of the land comprising Camp Beale the first right to repurchase their properties, if and when such properties are offered for sale, on the terms and conditions provided in the proposed legislation; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States; to the Honorable Oscar L. Chapman, Secretary of the Interior; to the Honorable Dennis Chavez, chairman of the Committee on Public Works of the United States Senate; to the Honorable William M. Whittington, chairman of the Committee on Public Works of the United States House of Representatives; to the Speaker of the House of Representatives; and to each Senator and Representative from

California in the Congress of the United States."

Resolutions adopted by the Charleston (S. C.) Life Underwriters Association; the Frances Willard Christian Temperance Union, the Woman's Republican Club of Ferndale Borough, and the Ladies Auxiliary of the Upper Yoder Volunteer Fire Company, all of Johnstown, Pa., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A letter from Local No. 808, International Longshoremen's Association, of Brooklyn, N. Y., signed by William J. Noonan, secretary-treasurer, remonstrating against the enactment of legislation to change the present postal system; to the Committee on Post Office and Civil Service.

A letter in the nature of a petition from the Women's International League for Peace and Freedom, of Washington, D. C., signed by Mrs. Alexander Stewart, national legislative secretary, praying for the enactment of legislation to implement the President's point IV program; ordered to lie on the table.

Resolutions adopted by the California State Society, Daughters of the American Revolution, Los Angeles, Calif., expressing their views on legislation concerning un-American and subversive activities, and other welfare legislation before the Congress; ordered to lie on the table.

The memorial of Harry L. Dale and sundry members of the Galt (Calif.) Townsend Club, remonstrating against the enactment of the so-called Mundt-Nixon bill, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

Letters in the nature of memorials from Local No. 272 of the Brotherhood of Painters, Decorators, and Paperhangers of America, of Monterey, Calif., signed by J. D. Warrington, recording secretary, and Phillipsville Grange, No. 690, of Weott, Calif., signed by Maxine E. Kent, secretary, remonstrating against the enactment of the so-called Mundt-Nixon bills, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A letter in the nature of a memorial from Riverbank (Calif.) Grange, No. 719, Patrons of Husbandry, signed by Octavia Daniels, secretary, and sundry other members, remostrating against the enactment of the so-called Mundt-Nixon bills, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

FEDERAL SPENDING—RESOLUTION OF NATIONAL SOCIETY DAUGHTERS OF AMERICAN REVOLUTION

Mr. BYRD. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the Record, a resolution unanimously adopted by the Fifty-ninth Continental Congress, National Society Daughters of the American Revolution, in convention at Washington on April 22, 1950, relating to Federal spending.

There being no objection, the resolution was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the Record, as follows:

#### FEDERAL SPENDING

Whereas the Federal debt is now more than a quarter of a trillion dollars; and

Whereas the Federal budget has been balanced only twice since 1930; and

Whereas a whole generation will have reached its majority next year under a Government financed by deficit spending; and Whereas Federal taxes, combined with State and local taxes, are approaching confiscatory levels and even higher taxes have been recommended: and

Whereas the Federal Government through its lending programs and subsidies is already in competition with private enterprise and business; and

Whereas Federal programs already proposed would tend to federalize medicine, food and housing; and

Whereas still other proposals pending in Congress would usurp State and local prerogatives, invade individual rights and undermine constitutional processes; and

Whereas chronic deficits and increasing debt, inevitably attended by confiscatory taxes, Government competition with private enterprise and business, Federal usurpation of State and local prerogatives, Government invasion of individual rights and disregard of constitutional processes are synonymous with socialism: Therefore be it

Resolved, That the Fifty-ninth Continental Congress of the National Society, Daughters of the American Revolution urge each Member of the House of Representatives of the United States and each Member of the Senate of the United States to advocate a balanced budget for fiscal year 1951; to vote for reduction in the appropriation bill now pending in Congress to the extent required to avoid deficit spending; and to exert positive action for reduction in the Federal debt.

#### REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. GEORGE, from the Committee on Finance:

H.R. 6632. A bill to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines; without amendment (Rept. No. 1517).

#### REORGANIZATION PLAN NO. 1 OF 1950— REPORT OF A COMMITTEE

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported favorably, without amendment, the resolution (S. Res. 246) disapproving Reorganization Plan No. 1 of 1950, submitted a report (No. 1518), including the views of the minority, which was ordered to be printed.

## BILLS AND JOINT RESOLUTION INTRODUCED

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

## By Mr. WHERRY:

S. 3471. A bill for the relief of John Christsdoulias; to the Committee on the Judiary.

#### By Mr. TYDINGS:

S. 3472. A bill authorizing the Secretary of Agriculture to convey certain lands to the Maryland National Capital Park and Planning Commission; to the Committee on Agriculture and Forestry.

By Mr. ECTON (for himself and Mr. MURRAY):

S. 3473. A bill to authorize the sale of a small tract of land at Great Falls, Mont.; to the Committee on Interior and Insular Affairs.

#### By Mr. KILGORE:

S. 3474. A bill to include within any city for the purposes of the 1950 decennial census all areas annexed by such city within 15 days after the taking of such census; to the Committee on Post Office and Civil Service.

By Mr. McFARLAND:

S. 3475. A bill to adjust death compensa-tion rates under laws administered by the Veterans' Administration; to the Committee on Finance.

By Mr. MAGNUSON:

S. 3476. A bill to provide for designation of the United States Veterans' Administration hospital now being constructed at Seattle, Wash., as the Hiram R. Gale Memorial Hospital; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 3477. A bill for the relief of Herbert Kiilsgard; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. J. Res. 170. Joint resolution to provide for the transfer of the paintings The Grand Canyon of the Yellowstone and The Chasm of the Colorado from the United States Capitol to the Department of the Interior; to the Committee on Rules and Administra-

INVESTIGATION OF SUBVERSIVE PROPA-GANDA IN EDUCATIONAL INSTITUTIONS

Mr. THOMAS of Utah. Mr. President, I submit for appropriate reference a resolution calling for an investigation of subversive propaganda in educational in-

I ask unanimous consent that I may be permitted to make a half minute statement with respect to the resolution.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for a half minute.

Mr. THOMAS of Utah. The resolution is submitted at the request of the Americanization Committee of the Sons of the American Revolution. The resolution was originally presented to the Committee on the Judiciary. However, on the advice of the chairman of the Committee on the Judiciary [Mr. Mc-CARRAN] it was referred to me as chairman of the Committee on Labor and Public Welfare. I wish to say that the resolution calls for an investigation of subversive activities in the schools of our country, and I wish also to say that if the Committee on Labor and Public Welfare looks kindly on the resolution, I assure the Senate that we shall undertake the investigation.

The resolution (S. Res. 264), submitted by Mr. Thomas of Utah, was referred to the Committee on Labor and Public Welfare, as follows:

Resolved, That the Senate Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of all phases of sub-versive propaganda in the public schools, colleges, and universities of the various States which is ultimately designed to undermine the Constitution and to overthrow the Government of the United States, including, but not limited to-

(1) the extent, if any, to which tax-exempt foundations or corporations are directly or indirectly supporting the activities of Communist-front organizations and pressure groups and promoting distribution of Socialist and Communist propaganda in the public schools, colleges, and universities;

(2) the identity of the organizations and groups, if any, engaged in the distribution of

such material;
(3) the extent, if any, to which teaching materials exist, or are in preparation, for students and adult groups desiring to study the propaganda and activities of Socialist and Communist organizations;

(4) whether there is a present lack of suitable textbooks, outlines, or other teaching materials showing the economic, finanpolitical, and constitutional effects of Fabian socialism and the Socialist state, and if so, the reasons therefor;

(5) the extent, if any, to which research projects have been established, or are contemplated, to obtain information in tion to this matter in connection with Socialist experiments in other countries, and the reasons for any present failure to establish such research projects;

(6) the influence, if any, in the educational system of Communists, ex-Communists, and persons with a record of membership in Communist-front organizations over

long periods of time; and

(7) the extent, if any, to which the indoctrination methods of progressive educators are responsible for agitations threatening the Constitution and our form of government, including attacks upon the judiciary and the Congress.

SEC. 2. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate at

the earliest practicable date.

SEC. 3. For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed \$

shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AMENDMENT OF ECONOMIC COOPERA-TION ACT OF 1948-AMENDMENT

Mr. HICKENLOOPER submitted an amendment intended to be proposed by him to the bill (S. 3304) to amend the Economic Cooperation Act of 1943, as amended, which was ordered to lie on the table and to be printed.

ADMISSION OF ALASKA INTO THE UNION-AMENDMENT

Mr. BUTLER submitted an amendment intended to be proposed by him to the bill (H. R. 331) to provide for the admission of Alaska into the Union. which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

EXTENSION OF HOUSING AND RENT ACT OF 1947-AMENDMENT

Mr. MYERS submitted an amendment intended to be proposed by him to the till (S. 3181) to extend for 1 year the Housing and Rent Act of 1947, as amended, which was referred to the Committee on Banking and Currency. and ordered to be printed.

#### HOUSE BILL REFERRED

The bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes, was read twice by its title and referred to the Committee on Labor and Pub'ic Welfare.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESS BY THE PRESIDENT REFORE FEDERAL BAR ASSOCIATION

IMr. KEFAUVER asked and obtained leave to have printed in the RECORD an address delivered by the President of the United States on April 24, 1950, before members of the Federal Bar Association, which appears in the Appendix.]

ADDRESS BY THE ATTORNEY GENERAL BEFORE THE FEDERAL BAR ASSOCIATION

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the address delivered by the Attorney General, Hon. J. Howard McGrath, before the Federal Bar Association, on April 24, 1,50, which appears in the Appendix.]

THE PRESERVATION OF PRIVATE ENTER-PRISE-ADDRESS BY SENATOR ROB-ERTSON

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD the address entitled "The Preservation of Private Enterprise," delivered by him at the annual coal convention of the American Mining Congress, in Cincinnati, Ohio, on April 24, 1950, which appears in the Appendix.]

OUR FAR EASTERN POLICY—ADDRESS BY SENATOR KNOWLAND BEFORE CHICAGO COUNCIL OF FOREIGN RELATIONS

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD a speech on United States far eastern policy, delivered by him before the Chicago Council of Foreign Relations, at Chicago, Ill., on April 24, 1950, which appears in the Appendix.]

FOREIGN RELATIONS AND DOMESTIC POL-ITICS-ADDRESS BY SENATOR GREEN

IMr. LEAHY asked and obtained leave to have printed in the RECORD an address on the subject Foreign Relations and Domestic Politics, delivered by Senator GREEN at Brown University, Providence, R. I., April 21, 1950, which appears in the Appendix.]

LICENSING OF MOTION-PICTURE INDUS-TRY-ARTICLE BY OSCAR DAVIS AND STATEMENT BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an article entitled "How Now, Senator?" written by Oscar Davis, and published in the Washington Daily News, of April 24, 1950, and a reply in the form of a letter written to Senator WILEY, which appear in the Appendix.]

ADDRESS BY SENATOR LEHMAN AT DEMO-CRATIC STATE COMMITTEE DINNER

[Mr. LEHMAN asked and obtained leave to have inserted in the RECORD the address delivered by him at the Democratic State Committee dinner held in New York City, on April 19, 1950, which appears in the Appen-

PROBLEMS OF SOCIAL LEGISLATION-ADDRESS BY OSCAR EWING

[M". LEHMAN asked and obtained leave to have printed in the RECORD an address delivered by Mr. Oscar Ewing at the fortyfifth anniversary luncheon of the League for Industrial Democracy, held in New York City on April 15, which appears in the Appendix.]

COMMUNISTS IN GOVERNMENT SERV-ICE-ARTICLE BY ALFRED FRIENDLY

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an article entitled "Man Behind the Man Who Is Accus-ing Lattimore," written by Alfred Friendly, and published in the Washington Post on April 23, 1950, which appears in the Appendix.1

ADVERTISING OF LIQUOR, BEER, AND WINE—LETTER FROM MRS. R. H. SORENSEN

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter from Mrs. R. H. Sorensen, and an article enclosed, with regard to advertising of liquor, beer, and wine, which appears in the Appendix.]

## ORR OIL WELL-EDITORIAL FROM THE VOOD COUNTY DEMOCRAT

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial regarding the Orr oil well, from the Wood County Democrat, of Quitman, Tex., the issue of April 20, 1950, which appears in the Appendix.]

#### DECLINE IN AMERICAN SHIPPING— ARTICLE BY J. S. ARMSTRONG

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article relating to the decline in American shipping, written by J. S. Armstrong, financial editor of the Sun, and published in the Baltimore Sun of April 23, 1950, which appears in the Appendix.]

#### MEETING OF AMERICANS AND RUSSIANS AT THE ELBE—STATEMENT OF JOSEPH P. POLOWSKY

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a statement entitled "The Oath at the Elbe," by Joseph P. Polowsky, together with an introductory statement by him which appear in the Appendix.]

## THE OWEN LATTIMORE CASE—EDITORIAL FROM THE RAPID CITY JOURNAL

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Not Disloyalty, Just American Tragedy," from the Rapid City (S. Dak.) Journal, which appears in the Appendix.]

#### COMMUNISTS IN GOVERNMENT

[Mr. MUNDT asked and obtained leave to have printed in the Appendix of the RECORD an editorial regarding Communists in Government, from the Aberdeen (S. Dak.) American-News, which appears in the Appendix.]

#### TRIBUTE TO THOMAS JEFFERSON BY HARRY H. SCHLACHT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial paying tribute to Thomas Jefferson, by Harry H. Schlacht, which appears in the Appendix.]

## REGULATION OF THE MOTION-PICTURE INDUSTRY—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the Record a statement prepared by him regarding an invitation to appear before the Committee on Interstate and Foreign Commerce to testify, which appears in the Appendix.]

SOIL CONSERVATION DISTRICTS ARE DEMOCRACY AT GRASS ROOTS—EDI-TORIAL FROM THE SAN MARCOS REC-

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the Record an editorial entitled "Soil Conservation Districts Are Democracy at Grass Roots," published in the April 21 issue of the San Marcos Record, which appears in the Appendix.

## REGULATORY MADNESS—EDITORIAL FROM THE BOSTON HERALD

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD

an editorial entitled "Regulatory Madness," published in the Boston Herald of April 17, 1950, which appears in the Appendix.]

#### PORT AND PLAYGROUND OF THE SOUTH-WEST—ARTICLE FROM THE HOUSTON CHRONICLE

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an article entitled "Port and Playground of the Southwest," written by Don Hinga, and published in the April 12 issue of the Houston Chronicle, which appears in the Appendix.]

## RENEWAL OF FRANCHISE OF WISCONSIN CENTRAL AIRLINES

Mr. WILEY. Mr. President, there is now pending before the Civil Aeronautics Board, an important matter vital to the future of my State-the renewal of the temporary certificate of public convenience and necessity of Wisconsin Central Airlines. The Badger State has always been aviation-minded, and furnished more aviators to the Army Air Forces during the war than did any other State in the Union except the much more populous State of Texas. Moreover, Wisconsin business is aviation-minded, recognizing that air freight and air travel are indispensable to the America of 1950 and of the years to

I have been in contact, therefore, with the Civil Aeronautics Board on behalf of the permanent renewal of the franchise because it is unthinkable that Wisconsin should be denied this crucial feeder air-line service.

During last year, 33,000 passengers were carried by the company. Twenty-two thousand ton-miles of express was carried. Wisconsir Central Airlines has, moreover, now in operation a complete network of radio and navigation aids which enable it to assure safe, unbroken service to some 26 cities through 20 airports, including 5 cities in the Upper Peninsula of Michigan.

The company employs 207 people, of whom 81 percent are veterans of World War II.

Folks from all the cities served by Wisconsin Central have appealed to me and to other members of the Wisconsin Gelegation for the franchise renewal. For example, the city of Stevens Point has invested—including Federal, State, and local funds—\$245,000 in money to assure the finest possible airport service for Wisconsin Central; and that situation is paralleled by other community efforts throughout Wisconsin. All the cities on the route—Eau Claire, Wisconsin Rapids, Menomonie, Marinette, Wausau, Rhinelander, Green Bay, Clintonville, Oshkosh, Superior-Duluth, Milwaukee, Madison, and so forth—depend vitally on this service, and their eyes are on the Civil Aeronautics Board.

I have received a resolution, conveyed by George B. Burdick, assistant secretary, adopted by the Wisconsin State Aeronautics Commission, appealing for the franchise renewal. I ask unanimous consent that this resolution may be printed at this point in the body of the RECORD. There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

"Resolution relating to extension of Wisconsin Central Airlines temporary certificate of public convenience and necessity

"To the Civil Aeronautics Board:

"The Wisconsin State Aeronautics Commission respectfully requests that favorable consideration be given to the application of Wisconsin Central Airlines for renewal or extension of its Temporary Certificate of Public Convenience and Necessity, on a permanent basis, or on such other basis as the board may deem advisable.

"The Wisconsin State Aeronautics Commission firmly believes that Wisconsin Central Airlines has demonstrated in a very positive manner the value of interstate feeder airline service, to Wisconsin, and the obvious potential that exists for this type of service. The Wisconsin State Aeronautics Commission further believes that it would be a tragic mistake to deny the extension of Wisconsin Central Airlines' Certificate, and would do irreparable harm to air transportation in Wisconsin and the Nation.

"This company, which commenced scheduled operations hardly more than 2 years ago, has provided a remarkable and continually expanding air transportation service to the people of Wisconsin, in spite of extremely limited airport facilities, over which it has had no control.

"When Wisconsin Central Airlines began operations, the company was compelled to use a small type of aircraft adaptable to the existing airports rather than a larger aircraft which would have been more suitable for the traffic potential available.

"At the time operations were started, only five of nine airports to which the company inaugurated service in Wisconsin had paved runways; two of the nine airports had lights; and only three of the nine airports had permanent administration buildings.

"After certification of Wisconsin Central Airlines, and establishment of service by the company, the municipalities served were encouraged to proceed with airport improvements for which they had plans but did not feel warranted in making until scheduled air service was assured.

"During the past 2 years, Wisconsin cities on the airline routes have been carrying out their plans for needed improvements for better service, so that now seven of nine airports have paved runways and the remaining two will be paved by August 31, 1950. All nine airports now are lighted; five airports have permanent airline station facilities, and one facility will be constructed this year; plans have been tentatively considered at two other airports.

"By the fall of 1950 the handicaps which faced Wisconsin Central Airlines in 1948 with respect to airports will be removed, which will enable the company to utilize more suitable aircraft to develop the potential on its routes that is known to exist."

Moved by Dr. L. O. Simenstad that the foregoing resolution be adopted by the State Aeronautics Commission, and that copies thereof be sent to the Civil Aeronautics Board, Wisconsin Congressional Representatives, all cities on the routes of Wisconsin Central Airlines, and all daily newspapers in Wisconsin.

Motion seconded by Dr. Alvin G. Sell. Carried unanimously.

#### CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution adopted by the Wisconsin State Aeronautics Commission, meeting in regular

session at Madison, Wis., on Friday, April 14, 1950.

GEORGIA B. BURDICK, Assistant Secretary. MADISON, WIS., April 17, 1950.

CHILDREN'S AID BILLS—EDITORIAL COM-MENT AND COMMUNICATIONS

Mr. HENDRICKSON. Mr. President, on behalf of my colleague, the distinguished senior Senator from New Jersey [Mr. Smith], I wish to invite the attention of the Senate to an editorial printed in the April 3 edition of the Hudson Dispatch, of Jersey City, entitled "Crowley Urges United States Back UN Children's Aid Bills."

In the same connection, I call the attention of the Senate to two communications addressed to my distinguished colleague; one under date of March 31 from the Jersey City Junior Chamber of Commerce, over the signature of the President of that body, Mr. Edward P. Crowley; the other under date of April 4, over the signature of Dorothea D. Buck, president of the General Federation of Women's Clubs.

I ask unanimous consent that both of these communications, together with the editorial to which I referred, be placed in the body of the Record at this point in my remarks.

There being no objection, the matters were ordered to be printed in the Record, as follows:

[From the Hudson Dispatch, Jersey City, N. J., of April 3, 1950]

CROWLEY URGES UNITED STATES BACK UN CHILDREN'S AID BILLS

Warning against a walkout by United States from United Nations' International Children's Emergency fund, Edward P. Crowley, president of Jersey City Junior Chamber of Commerce, yesterday threw full support behind two bills now before Congress bearing upon the fund's future.

These bills, S. 2920 and H. R. 7743, introduced respectively by Senator Robert A. Taft, of Ohio, and Representative Abraham A. Ribicoff, of Connecticut, would make available for another year an outstanding authorization of \$25,000,000 for the continuation of the fund's world-wide work for needy, sick and homeless children.

"Let it never be said of the people of the United States," said Crowley, "that they were the first to withdraw their support from this international effort that has already made an honored name for itself throughout the world. It has had very little to spend, relatively speaking, only the smallest part of the money expended by our country for foreign-aid programs, but it has made that little go a long way in getting relief to children. And, in doing the job it has built up an enormous store in the world's goodwill, in which the United States shares."

THE JERSEY CITY JUNIOR
CHAMBER OF COMMERCE,
Jersey City, N. J., March 31, 1950.
The Honorable H. Alexander Smith,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR SMITH: We understand that Senator Taff has introduced a bill (S. 2920) in support of the United Nations International Children's Emergency Fund. We trust you will lend your support to this measure for the fund which, in the opinion of many of us, has done a remarkably fine job in the international field.

It would be a pity if this work came to an end through the failure of our Congress to give support. I am afraid such a failure would be picked up and used to the discredit of the United States.

I am acquainted with many who have a close personal knowledge of the fund's organization and the work it is doing. I am impressed with the businesslike and efficient way in which this humanitarian undertaking is carried on. I doubt if our country has ever spent money to a better cause than it has done in getting milk and other aid to millions of children throughout the world.

Your help in this matter will be appreciated.

Sincerely yours,

EDWARD P. CROWLEY,

President.

APRIL 4, 1950.

Hon. ALEXANDER SMITH, United States Senate,

Washington, D. C.

DEAR SENATOR SMITH: The General Federation of Women's Clubs has been very much interested in the United Nations agency, UNICEF. We understand that this spring UNICEF will practically go out of existence,

although some of its funds may be available for use for another 6 months.

We agree with those who are advocating the setting up of a permanent agency for children in the United Nations. Such a program surely must be carried out, but such things move slowly, and while the agency is being organized we fear that work for the children may suffer in the interim. Therefore, we should like to ask that appropriations for UNICEF be granted for one more year.

The work for children seems to me extremely important from every point of view, even including that of containing communism. Of course, some of the emergency for children is over but the work that will be done, if UNICEF is retained for another year, would be in such areas perhaps as southeast Asia, where the condition is chronic. Having visited these areas myself recently, I know the need of American aid in order to actually combat communism from taking over those underprivileged parts of the world.

I earnestly hope that you will use your influence in having UNICEF supported for one more year, or until such time as a permanent organization can be set up within the United Nations.

Sincerely yours,

DORTHEA D. BUCK, Mrs. J. L. Bl. ir Buck, President.

SECOND ANNIVERSARY OF INDEPEND-ENCE OF ISRAEL

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the Record a statement I have prepared congratulating Israel on the second anniversary of her independence.

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

STATEMENT BY SENATOR O'CONOR

In these times of internal unrest when so many long-established nations are finding it extremely difficult to rehabilitate and stabilize their economic and political economies, there would seem to be special significance to the week-long celebration now being observed throughout the United States to mark the second anniversary of the proclamation of independence of Israel. As one of the newest nations of the world, Israel has made remarkable progress during the 2 years of its formal existence. Despite the scars left by the bitter struggle to defend her borders, and under the further handicap of a constant flow of immigrants from the displaced-persons camps of Europe, and elsewhere, the leaders and the people of Israel have distin-

guished themselves by their progress toward national stability and a self-sufficient economy.

More so than any other nation in the world, let it be emphasized, has Israel discharged its humanitarian responsibility with regard to the unfortunate displaced persons of the Jewish race who were the object of such harsh treatment and such untold sufferings at the hands of both Nazi Germany and Soviet Russia.

It would be too much to expect that, in the span of 2 years and in the face of the tremendous difficulties encountered on every hand, Israel would now be free of troubles. As a matter of fact, there is grave concern among its inhabitants and its friends throughout the world over the reported feverish rearmament program of the surrounding Arab states. Following inquiries to the State Department, I am informed that there need be no concern in this respect, that both Israel and her Arab neighbors are free to import arms and munitions necessary for internal security.

Nevertheless, the feeling persists in Israel and elsewhere that the Arab states have far greater access to supplies of arms, and are importing implements of warfare in quantities which would seem far beyond any reasonable requirements of internal security. It is to be hoped that the officials of our State Department, and our representatives in the United Nations, will watch this particular phase of the Near East situation closely, to the end that the unstable and uneasy peace now prevailing there be not permitted to explode into a conflagration that might easily engulf the whole world.

On such an occasion as this it affords me the utmost satisfaction to accord to the leaders and the people of Israel sincere felicitations on the extraordinary progress that has been made, and to extend to them the utmost good wishes for increased progress and continued security.

Long live Israel.

Mr. O'CONOR. Mr. President, in the editorial columns of the New York Times of Sunday, April 23, 1950, deserved tribute was paid to the signal accomplishments of the State of Israel in the 2 years of its existence.

I ask unanimous consent that the editorial from the New York Times be reprinted in the RECORD.

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

ISRAEL'S SECOND BIRTHDAY

Today Israel celebrates the second anniversary of its establishment as a free and independent state. Born in the fires of war, surrounded by enemies, attacked by neighbors, this little country has earned its place in the world through the courage, endurance, and devotion of its people. Its first 2 years have been tempestuous; and while Israel's difficulties and sacrifices are by no means over, there is no longer doubt—if there ever was any—that here is a nation founded upon rock and not upon sand.

In the last 12 months, perhaps the development of most immediate significance to Israel has been the stabilization of the military situation. The armistice agreements have held firm; and if there is no peace, at least there is no war. But of greatest longrange importance to the new state is the human tide of immigrants that has continued to sweep through its open gates. Israel now has nearly 1,300,000 people, of whom almost 400,000 have arrived since the spring of 1948.

The pressures on this infant nation—not least of which is the military threat from its Arab neighbors—have imposed an almost unbearable strain on its economy. Outside

help is still essential. That help has been freely given, both from private sources and from such public bodies as the Export-Import Bank, which has made a \$100,000,000 loan to Israel. Industrial and agricultural production is increasing; but there is still a long economic row to hoe. Meanwhile, the problem of earning a living has not blinded the state to its first responsibility: its children. Education is now compulsory for all, Arab and Jewish, between the ages of 5 and 13.

While Israel has not been faultless in every aspect of its relations with the UN, it must be recognized that it has been forced to live almost from one crisis to another, and in a bitterly hostile environment. Israel is unquestionably a shining outpost of democracy in the Middle East, a proud and independent nation to which its many friends in the United States wish a happy birthday, with long years of peace and prosperity to come.

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared on the second anniversary of the independence of the state of Israel.

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

One of the golden threads in the fabric of American history has been American aid and support for oppressed peoples who would fight for their freedom. Our own independence was won with the aid of foreign blood and treasure sacrificed in the universal cause of freedom, and we were still a young and struggling nation when Benjamin Franklin said, "Where liberty is, there is my country."

It is altogether fitting and proper, therefore, for Americans to salute one of the great anniversaries in the history of human freedom. Two years ago, another nation conceived in liberty and dedicated to the proposition that all men are created equal was born. After an interval of 20 centuries, the Jewish people kept their rendezvous with destiny when the state of Israel declared its independence.

In all history no nation had ever assumed so heavy a burden. Yet this new struggling state was not content merely to fight for survival in war and to find bread for its immigrants. In the spirit of the great rendezvous to which it was dedicated, it undertook at the same time to build the political cornerstone of the new state. It dared to convene a constitutional assembly. It dared to write a new constitution.

One might have expected that the constitution would be some makeshift affair, some loose "Articles of Confederation" to accommodate the many shades of political opinion in Israel. One might have expected the constitution, born in time of war, to exalt military authority, to exact conformity, in the name of patriotism, to subordinate individual freedom to the security of the fledgling state. But Israel is no comfort to the expectations of the narrowly practical, the calculating, the realistic.

That constitution is another achievement in human freedom, a beacon not only for the oppressed peoples of the Middle East, but for all the world. Blended in the constitution are the ethical values of ancient Judea, that exalt the fundamental dignity of the person made in God's image; the guarantees of freedom of speech and conscience, of modern democracy, and a recognition of state responsibility for providing opportunity for a decent livelihood in this age of world-wide economic fluctuation.

All freedom-loving Americans will join in the hope that the bond of sympathy between America and Israel will grow ever stronger with the years. CONFIRMATION OF NOMINATIONS TO THE TAX COURT

Mr. GEORGE. Mr. President, as in executive session, I report favorably from the Committee on Finance the nominations of three of the judges of the Tax Court, and I ask unanimous consent for the present consideration of the nominations, for the following reasons:

The three judges nominated are the Honorable John W. Kern, of Indiana, Hon. Charles R. Arundell, of Oregon, and Hon. Clarence V. Opper, of New York. Each of these judges is now in service, and has been in service for quite a length of time. They have been endorsed by the Senators from the States from which they come, and since the court has an enormous volume of work before it, and has to assign hearings in different parts of the country, it is of course proper and advisable, and almost necessary, that the nominations of these present judges be confirmed at the earliest possible time in order that they may go to the various parts of the country to which they have been assigned.

The nominations of these three judges, all of whom are now in service, as I have said, were unanimously reported favorably by the Committee on Finance. No objection has been filed, and I therefore ask unanimous consent that as in executive session the nominations may be presently considered, and, if confirmed, that the President be notified at once.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, will the distinguished Senator from Georgia tell the Members of the Senate whether it is absolutely necessary that the judges be confirmed today, rather than that the nominations take the regular procedure?

Mr. GEORGE. I am able to say that it is very proper. The chief judge has advised me that assignments have already been made, but that the judges would hesitate to go to hear cases, or he would hesitate to request them to go, until their nominations were acted upon. I therefore think it is necessary that the Senate act at this time.

Mr. WHERRY. Was there a full membership present when the unanimous reports were ordered by the committee?

Mr. GEORGE. A reasonably full membership.

Mr. WHERRY. So that the distinguished Senator would say there was no opposition?

Mr. GEORGE. There was no opposition. This is the fourth appointment on the bench of Judge Arundell; Judge Opper, of New York, I think, has received two appointments; and Judge Kern, of Indiana, has also served two terms, or is serving his second term. He is now the presiding judge of the court.

Mr. WHERRY. Mr. President, I shall depart from my regular course about confirmations of appointees. I still maintain that the nominations of all judges of civil courts should follow the regular procedure. I stated once on the Senate floor, and I wish to repeat, that when it comes to the appointment of Federal judges, who handle the judicial

procedure in the courts, their nominations should follow the regular order. But in view of the statement of the distinguished Senator from Georgia, for whom I have the profoundest respect, in the emergent situation he sets forth I shall not interpose objection at this time, and therefore do not object to the immediate consideration of the nominations.

Mr. GEORGE. Mr. President, I thank the Senator. I would not make this request if the judges were not already in service, and if they had not heretofore been confirmed.

The VICE PRESIDENT. Without objection, the clerk will state the nominations

The legislative clerk read the nomination of John W. Kern, of Indiana, to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles R. Arundell, of Oregon, to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clarence V. Opper, of New York, to be a judge of the Tax Cour, of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified of the confirmations.

#### WINNING THE COLD WAR IV

Mr. FLANDERS. Mr. President, to-day, April 25, is the fifth anniversary of two of the greatest events in the lifetime of any now living. Five years ago today the United Nations Conference held its opening session in San Francisco. Five years ago today a patrol group of the American Army and a small detachment of Russian soldiers met and clasped hands on the banks of the Elbe River in Germany. It was a strange chance, and it should turn out to be a happy chance, that these great events took place simultaneously.

There came into my office last Friday and again this morning, former Pvt. Joseph Polowsky, of Chicago. Mr. Polowsky was one of six Americans commanded by Lt. Albert L. Kotzebue who made that first unofficial but historic contact with our eastern allies.

It was a tragic meeting in view of mistakes which had led the Russians to bombard a group of refugees, crowded at the water's edge, the night before. But on the other hand, it was a happy and joyous meeting of young men fell of the exhilaration of victory. Far more significant than that, however, was the expressed determination that a war like this must never happen again.

In Mr. Polowsky's words:

The greetings took place in the midst of some 200 corpses of old men, women, and children. After the preliminary greetings, the Americans and Russians looked down at the bodies, and fragments of bodies—especially the body of a child with blue eyes

and long brown hair, clutching crayons in one hand, a doll in the other.

At this historic moment of the meeting of the nations, all of the soldiers present— Americans and Russians—swore that they would do everything in their power to prevent such things from ever happening again, swore that the nations would and must live at peace.

The time has come for the nations to reaffirm that solemn oath at the Elbe.

As one of the six American infantrymen to make the boat crossing over the Elbe 5 years ago, as one of the American and Russian soldiers to take the oath at the Elbe, I believe I voice something of the thoughts and feelings of all of us on this fifth anniversary.

I therefore join in calling upon the nations for a new birth of conciliation and friendship, that the oath sworn on the blood-soaked historic ground at the Elbe River shall not have been taken in vain.

Meanwhile the delegates to the United Nations Conference were meeting in San Francisco. Addressing the delegates at that initial meeting, the chairman of the opening session said:

We approach our task humbly, but with united resolution. The prayers of the people of the world are with us. They are spoken in many tongues and in the words of many creeds. But they are as one voice, rising from the tragedy and suffering of war, in prayer for lasting peace. Thus fortified, and with the guidance of Almighty God, we must and shall fulfill the purpose for which we have come together.

In his message to the United Nations Conference, President Truman asserted that—

We hold a powerful mandate from our people who believe we will fulfill this obligation. We must prevent, if human mind, hearts, and hope can prevent it, the repetition of the disaster from which the entire world will suffer for years to come.

If we should pay merely lip service to inspiring ideals and later do violence to simple justice, we would draw down upon us the bitter wrath of generations yet unborn.

We must not continue to sacrifice the flower of our youth merely to check madmen, those who in every age plan world domination. The sacrifices of our youth today must lead, through our efforts, to the building for tomorrow of a mighty combination of nations founded upon justice and united for peace.

Mr. President, if we look at the world as it lies before us today with too myopic a vision, if we scan the omens with too materialistic an examination, both these great events take on the guise of tragic failures. Surely cynical disillusion must have come first and strongest to the disappointed youth who fought and suffered and many of whom died in that conflict which was to bring peace to the world. Yet Joseph Polowsky today has not lost his faith. Again, in his own words, let me present his earnest suggestion:

Five years ago today the soldiers of the world handed the oath of dedication and friendship, sworn in blood, on to the statesmen of the world meeting together at San Francisco. The United Nations has been entrusted with the obligation of taking the initiative in carrying forward every means of bringing us closer to a peaceful world. It must be the fervent hope of the nations of the world that the General Assembly of the United Nations, as it reconvenes in session, will approve a resolution to the effect that:

"The General Assembly recommends that each year on April 25 the United States and the Soviet Union commemorate, with appropriate ceremonies, the anniversary of April 25, 1945, when their armies at the Elbe River and their Governments at San Francisco met as friends to help open up a peaceful world; recommends that other states members of the United Nations join in the commemorative ceremonies."

Mr. President, that great organization from which we hope for so much, the United Nations, seems to be resting and rusting. In default of making precious advances toward international comity, we are watching a tremendous building arise on the shores of the East River in New York. We are reading about plans for developing the neighborhood which surrounds it. Foiled of spiritual achievement, we are trying to take refuge in a great material monument of hopes that have been well nigh abandoned.

Is it inappropriate, Mr. President, to call the attention of the Senate and of its Foreign Relations Committee again to the resolutions presented by some of its members who are not satisfied to see the United Nations lose force, lose faith, and fail of achievement? Senate Resolution 133 still rests in the files of the Foreign Relations Committee, Perhaps it is not the best way to reconstruct that great organization to do something more useful and more effective. Perhaps none of its provisions are applicable to this present period of stagnation and decay. If something better can be conceived, if something better can be done, by all means let it be presented and offered for our consideration. The inexcusable thing is that we should allow this cherished dream of peoples of the world to fade away into unsubstantial mists and leave not a wrack behind.

But something of hope, something of strength, and something of practical achievement which was present at that historic meeting on the Elbe still remains today. That was not a meeting of diplomats. That was not a meeting of rulers. That was a meeting of ordinary man. Governments did not speak to governments. People spoke to people. Let us remember that these same men who spoke to each other, and the hundreds of thousands and millions of men, women, and children who were behind them, whether in Russia, in Europe, or in North America, have still the same desires—to live in a peaceful world as brothers. Let us still remember that there are here and there, in spite of repeated discouragements, fruitful remnants of a faith that the thing can be done. On that memorable day on the Elbe those soldiers talking to soldiers swore an oath that it should be done. Mr. President, let us, as people talking to people, swear the same oath and the thing will be done.

NOMINATION OF ARCHIBALD S. ALEXAN-DER TO BE UNDER SECRETARY OF THE ARMY

Mr. HENDRICKSON. Mr. President, on August 8 last, in urging the Senate of the United States to confirm the nomination of my good friend and neighbor Archibald S. Alexander, for the post of Assistant Secretary of the Army, I said, among other things:

In these trying and turbulent days when cur Nation is confronted with the terrific responsibility of leading the world to the ways of peace, there is no other factor more important to our own national well-being than the selection of men of competence and integrity for those offices which direct the destinies of our military establishments.

Mr. President, that utterance is as true today as it was a year ago. Thus, I again take great comfort and encouragement in the fact that in selecting a successor to the Under Secretary of the Army, Mr. Voorhees, the President of the United States has so quickly noted the competence and integrity which I predicted Mr. Alexander would bring to his present high post.

In the light of my prior unqualified recommendation of this fine American, it will not be difficult to understand why I feel a sense of genuine satisfaction over the fact that Mr. Alexander's nomination is before this body for an even higher post than the one he is now filling so ably.

I predicted a year ago that we of the Senate, who had the privilege to act affirmatively on Archie Alexander's prior nomination, would be able to take pride in the fact that we were adding new vision, strength, and courage to our Nation's leadership.

So today, Mr. President, as I urge the unanimous confirmation of the nomination of Archibald S. Alexander to be Under Secretary of the Army, I say with complete confidence that by again honoring him, we also do honor to ourselves.

For the purpose of the RECORD, Mr. President, I ask unanimous consent to include in my remarks the full text of my statement of last August 8.

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

STATEMENT BY SENATOR HENDRICKSON

Mr. President, in these trying and turbulent days when our Nation is confronted with the terrific responsibility of leading the world to the ways of peace, there is no other factor more important to our own national well-being than the selection of men of competence and integrity for those offices which direct the destinies of our military establishments. Thus, Mr. President, it is not only comforting but it is most encouraging to note that the Senate now has before it for consideration, the name of Archibald S. Alexander for the post of Assistant Secretary of the Army.

Without reflection upon anyone heretofore appointed by the President to high office, I know of no nomination made during the Truman administration which is more commendable. Colonel Alexander comes from an old and distinguished New Jersey family and throughout his life, he has reflected the fine traditions of that family. As the one who was privileged to oppose Colonel Alexander as a candidate for the United States Senate in the senatorial campaign of 1948, I was not long in discovering that my opponent was a formidable foe. This was so because his strength was in his character, integrity, and his fine gentlemanly qualities. It is probably safe to say that there was never a political campaign in the history of the State of New Jersey which was waged on a higher level than the one to which I refer and for this, Colonel Alexander deserves much of the credit. By training and experience, in peace and in war, Colonel Alexander, as has been indicated, is eminently fitted for the high office to which he has been nominated.

In urging the unanimous support of his nomination by the Senate, I have every confidence that the day is not far distant when those of us who enjoyed the privilege of acting upon this appointment, will be able to take pride in the fact that by our affirmative vote on this nomination, we added new vision, wisdom, strength, and courage to our Nation's leadership.

AMENDMENT OF ECONOMIC COOPERA-TION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

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

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

The Chief Clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KEM obtained the floor.

CODIFICATION OF ARTICLES OF WAR, ETC.—CONFERENCE REPORT

Mr. KEFAUVER. Mr. President, will the Senator yield so that I may submit a conference report on the Uniform Code of Military Justice, House bill 4080?

The PRESIDING OFFICER. Does the Senator from Missouri yield for that purpose?

Mr. KEM. I yield.

Mr. KEFAUVER. Mr. President, I submit the conference report on the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, 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.

The PRESIDING OFFICER (Mr. WITHERS in the chair). The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4080) 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, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the following amendments:

On page 9 of the Senate engrossed amendment, line 7, strike out "of supervision in" and insert in lieu thereof "in supervision of".

On page 13 of the Senate engrossed amendment, line 20, strike out "Nonjudicial" and insert in lieu thereof "Non-Judicial".

On page 13 of the Senate engrossed amendment, line 22, strike out "nonjudicial" and insert in lieu thereof "non-judicial".

On page 13 of the Senate engrossed amendment, line 23, strike out "nonjudicial" and insert in lieu thereof "non-judicial".

On page 48 of the Senate engrossed amendment, line 4, strike out "president" and insert in lieu thereof "President".

On page 56 of the Senate engrossed amendment, line 15, strike out "eight" and insert in lieu thereof "fifteen".

On page 57 of the Senate engrossed amendment, lines 6 and 7, strike out "one on March 1, 1953, one on March 1, 1955, and one on March 1, 1957" and insert in lieu thereof "one on May 1, 1956, one on May 1, 1961, and one on May 1, 1966".

On page 57 of the Senate engrossed amendment, line 8, strike out "eight" and insert in lieu thereof "fifteen".

On page 57 of the Senate engrossed amendment, beginning with line 18, strike out all down to and including line 2 on page 58.

On page 58 of the Senate engrossed amendment, line 3, strike out "(5)" and insert in lieu thereof "(4)".

On page 89 of the Senate engrossed amendment, line 13, strike out "buildings" and insert in lieu thereof "building".

On page 92 of the Senate engrossed amendment, lines 22 and 23, strike out "National Military Establishment" and insert in lieu thereof "Department of Defense".

On page 102 of the Senate engrossed amendment, line 21, after the word "executed", insert a comma.

On page 108 of the Senate engrossed amendment, line 9, strike out "allowance" and insert in lieu thereof "allowances".

And the Senate agree to the same.

MILLARD E. TYDINGS,
ESTES KEFAUVER,
LEVERETT - SALTONSTALL,

WAYNE Morse,
Managers on the Part of the Senate.
Overton Brooks,
PHILIP J. PHILBIN,
EDWARD DEGRAFFENRIED,

PAUL W. SHAFER, CHARLES H. ELSTON, Managers on the Part of the House.

Mr. KEFAUVER. Mr. President, if the Senator from Missouri will yield further, on the basis that there is, as I understand, no opposition to the conference report, and that there will not be any lengthy discussion, other than perhaps a very brief explanation, I have wondered whether the Senator would yield for the purpose of making a unanimous consent request for the immediate consideration of the conference report.

Mr. KEM. I yield for that purpose, with the understanding that I shall not thereby lose the floor.

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

There being no objection, the Senate proceeded to consider the report.

Mr. KEFAUVER. Mr. President, this conference report represents the culmination, so far as the Congress is concerned, of a very important piece of legislation. This bill, H. R. 4080, combines in one code the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard. It is a piece of legislation which is the result of a great deal of study by a special committee, headed by Prof. Edward Morgan, aided by his capable assistant, the executive director of the committee, Felix Larkin, and by a working committee of the various services.

The House of Representatives considered the proposal at length, and did a very masterful job in the preparation and passage of the original bill. In the Senate, special commendation should go to the distinguished Senator from Missouri [Mr. Kem], who has been working

on this subject for a number of years, and who, in the last Congress, presented the so-called Kem amendment, which was a step toward the final legislation which is now presented. Commendation should also go to the distinguiushed Senator from Massachusetts [Mr. Salton-STALL], and to the chairman of the Armed Services Committee, the Senator from Maryland [Mr. Typings], who have given much thought and very helpful attention to this proposed legislation. Many worth-while suggestions have been made by the Senator from Oregon [Mr. Morsel, who joined in the conference report, although the bill does not go so far toward giving civilian control of military justice as the Senator from Oregon would like.

I think we sometimes overlook the fact that the staffs of committees render tremendously worth-while services in connection with these matters. The staff of the House committee and the staff of the Senate Armed Services Committee deserve the thanks of the House and of the Senate for what they have done. In the Senate committee, Mr. Mark H. Galusha particularly has taken the lead in preparing this legislation on behalf of

the Senate committee.

By the conference report, the House of Representatives has accepted all the amendments which were made by the Senate. There was final disagreement on one item only. The bill as passed by the House provided for a Court of Military Appeals, appointments to be for life. The Senate bill provided appointments for 8-year terms. The compromise is that the first three appointments shall be made for terms of 5, 10, and 15 years, respectively, and that thereafter the appointments will be for terms of 15 years. In all other respects the House has concurred in the bill as passed by the Senate. I think as time goes on the provisions of this will give the services a system of handling military justice which will be much more satisfactory, much more uniform, and which will assure eventually civilian consideration of all important matters.

As I have previously stated, it provides for a unified code for all the services. Considering the difficulties which have confronted us in the disparity of sentences and in the impaneling of courts-martial after World War I and World War II, I believe this is a very important and worth-while step and is one of the major pieces of legislation ever passed by the Congress.

The PRESIDING OFFICER (Mr. WITHERS in the chair). The question is on agreeing to the conference report.

AMENDMENT OF ECONOMIC COOPERA-TION ACT OF 1948

The report was agreed to.

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. KEM. Mr. President, a great Roman once said: "Frugality embraces all the other virtues."

Frugality is considered by some to be old-fashioned, particularly as applied to the policies of the Federal Government. They regard frugality as a principle no more useful in our present way of life than a horse and buggy. The fact is, Mr. President, that never before in the history of the Republic has there been such pressing need for action on the part of frugal-minded Members of the Senate.

The pending measure would continue the so-called European recovery program another year. During the 2 years this program has been in operation, nearly \$10,000,000,000 have been funneled overseas to 16 ccuntries of western Europe.

Mr. President, I hope the Senate will bear with me if I consider for a moment what this means to the taxpayers of a single State. The Missouri taxpayers' share of this enormous sum is more than \$250,000,000. ECA Administrator Hoffman now wants another \$3,000,000,000, approximately, to carry ECA through next year.

To put it another way, he asks the United States to give to western Europe next year an amount almost equal to the total assessed valuation of the entire State of Missouri, except the city of St.

Louis.

The question the Senate must decide is this: Do the results of the Marshall plan justify such a lavish outpouring of dollars of the American people to western Europe, at a time when bankruptcy is not far around the corner here at home, and when we have so many needs of our own people awaiting, yes, and demanding, attention?

## I. UNITED STATES IS ON THE BRINK OF BANKRUPTCY

Mr. President, this fiscal year the Federal Government is spending money faster than ever before in our peacetime history—spending at the rate of more

than \$43,000,000,000 a year.

The word "billion" should never have been invented. No seven-letter word can possibly express adequately how much a billion dollars really is. If a billion one-dollar bills were laid one on top of the other, the pile would be over 59 miles high. If a man worked 40 hours a week, 50 weeks a year, at \$2.50 an hour, it would take him over 200,000 years to earn a billion dollars.

A billion dollars is a lot of money, and the Federal Government is spending

\$43,000,000,000 a year.

What is even more alarming, we are not paying our way as we go. taxes, high as they are, have not brought in enough to meet expenses. So the administration has turned to operating in the red to meet its bills-to printing I O U's. The staff of the Joint Committee on Internal Revenue Taxation now estimates that the deficit for the fiscal year ending June 30, 1950, will amount to \$6,700,000,000. Furthermore, the staff estimates that the deficit next year, that is, for the fiscal year ending June 30, 1951, will amount to \$7,300,000,000. Now, if two and two still make four-and they always have-that means that during two short years our already monstrous national debt will have increased by the sum of \$14,000,000,000.

This sort of thing cannot go on indefinitely. No country can drift along in the red, year after year, without the people waking up one day to find that their savings bonds, their insurance policies, and their money in the bank are not worth the paper on which they are printed.

The administration's spending orgy and the overload of taxes are threatening the continued existence of the Re-

History indicates that socialism comes in whenever Government takes by way of taxes as much as 40 percent of the people's income. If that is the case, we are now within 9 percent of socialism—for Government is now using up 31 percent of all the earnings of the American people.

The danger is very real; the danger is very near. This is the question: What are we going to do about high taxes and extravagant Government spending?

There are three alternatives before us: First, we can continue to operate in the red, going down the primrose path which leads to national bankruptcy; second, we can increase taxes, which are much too high already; third, we can reduce Government expenses.

President Truman's budget for next year calls for continued heavy spending. It is far above what the Treasury expects to take in. The President wants to offset part of the expected deficit by an in-

crease in taxes.

For my part, I cannot go along with this program. The only sound solution lies in cutting Government spending to the level we can afford. It lies in reducing gifts to foreign countries. Expenses should be cut deeply, so that we can balance the budget, and reduce, not increase, taxes.

II. HIGH COST OF GOVERNMENT HAS HIKED THE COST OF LIVING

The Marshall plan has contributed heavily to the high cost of our Government, and to the high cost of living of the American people.

High taxes, many of them hidden taxes which many people pay without knowing it, leave few enough dollars from the pay checks of the American people. Then the high cost of living takes what is left, and sometimes more. The high cost of living is due in large part to inflation brought on by heavy Federal spending and operating in the red.

III. GOVERNMENT SPENDING MUST BE REDUCED; MARSHALL PLAN SHOULD TAKE IT3 SHARE OF THE CUT

Government spending must be reduced—right down the line—and there is no reason why the Marshall plan should not take its share of the cut.

After all, does it make sense for us to continue to furnish aid to other countries so that they can balance their budgets, and reduce their national debts, at a time when our Government is not making ends meet by far, and our national debt is zooming up and up hour by hour?

That is exactly what is taking place. Our gifts to the Government of Great Britain, for example, have made it possible for that Government to balance its budget, both internally and externally, and make substantial reductions in its national debt as well.

The debt of the United States is just under \$1,700 per person. In other words,

the Federal Government owes \$1,700 for every man, woman, and child in the country. The per capita debt of the people of Great Britain, on the other hand, is only \$1,560.

Who should be aiding whom?

IV. IT IS TIME TO DEVOTE MORE ATTENTION TO THE NEEDS OF OUR PEOPLE AT HOME

It is time to devote more attention to the needs of our own people. A lot of Americans need better housing. More than \$100,000,000 in Marshall-planfunds have been used to construct housing in western Europe. In addition, we have sent—that is, we have given—American machinery to help construct new homes there, and we have furnished, without charge, building materials to carry out the program. In France more than \$14,000,000 in Marshall-plan funds are being used to finance construction of workers' homes.

Italy has a new 7-year housing plan under way. Marshall-plan funds are being used to help finance it.

Marshall-plan counterpart funds are being used to build new roads in Italy, France, and in several other European countries.

I wish to say that we need new roads in this country. Recently the Joint Committee on the Economic Report issued a report stating that \$40,000,000,000 will be required to bring the country's roads and highways up to present-day requirements. More than \$250,000,000, according to the report, will be required to bring Missouri's highways alone up to par.

Since the war the American people have sent more than \$33,000,000,000 overseas under various foreign-aid programs. Missouri taxpayers' share of this is about \$850,000,000. If this money had been applied to building up Missouri's roads, we could have put our highways in first-class condition, we could have graveled every dirt road in the State, and still have had a lot of money left over. Instead, money of our taxpayers has been used to improve the highway systems of foreign countries.

Who among us will say that better roads are not needed here at home?

More than \$35,300,000 in Marshall-plan counterpart funds have been allocated by ECA for reclamation of land in the Zuider Zee, in Holland. The Dutch Government has called the Zuider Zee project the "most spectacular work" it has ever embarked upon. It is a great project for the Dutch.

I am intrigued with the draining of the Zuider Zee in the Netherlands. Mr. President, I am far more interested in providing protection to the people in Missouri and other States from the ravaging floods of the Mississippi, Missouri, and other rivers.

Is it possible that drainage and reclamation, like charity, should begin at home?

I want to see Europeans prosperous and contended; but the welfare of our own people should come first, and not last.

V. THE MARSHALL PLAN HAS BECOME MERELY ANOTHER RELIEF PROGRAM

On December 19, 1947, President Truman sent a special message to the Congress on the Marshall plan. This was the inception of the plan.

The President said:

In developing this program, certain basic considerations have been kept in mind.

#### According to Mr. Truman:

First, the program is designed to make genuine recovery possible within a definite period of time, and not merely to continue relief indefinitely.

Mr. President, let me repeat that statement:

First, the program is designed to make genuine recovery possible within a definite period of time, and not merely to continue relief indefinitely.

The period of time set for this genuine recovery was 4 years.

I am confident that we all want to get western Europe off our backs, to use Mr. Hoffman's expression, just as soon as possible. But even the Administration now admits that the Marshall plan is not bringing about genuine recovery in western Europe. On February 21 last, Secretary of State Acheson testified before the House Committee on Foreign Affairs on the foreign aid bill. During the course of his testimony Mr. Acheson was asked this question by Representative Ribicoff, of Connecticut:

Mr. Secretary, do you think that aid to Europe will end in 1952?

#### Mr. Acheson replied:

No; I do not think that all American aid, certainly in the world and certainly to some parts of Europe, will end in 1952. (House hearings, p. 19.)

It is clear, then, that instead of being a genuine recovery program, to use Mr. Truman's language, the Marshall plan has become merely another of a long series of foreign relief programs since the war, most of which are now unhonored and unsung.

VI. MARSHALL PLAN FUNDS HAVE NOT BEEN USED WISELY OR EFFECTIVELY

Now for another of the President's objectives. Mr. Truman said:

Second, the program is designed to insure that the funds and goods which we furnish will be used most effectively for European recovery.

Instead, the Marshall plan has been used as a dumping chute for hundreds of millions of dollars' worth of things, making no contribution at all to effective European recovery.

For instance, the sum of \$270,000,000 has been spent for tobacco to be sent to Europe under the Marshall plan. In other words, more than a quarter billion dollars, taken from the American tax-payers, under the taxing power, have been used to send gifts of tobacco to western Europe under a so-called recovery program.

Recently a Greek scholar visiting in the United States remarked that the Marshall plan is choking itself to death on nylon stockings, lipsticks, plastic combs, and canned tuna fish.

In his view, the insistence of the United States on shipping finished products, and things that are unnecessary to life in Greece, is stifling Greek economy and making the Greek people lazy and dependent.

VII. A MISSOURIAN TAKES A "SHOW-ME" LOOK AT THE MARSHALL PLAN IN OPERATION

Recently a number of Missouri farmers returned from an agricultural tour of several Marshall-plan countries. The tour was sponsored by radio station KCMO, of Kansas City.

J. L. Snyder, of Holden, Mo., wrote me a very interesting letter about his observations as an on-the-spot observer of the Marshall plan.

Mr. Snyder wrote:

The purpose of the trip was to study European agriculture, trade relations, and to learn the facts about the Marshall-plan money. I paid my own expenses; and therefore I am free to express my own opinions.

Mr. Snyder said that he was greatly surprised to find Europe, as a whole, in better condition than he had been led to think.

#### He wrote:

It was a very great disappointment to us to find that the people of the middle or lower classes knew absolutely nothing about the generous gifts of our money. Those we had hoped would be friendly because of our financial aid were antagonistic. They claimed that it had been a detriment to them. In France, the wealthy have become wealthier, and the poor have become poorer.

#### Mr. Snyder then said:

We had been led to think that with financial aid we have been selling democracy and helping to keep communism down. In this we have definitely been "taken for a ride."

Mr. Snyder asks how our aid can help promote democracy if the leaders of the countries and the men who administer the aid are the only people in that country who know where the money comes from.

He expressed concern over the fact that Marshall-plan dollars are being used to build up foreign competition. He said:

Belgium and Holland are exporting dairy products, and like the other countries, have become our competitors in the world market.

Mr. Snyder was not at all convinced that Marshall-plan countries would be of value to us as allies in a war with Russia. He said:

It is my opinion that in case of war with Russia, we cannot count on France or Italy as an ally. But if we build a national defense excelled by no other country on earth, they will know that by joining us they will be on the winning side.

Our only hope is to build a nation so strong both economically and militarily that no power on earth will dare attack us. Then no American boy will have to lie in the cemeteries over there because we thought of Europe first.

VIII. MARSHALL-PLAN COUNTRIES HAVE USED OUR DOLLARS TO EXPERIMENT WITH SOCIALISTIC DEVICES OF A DISTRESSING NUMBER AND VARIETY

Mr. President, during the debate in the Senate in 1948 on the original ECA authorization bill, the following statement was made:

All of the dollars in the world cannot of themselves cure the economic ills of the 16 Marshall-plan countries. Whether they solve their basic economic problems depends not on the amount of our aid but upon the actions of their own governments. These nations at the present time are carrying out wast socialistic experiments which have been unsuccessful every time and everywhere they

have been tried. They show no indications of working now in Europe. Trade restrictions, unbalanced budgets, rationing, priorities, allocation of materials, and over-valuation of currencies, all are hindering recovery. These socialistic devices interfere with the natural course of production and commerce, rendering futile any help on our part. Any further aid we send will also go down the drain unless these countries discard their nationalization schemes.

The Truman-Marshall plan is conditioned on a program of self-help by the borrowing governments. But these 16 nations have given no indication that they intend to discard the socialistic practices which have nullified our aid thus far, and which will as surely continue to paralyze economic recovery in these countries. The Truman-Marshall plan would only defeat its own end by encouraging the ill-conceived policies which are at the root of western Europe's economic troubles.

Mr. President, that was said by me in the debate in 1948. The words are as appropriate today as they were then.

Certain of the Marshall-plan countries have balanced their budgets and devalued their currencies. These steps have had desirable effects.

But the so-called dollar shortage still plagues the Marshall-plan countries. The principal reason for this condition is the fact that most of the Marshall-plan countries persist in making use of a hodgepodge of trade restrictions, allocations, rationing, priorities, bilateral treaties, government planning, price fixing, profit fixing, wage fixing, import prohibitions, multiple currencies, and any number of similar socialistic devices whose net effect has been regimentation of the European economy, and extreme economic nationalism.

Mr. Hoffman has admitted several times recently that the situation is a serious one. He has stated that Europe "must bring these barriers down" and must create a free market or there will be no permanent road to prosperity after 1952.

But despite certain efforts which have been made by ECA to bring about socalled integration of the European market, the situation has become steadily worse.

As Representative Lodge, of Connecticut, stated during the House committee hearings:

Economic nationalism in Europe is rampant (House hearings, p. 607).

Henry Hazlitt, contributing editor of Newsweek magazine, and author of its business column, told the House committee:

The sad fact is that our Government foreign-aid program has had exactly the opposite effect of the one its supporters hoped for. It has slowed down the pace of economic recovery instead of increasing it. It has set back economic freedom instead of promoting it.

This, then, Mr. President, is the situation which our efforts have created. The Marshall plan participating countries have used our dollar gifts, not in accord with any over-all plan of integrated recovery, but instead, with the notable exception of Belgium, the Marshall-plan countries have used our dollars to promote, with costly results,

experiments with socialistic devices of a distressing number and variety.

Imagine the chaos that would result if each 1 of our 48 States suddenly undertook to put into effect socialistic nightmares originating in the fertile and disturbed brains of government planners from Marx to Cripps, and to regiment all trade with neighboring States in accordance with 3-, 5-, or 10-year plans. This is exactly what has happened in Europe—and its activation has been made possible by Marshall-plan dollars. IX. THE MARSHALL PLAN IS OPERATING IN REVERSE

The original ECA authorization bill, passed early in 1948, provided that of a total of about \$6,000,000,000 authorized, \$1,000,000,000 should be available only in the form of loans or guaranties. Last year the amount made available for loans was reduced to \$150,000,000 of a total authorization of about \$4,000,000,-

The pending authorization bill specifically limits none of the amount authorized to loans. Instead, it has left to the discretion of ECA Administrator Hoffman the amount to be allocated in the form of loans.

On Tuesday, February 21, Mr. Hoffman testified before the Senate committee. During the course of his testimony, the following colloquy occurred between the senior Senator from Wisconsin [Mr. WILEY] and Mr. Hoffman:

Senator WILEY. Is there any of this loaned to any country under the terms of the act or is it given?

Mr. Hoffman. The present proposed bill would leave it optional, but there would be very little in the way of loans; some loans.

Senator WILEY. So it is virtually an out-

and-out grant; is that right?

M. HOFFMAN, Yes; I think there might be \$75,000,000 in loans out of the \$2,950,-000,000, but that would be about all that should be placed.

Mr. President, it occurs to me that this situation is antithetical to sound international economics. The Marshall plan seems to be operating exactly in reverse. If it is a genuine recovery program, as we were told by the President in 1947, if the plan has brought about a substantial increase in production in western Europe, as stated by Mr. Hoffman now, then sound economics demands that the proportion of loans to outright grants be increased, not decreased to the vanishing point.

Mr. Hoffman, in his testimony before the House Committee on Foreign Affairs on February 24, offered an interesting and, I may say, a novel explanation of his position on the matter. He said:

To ask them to take loans instead of grants is to ask them to commit what I think is an immoral act. (House hearings,

Mr. Hoffman then said-and I ask particular attention to this language, Mr.

It will take 50 years for Europe to come back, in my opinion, to where she is earning enough to handle what she needs in a given year and service the debt she now has (House hearings, p. 78).

Mr. Hoffman says it will require 50 years.

In other words, Mr. President, Mr. Hoffman not only has the temerity to suggest to the American taxpayers financing his give-away plan that it is "immoral" to ask the Socialist Government of Britain to accept a loan instead of a gift; he now tells us that they cannot expect Europe to regain her economic feet for 50 years, which is exactly the reverse of all the Administration's soothing utterings about "genuine recovery" in 1952.

X. MARSHALL PLAN SHOULD BE TERMINATED IN AN ORDERLY YET SPEEDY FASHION

Nevertheless, we have embarked on this costly and, as I believe, unwise pro-

The American taxpayers have a right to expect that the investment already made will not go completely for naught. They have a right to expect that the Marshall plan should be terminated in a speedy yet orderly fashion.

I do not advocate an immediate termination of our aid to western Europe. Our aid should, however, be reduced sharply this year, and terminated completely by the end of the fiscal year 1952, as originally contemplated. Furthermore, steps should be taken to insure that the remainder of the program is administered in a manner more economical to our taxpayers and in a manner designed to promote and encourage genuine recovery in western Europe.

In order that these objectives may be attained, I suggest that the pending bill be amended in certain particulars. do not say that other amendments would not be desirable, but I have offered three amendments to the pending bill.

First. An amendment to reduce the authorization for the next fiscal year by \$1,000,000,000.

Second. An amendment to terminate aid to any country participating in the program which in the future nationalizes or socializes additional basic industries.

Third. An amendment to terminate aid to any country participating in the program which continues to funnel war materials from the United States to Russia and her satellites.

I shall discuss at another and appropriate time the second and third amendments to which I have referred.

Mr. President, the pending bill would authorize the expenditure of \$2,950,000,-000 to continue ECA another year. The amendment to which I am now addressing myself would reduce the amount authorized by \$1,000,000,000.

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

Mr. KEM. I am about through with my prepared statement, which I should like to complete before yielding. I shall be very glad to yield to the distinguished Senator from Ohio when I am through with my statement.

If the Senate sees fit to adopt the proposed amendment, ECA will still have available for distribution to Europe next year one thousand nine hundred and fifty million dollars, plus an estimated \$149,000,000 which, it is expected, will be carried over from this year's appropriation.

When we consider the fact that a considerable portion of ECA funds have been used for purposes making no effective contribution to genuine European recovery, when we consider the fact that our own Government is tottering on the brink of bankruptcy, and when we consider the fact that the needs of our own people are being neglected to prop up Socialistic governments abroad, the reduction called for by the proposed amendment is modest, indeed.

Mr. President, the American front line is not on the Rhine or in the torrid jungles of Burma: it is in a sound American economy, and a strong national defense.

In 1879 Gladstone said:

The first thing is to foster the strength of the empire by just legislation and economy at home. \* \* \* Here is my first principle of foreign policy: good government at home.

The greatest contribution we can make to the peace of the world is to show the people of other countries that the great experiment in self-government launched on this continent some 150 years ago can be made to work.

Are we making it work by spending billions of dollars more than we take in from taxes?

Are we making it work when we run the printing presses 24 hours a day, turning out I O U's to be paid when? By our children, or our children's children?

Mr. President, during the debate on the original Marshall plan authorization bill in 1948, I made the following state-

The emotional interest exhibited in some quarters today in favor of distributing among the peoples of foreign lands the wealth accumulated in this country by many generations of thrifty and frugal-minded people. appears to be one of those strange emotional manias, or moral epidemics, which have excited the minds of men from time to time at various periods in the world's history.

An interesting book on this subject has been written, strangely enough, by an Englishman, L. C. Mackey. It is entitled "Extraordinary Popular Delusions and the Madness of Crowds."

The author says:

In reading the history of nations, we find that, like individuals, they have their whims and their peculiarities; their seasons of excitement and recklessness, when they care not what they do.

I should like to repeat that statement, Mr. President:

We find that (nations) like individuals,

\* \* have \* \* \* their seasons of \* \* their seasons of excitement and recklessness, when they care not what they do. We find that whole com-munities suddenly fix their minds upon one object, and go mad in its pursuit; that millions of people become simultaneously impressed with one delusion, and run after it, till their attention is caught by some new folly more captivating than the first (preface, p. xix).

Every age has its peculiar folly; some scheme, project, or fantasy into which it plunges, spurred on either by the love of gain, the necessity of excitement, or the mere force of imitation. Falling in these, it has some madness, to which it is goaded by political or religious causes, or both combined. one of these causes influenced the Crusades, and conspired to render them the most extraordinary instance upon record of the extent to which popular enthusiasm can be carried (p. 354).

If two or three persons can only be found to take the lead in any absurdity, however great, there is sure to be plenty of imitators. Like sheep in a field, if one clears the stile, the rest will follow (p. 613).

1950

This book originally published in 1841, was reprinted in America in 1932. For this American edition a special preface was written by a distinguished American, the Honorable Bernard M. Baruch. Mr. Baruch wrote:

The migration of some types of birds; the incredible mass performance of the whole species of ocean eels; the prehistoric tribal human eruptions from central Asia; the Crusades; the medieval dance crazs; or, getting closer to economics, the Mississippi and South Sea Rubbles; the Tulip Craze; and (are we too close to add?) the Florida boom and the 1925 market-madness in America and its sequences in 1930 and 1931—all these are phenomena of mass action under impulsions and controls which no science has explored. They have power unexpectedly to affect any static condition or so-called normal trend. For that reason, they have place in the consideration of thoughtful students of world economic conditions.

Mr. Baruch did not do so, but he might well have included the infamous Salem witchcraft persecutions as another example of mass action under impulsions and controls, or moral epidemics.

Mr. President, on the great seal of the State of Missouri there is written: "Salus populi suprema lex esto"—Let the welfare of the people be the supreme law. The welfare of our own people—that is, the welfare of the people of the United States, and not the people of any foreign land across the sea—should be the first concern of the people of the United States.

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

Mr. KEM. I am glad to yield.

Mr. MALONE. From the well thought out address which the distinguished Senator from Missouri has just made, I understand that he intends to offer or has offered to the ECA extension bill an amendment prohibiting the payment of money or the sending of goods to nations which are assisting Communist areas.

Mr. KEM. I have offered such an amendment, to be printed and lie on the table. I propose to discuss that amendment tomorrow.

Mr. MALONE. I should like to ask the Senator whether he recalls that in March 1949, I listed, in a speech I made in the Senate, 85 trade treaties which the 16 Marshall-plan countries then had made with Russia and the iron-curtain countries, under which treaties they were shipping to Russia and the iron-curtain countries all kinds of goods, such as ball bearings, tool steel, heavy farm machinery, construction equipment, farm machinery, railroad cars, locomotives, and practically everything necessary for the waging of a third world war against us and to consolidate their gains in Europe and in Asia.

I also would like to know whether the Senator recalls that on January 24, of this year, in bringing the list of such treaties up to date, I said there are 95 such treaties in good standing as of that date.

In view of the amendment the Senator has submitted, I am inquiring whether or not he has considered this feature of our relations with the nations of Europe.

Mr. KEM. I was very much interested in those treaties when the Senator from Nevada submitted them for the RECORD last year. I examined them, and I think they are an important contribution to the study of the funneling of the materials and goods produced by the American people through the countries of western Europe to Russia and the satellite countries.

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

Mr. KEM. I yield.

Mr. MALONE. Does the Senator from Missouri take into consideration the fact that today France and England, 2 of the 16 Marshall-plan nations, have nonaggression treaties with Russia still in good standing, which so far as I know are still in force; at least, we have not heard anything or received any notice to the contrary. I submitted those treaties for the Congressional Record in March 1949. One of them was dated 1942, and was signed by Anthony Eden, for the British Empire, and by V. Molotov, for Russia. With the Senator's permission, I should like to read briefly from it:

#### ARTICLE VI

The high contracting parties agree to render one another all possible economic assistance after the war.

#### ARTICLE VII

Each high contracting party undertakes not to conclude any alliance and not to take part in any coalition directed against the other high contracting party.

Now let me refer to the French-Russian treaty, signed by Bidault, for France; and by Molotov, for Russia. The treaty was signed in Moscow on December 10, 1944. It was also mentioned by me in the same address in the Senate, and both these nonaggression treaties were printed in the Congressional Record in March 1949. Articles V and VI of the French-Russian treaty read as follows:

#### ARTICLE V

The high contracting parties undertake not to conclude any alliance and not to take part in any coalition directed against either of the high contracting parties.

#### ARTICLE VI

The high contracting parties agree to render each other every possible economic assistance after the war, with a view to facilitating and accelerating reconstruction of both countries, and in order to contribute to the cause of world prosperity.

I should like to ask the distinguished Senator from Missouri whether he has any knowledge of these nonaggression treaties, particularly as to whether they have been abrogated in the meantime.

Mr. KEM. I have no knowledge as to that. As I recall, the treaty between Great Britain and Russia has to do with aggression from Hitler or from some successor of the Hitlerian government. I do not recall the circumstances relative to the treaty between France and Russia.

At any rate, they are 20-year military alliances; and in case of war between Russia and the United States, it seems to me that the governments of Great Britain and France would be required to make a determination as to which of its allies it would associate itself with—whether it would join the cause of Russia or whether it would join the cause of the United States.

Mr. MALONE. Mr. President, if the Senator will permit, let me say that I do not see in the treaties anything which limits the application of such agreements. The treaty between Great Britain and Russia, for instance, merely says, in article VII:

Each high contracting party undertakes not to conclude any alliance and not to take part in any coalition directed against the other high contracting party.

Mr. KEM. Does not the preamble of the treaty between Great Britain and Russia say something about aggression by the Hitler government or its successor?

Mr. MALONE. Here is the opening language of the British-Russian treaty:

His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the seas, Emperor of India, and the Presidium of the Supreme Council of the Union of Soviet Socialist Republics:

Desiring to confirm the stipulations of the agreement between His Majesty's Government in the United Kingdom and the Government of the Union of Soviet Socialist Republics for joint action in the war against Germany, signed at Moscow on the 12th July, 1941, and to replace them by a formal treaty.

The formal treaty takes in more territory. It came later and could well apply to any other nation attacking either of the contracting parties, as the case might be.

Mr. KEM. The Senator from Nevada would know more about that than I would know. I was under the impression that the treaty had to do particularly with aggression by the government of Germany. In any event, it is clear that the treaty constitutes a military alliance between Great Britain and Russia.

Mr. MALONE. Mr. President, if the Senator will further yield, I should like to call his attention to a joint resolution which the junior Senator from Nevada introduced in the Senate on January 24, 1950. I understand that the Senator's amendment corresponds to the joint resolution introduced by the junior Senator from Nevada. I had intended to submit an amendment to the ECA bill in line with my joint resolution of January 24, 1950, but now I intend to support the amendment which has been submitted by the distinguished Senator from Missouri which I understand, will, if accepted, accomplish the same purpose.

Mr. KEM. I am glad to have the distinguished Senator from Nevada join me in that matter.

Mr. MALONE. The first paragraph of the joint resolution which I introduced on January 24, 1950, as it appears on page 818 of the Congressional Record, reads as follows:

Joint resolution to prohibit financial aid to any foreign country engaging in trade with Russia, her satellite countries, or any other area dominated or controlled by Russia.

Mr. President, I ask unanimous consent to have appear in the Record at this point the joint resolution introduced by the junior Senator from Nevada, prohibiting assistance to such countries.

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

Joint resolution to prohibit financial aid to any foreign country engaging in trade with Russia, her satellite countries, or any other area dominated or controlled by Russia

Whereas one of the alleged basic purposes of the Marshall plan is the restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence through a joint program based upon self-help and mutual cooperation; and

Whereas Russia and other Communistdominated and controlled countries and areas have refused to participate in such joint program; and

Whereas Communist actions have endan-

gered world peace; and

Whereas certain participating nations under the Marshall plan by trading with Russia and other Communist-dominated and controlled countries and areas and through nonaggression pacts and treaties are violating the basic principles of the Marshall plan and are aiding and fostering communism in other areas of the world through furnishing the necessary equipment, machinery, and supplies to consolidate Communist gains in eastern Europe and in Asia; and

Whereas such nations are furnishing Russia and the Communist areas necessary equipment, machinery, and supplies for

world war III; and

Whereas it is the sense of the Congress and the basic policy of the Marshall plan and its enabling legislation that assistance to any participating country which falls in any way to meet its obligations to sustain and strengthen the principles of individual liberty, free institutions, and genuine independence, through cooperating with such Communist nations and areas, should be terminated: Now therefore, be it

minated: Now, therefore, be it Resolved, etc., That on and after the date of the enactment of this joint resolution, no financial aid shall be given by the United States or any agency or officer thereof (whether by loan, grant, lend-lease, or in any other manner) to any foreign country which engages in trade or commerce on or after such date with Russia, her satellite countries, or any other Communist-dominated or controlled area in any other country.

SEC. 2. It is the sense of the Congress that no moneys shall hereafter be appropriated and no loans shall hereafter be made and no equipment or supplies of any kind shall be furnished to any nation engaging in such trade or commerce or permitting its nationals to do so.

Mr. MALONE. Mr. President, if the Senator from Missouri will permit, I ask unanimous consent to have inserted at this point in the RECORD a release issued by me on January 24, 1950.

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

OUR INTERNATIONAL STUPIDITY

This country is now arming Russia.

We censured ourselves for permitting a short-sighted administration to send scrap iron and oil to Japan before Pearl Harbor, "but today we are treating the Communists much better; we are seeing to it that they get, not scrap, but finished products. We bowed our heads in shame over our permitting scrap iron to be sent to Japan. Now is the time to bow our heads in shame again. "Aid which we are sending to ECA coun-

"Aid which we are sending to ECA countries is finding its way in finished products to the Communist countries," said MALONE, and to back up this serious charge he submitted a list of 95 recent trade agreements

between ECA countries and countries behind the iron curtain.

Metal-working tools, steel, ball bearings, electrical machinery and apparatus, grain mills, heavy road machinery, farm machinery, and assembled motor vehicles are a few of the many items being sent to Russia's satellite countries from ECA nations.

It is the opinion of informed people that Russia cannot process and manufacture goods fast enough to keep her satellite countries contented, and without our help Russia will fail in her aggression. It is paradoxical that only with our help can Russia defeat us.

Is there a cold war? Let us make up our minds. If there is no cold war, let us trade with Russia openly and freely. If there is a cold war, on the other hand, if we are fighting communism, let us stop all assistance of every nature to those countries assisting Russia or in the Communist area.

It is downright silly to say there is a cold war and at the same time help our enemy in that cold war to consolidate her gains, to help our enemies fight world war III.

Mr. MALONE. Mr. President, I wish to commend the Senator from Missouri for his amendment and his address before the Senate today. It is high time that we made up our minds which side we are on.

In other words, now we are furnishing to the 16 Marshall-plan countries raw materials and money and industrial machinery. In truth, we are furnishing a very large amount of machinery, raw materials, and money to the 16 Marshall-plan countries; and the fact isas shown by the 95 trade treaties made by the 16 Marshall-plan countries with Russia or with satellite countries, with which we claim we are in a cold war at this moment-that much of those materials and supplies is going from the Marshall-plan countries to Russia or the satellite countries on the first bounce. We ship the materials to the Marshallplan countries and that machinery is installed and is used for the manufacture of the products and commodities later shipped to Russia and her satellites-it is a manufacturing in transit rate.

As a matter of fact, in the case of the treaty between Great Britain and Russia, which was placed in the Congressional Record in March 1948 by me, the first item covered in that treaty was 1,100 locomotives, needed desperately by Russia for any war with us—either cold or hot.

We say that nothing which can be used for waging war or in any way to strengthen these nations for that purpose will be shipped by us to those areas. On the other hand, I ask the distinguished Senator from Missouri whether he was motivated, in offering this amendment, by the fact that not only are these treaties in existence and being fulfilled at this time, but that England. India, and other nations within the sterling bloc have recognized Communist China, and are daily increasing such shipments to Communist China, thus consolidating the Communist gains as well as preparing for war?

Mr. KEM. I think that is a very important consideration, and I thank the Senator from Nevada for the important contribution he has made to the discus-

sion today. I expect to discuss that phase of the matter tomorrow.

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

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Ohio?

Mr. KEM. I yield. Mr. TAFT. Has the Senator offered his amendment to cut the appropriation by \$1,000,000,000?

Mr. KEM. I have not asked that it be taken up. I offered it. It lies on the table, and it has been printed.

Mr. TAFT. I wonder whether the Senator should not offer it.

Mr. President, a parliamentary inquiry.
The PRESIDING OFFICER. The
Senator will state it.

Mr. TAFT. May I ask whether any amendment is pending at this time?

The PRESIDING OFFICER. There is no amendment pending.

Mr. KEM. I should be very glad to call up the amendment which I previously submitted, to reduce the authorization in the pending measure by \$1,000,000,000.

Mr. TAFT. Mr. President, I am very much interested in cutting the appropriation. I fully agree with the Senator's warning that we are facing this year a deficit of \$6,000,000,000, and next year, a deficit of six or seven billion dollars. It seems to me we must cut every phase of Government operation. Certainly there is no reason that I can see for not making a cut in the aid to foreign countries. I can see some reason perhaps for not cutting appropriations for the American armed forces, but aside from that, it seems to me that if those in charge of the Government take the position that this appropriation for a gift to many foreign nations cannot be cut, then I cannot see how we can hope to cut domestic expenditures. It seems to me the place to begin, if we are going to reduce the budget, is here-to begin whenever we come to anything on which we can begin.

So I have every sympathy with the Senator's desire to cut the budget. I have no desire to destroy the ECA program in any way. I wonder whether the Senator has given any consideration to the basis on which the amount of the program is predicated, and what the basis is for the \$3,100,000,000. Does the Senator know why \$3,100,000,000 was used rather than \$2,100,000,000, or \$2.600,000.000?

Mr. KEM. I suppose that an effort will be made to justify the amounts before the Appropriations Committee. But I cannot help recalling the justifications which were made before the committee last year. For instance, we were told that certain sums would be paid out in this country for American The amounts stated by Mr. wheat. Hoffman before the Appropriations Committee were far in excess of the purchases actually made. Apparently this is, to some extent at least, merely window dressing; the figures are picked out of the air, and the ECA Administrator feels no moral compulsion whatever to follow the figures which he so glibly recites before the Appropriations Committee.

Mr. TAFT. I have tried to analyze, from such documents as are available, the advances to the United Kingdom contained in the bill, because there are somewhat better statistics available as to the United Kingdom than as to other countries. But, taking the United Kingdom, for example, the table on countryaid programs shows that, of the total of \$2,925,000,000—the balance I think is for shipping and other things-\$687,000,000 is to go to the United Kingdom. I shall ask permission later to put the figures in the RECORD. Of the total, \$326,000,000 is for agricultural products, and about \$326,000,000-strange to say, exactly the same figure—is for industrial products. Whether that is a mere chance, or whether that figure was merely picked, or the sum merely happened to be divided up in that way, I do not know. With transportation, \$34,000,000, added, the total is \$687,000,000. Does the Senator know whether that total is reached by providing certain commodities which are needed, or whether it has to do with the so-called dollar balance or dollar deficit of the British Government?

Mr. KEM. I do not know how the figures were arrived at, but I can say with assurance that it is improbable there will be any relationship between those figures and the final purchases made, in the event the bill is passed and We have the appropriations made. learned that from the past.

Mr. TAFT. I wonder whether the Senator has read the statement made by Sir Stafford Cripps in the House of Commons, on Tuesday, April 4. I will read the essential feature of it. He said:

I should like to give to the House the figures on our gold and dollar position for the first quarter of this year. During that period the sterling area earned a net gold and dollar surplus of \$40,000,000 compared with a deficit of \$31,000,000 in the fourth quarter of 1949, a deficit of \$539,000,000 in the third quarter of 1949, and a deficit of \$330,000,000 in the corresponding—that is, the first—quarter of 1949. We received assistance under the European recovery program, largely in the form of reimbursement for expenditure already incurred by us, amounting to \$229,000,000, and we also drew on the Canadian credit to the extent of \$27,000,000. Thus the gold and dollar reserves rose by \$296,000,000 during the quarter, so that, on the 31st of March 1950 they stood at \$1,984,-000,000, compared with \$1,688,000,000 on the 31st of December 1949, and \$2,241,000,000 on the 31st of March 1948, immediately before the European recovery program was put into operation.

The Senator will see that that means that the sterling area, during the 6 months beginning the 1st of October of last year and ending the 1st of April, this year, actually had a net surplus, without assistance from the ECA, of \$9,000,000. Because of the devaluation of the pound, therefore, the British Government has balanced its international budget. The question which occurs to me is whether that fact has been taken into account. I think obviously it has not been taken into account by the ECA. I wonder why, if the British Government is able to balance its dollar budget, we should advance anything to the United Kingdom during the following

Mr. KEM. I think that is a very pertinent suggestion. Was the statement of Sir Stafford Cripps made in the House of Commons?

Mr. TAFT. It was. Mr. KEM. Does the account which the Senator has before him indicate how the statement was received by the Members of the House of Commons? Did they show any marks of satisfaction?

Mr. TAFT. Oh, yes; they applauded. I do not have before me that particular account, but Sir Stafferd was greatly applauded, particularly from the ministerial benches, as having accomplished a great feat-and it was a great feat. He points out as one of the most important reasons for the result-

The reduction in the United Kingdom's own expenditure on imports from the dollar area, bringing it now within the rate of \$1,200,-000,000 a year, which we have laid down in our program. \* \* \* This major achievement is a triumph of cooperative effort by commonwealth countries of the sterling area.

Mr. KEM. Does the Senator recall whether Sir Stafford Cripps made any acknowledgment of the assistance given him by his American friends in accomplishing this result?

Mr. TAFT. Oh, yes. The golden-dollar balance has been built up by ECA money to more than \$2,000,000,000, which is considered the safe point. They do not like to go below that point, which is, I think, a reasonable position to take. But what interests me is the justification for advancing to the British \$687,000,000, if, in view of devaluation, they are able to pay their own way. The devaluation has injured us. It enabled England to sell goods in competition with American goods in all parts of the world. It has built up their exports, and it has enabled them to ship goods to this country more cheaply. Since they have that advantage over us, and have taken it, why should we go on advancing additional sums to the British in any amount?

Mr. KEM. Particularly in view of the current deficit in our finances.

Mr. TAFT. Particularly in view of the deficit in our own finances, and the fact that the British budget is balanced. It is rather interesting that in presenting the budget Sir Stafford Cripps is asking for the same tax levy, but he is reducing the income tax during the coming year as to lower incomes. That has to be made up by taxes on gasoline, for the most part.

Mr. KEM. Does the account which is before the Senator indicate whether the allocations for food subsidies to the British people are being reduced in any way?

Mr. TAFT. No. My recollection is that the subsidies are about the same. There has been a little shuffling of the

Mr. KEM. Am I correct in my understanding that the subsidies enable British housewives to buy items of groceries for far less than their American counterparts pay in this country?

Mr. TAFT. I do not think it is far less, but it is less.

Mr. KEM. Is it not true that on some items the prices in England are as little as one-fourth of the prices paid by American housekeepers?

Mr. TAFT. I am afraid I do not know. I had not thought so, but I have not checked it. The Senator will find in the budget estimates submitted by the ERP the same figure of \$687,000,000 for Great Britain, and it is reached on the basis of the balance of payments. In that is estimated the amount of imports and payments for services, exports, and receipts for services. It seems fairly clear that the estimated balance for 1949-50 has not taken into account the change in the British balance-of-payment situation brought about by devaluation, and the amount figured for Great Britain's balance in 1949-50 is probably overstated by at least \$200,000,000. How much the 1950-51 estimate is overstated is, I suppose, a matter of conjecture, but I at least wish to suggest to the Senator and to the Senate that we reexamine the situation and ask for a reestimate by ECA for the coming year in the light of the developments of the British balance of payments today.

It is quite possible they have had a balanced budget for the past 6 months, and that situation may be only temporary. Perhaps they cannot balance it for the next 6 to 9 months, but certainly it must be much closer to balance than when the estimate was made last fall by the ECA. The bill is still based in its amounts on the estimate made before the condition developed which has been shown by the statement of Sir Stafford

I am interested in ascertaining what is the amount the authorization in the bill can be reduced. I am sure the estimate can be cut and can still accomplish the purposes of ECA, but whether it can be cut a billion dollars, a billion and a half dollars, or a half-billion dollars, I do not know. There is nothing in the hearings, so far as I have been able to ascertain, that can enlighten the Senate. I think we have a right to ask of those who advocate this tremendous expenditure that they tell us the reasons for the large amount required. Why do they have to have so many pounds of wheat and so many pounds of cotton? This is the most vague estimate that I know of among all the estimates submitted to the Senate. As to their domestic expenditures, the statement is presented in detail and we can check it. But why should we give \$687,-000,000 to the British instead of \$300,-000,000? I can find nothing in my studies to answer that question.

Mr. KEM. Do I correctly understand the Senator to say that the British Government has balanced its budget both internally and externally as of today?

Mr. TAFT. In the past 6 months it has balanced its external budget. So far as its internal budget is concerned, it may be balanced with some American assistance, because counterpart funds are used to some extent to help to balance the budget.

Mr. KEM. Am I correct in understanding that \$500,000,000 of the counterpart funds have been used to retire the British internal debt?

Mr. TAFT. That is what I understood

last year, yes.

Mr. KEM. Under those circumstances, does it not seem that the purposes of the original ECA Act have been accomplished, so far as England is concerned, and so far as gifts from America

are concerned?

Mr. TAFT. I am not quite certain. That is what I should like to know. It has been suggested in the statement of Mr. Cripps that the situation is only temporary, due to certain things which may not recur, but he said that as to the last quarter of 1949 whatever temporary conditions there were continued even more strongly in the first quarter of 1950. So I do not know. It may be that a hearing will show that there will clearly be a deficit in the balance of payments during the coming year, but I am quite certain that if so, it must be smaller than the ECA thought it would be when it made the budget 6 months ago.

Mr. KEM. Does the Senator's study of the figures indicate that important discrepancies, or shall we say, differences, exist between the estimates presented by the Administrator to the Appropriations Committee and the actual

purchases made?

Mr. TAFT. So far as I can figure, the budget estimate submitted, to the extent that it is based on an estimated balance of payments for 1949-50, is at least \$2,000,000,000 wrong today. We have covered three-fourths of the period. As to whether the estimates for next year are correct, I have no means of checking at the present time.

Mr. KEM. How about purchases as between different commodities in this country? Have the estimates been fol-

lowed closely?

Mr. TAFT. That I do not know. That is in the hearings, on page 27, as to what they estimate for next year, but how closely the estimates have been followed I do not know.

If the Senator does not object, I should like to offer a number of matters for the

Mr. KEM. That will be an important contribution to the RECORD.

Mr. TAFT. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the statement by the Chancelor of the Exchequer on Britain's reserve position, which is dated April 4, 1950.

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

#### BRITAIN'S RESERVE POSITION

TEXT OF THE STATEMENT MADE BY SIR STAFFORD CRIPPS, CHANCELOR OF THE EXCHEQUER, IN THE HOUSE OF COMMONS ON TUESDAY, APRIL 4. 1950

I should like to give to the House the figures on our gold and dollar position for the first quarter of this year. During that period the sterling area earned a net gold and dollar surplus of \$40,000,000, compared with a deficit of \$31,000,000 in the fourth quarter of 1949, a deficit of \$539,000,000 in the third quarter of 1949, and a deficit of \$330,000,000 in the corresponding, that is, the first, quarter of 1949. We received assistance under the European recovery program, largely in the form of reimbursement for expenditure already incurred by us, amounting to \$229,000,000, and we also drew on the Canadian credit to the extent of \$27,000,000. Thus, the gold and dollar reserves rose by \$296,000,000 during the quarter, so that on March 31, 1950, they stood at \$1,984,000,000, compared with \$1,688,000,000 at December 31, 1949, and \$2,241,000,000 at March 31, 1948,

immediately before the European recovery program was put into operation.

It is not possible so soon after the event to give a complete explanation of these changes in our position. In broad terms the various causes are known well enough, but their relative importance will not be able to be assessed until a good deal later. Looking at the position over the past 6 months since devaluation and comparing it with the difficult situation we faced in the second and third quarters of 1949, I think it can be said that two main types of influence have been at work in bringing about an improvement in our affairs. The first type consists of those factors which are outside our own control and which cannot be relied upon to continue; and the second is the result of policies which we have adopted to meet our difficulties and which may, we hope, have a more lasting effect. Under the first heading, factors outside our control, which reversed tendencies that had worked so strongly against us last summer, I would refer to the two most important—

1. The renewed inflow of dollars and the resumption of buying which had been held up in anticipation of a possible devaluation; and

2. The increased demand from the dollar area for many sterling area goods. This followed a further expansion in industrial activity in the United States, and the rebuilding of their stocks of commodities. Its effect has been the more marked since it has coincided with the normal seasonal increase in dollar earnings from some of the major sterling area exports such as wool and cocoa.

Under the second category which covers the results of policy decision, I mention the

following as the most important:

(a) The reduction in the United Kingdom's own expenditure on imports from the dollar area, bringing it now within the rate of \$1,200,000,000 a year, which we have laid down in our program, together with similar successful action by our partners in the sterling area, in accordance with the understandings reached at the Finance Ministers' meeting last July. This major achievement is a triumph of cooperative effort by Commonwealth countries of the sterling area.

On its maintenance in the period immediately ahead of us depends much of our hope for the future balance of our payments with the dollar area.

(b) The improvement in our position with such hard-currency countries as Belgium, Switzerland, and Persia, which has resulted mainly from our better competitive

position following devaluation.

(c) The substantial improvement of the United Kingdom's position on invisible account, due in large measure to a reduction in expenditure over a wide range of transactions.

(d) Finally, the recovery in our earnings from United Kingdom exports to the dollar area.

The explanations which I have given apply broadly to the whole period since devalua-There have, of course, been changes within that period. In the early part, as I made clear in my statement on the results for the fourth quarter of 1949, the immediate and short-term effects of devaluation were particularly noticeable. Since then these more temporary effects have naturally declined in importance. But this decline has been offset, and indeed more than offset, in the first 3 months of this year by those other factors, which I have already mentioned, such as the increased demand for sterlingarea exports and the further reduction in our imports from the dollar area. Our net payments in gold and dollars to nondollar countries and some of our payments on invisible account have recently been at a particularly low level.

The results of these last 6 months are undoubtedly gratifying. Whatever the results of a more detailed analysis, they reveal that

we and the rest of the sterling area have made a further advance in our long and arduous campaign to close the dollar But we must not be complacent as to these results or overestimate the progress which has been made. To the extent that the last quarters results benefited by a seasonal increase in income, we must expect that a corresponding seasonal decline will affect adversely the results of the months immediately before us. Some of the saving on dollar purchase throughout the sterling area may also have been seasonal or temporary in character. To this extent it may be balanced by higher dollar imports later in the We have also still been enjoying some of the temporary after effects of devaluation, althought latterly to a smaller extent than previously; these effects, unlike the more permanent benefits of devaluation, will quickly pass. Nor can we be certain that the present level of demand for exports from the rest of the sterling area to the dollar area will be indefinitely continued, or that their prices will be maintained.

In looking forward we must bear in mind that the substantial gains over the last 6 months followed a period in which we lost nearly a third of our reserves of gold and dollars. Our policy is so to order our affairs that when the European recovery program ends, in the middle of 1952, we can stand on our own feet, without exceptional external aid. To that end we must maintain a rigorous economy in dollar expenditure and encourage the maximum dollar earning throughout the sterling area. We must conserve our strength and rebuild our resources until they are strong enough to withstand whatever strain the difficult and uncertain

future may bring.

Mr. TAFT. Mr. President, I ask unanimous consent that there be printed in the RECORD a break-down of the United Kingdom's allocation of \$687,000,000.

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

Estimated ECA-financed program, by commodity group, in the fiscal year 1950-51 [In millions of dollars]

United Kingdom-Requested program fiscal year 1950-51

Food and agricultural imports: Other agricultural products\_\_\_\_ 72.0 Total food and agricultural products\_\_\_\_\_ 326. 4

Industrial imports: 90.0 Fuels \_\_\_\_\_ 90.0 Industrial raw materials \_\_\_\_ 150.0 Capital equipment \_\_\_\_ 66.4 Other manufactures and raw ma-20.0 terials \_\_\_\_. Total industrial imports\_\_\_\_ 326.4 Total commodity imports\_\_\_\_ 652.8 Transportation \_\_\_\_\_

Total ECA-financed program \_\_\_ 687.1 Total allotment from fiscal year appropriation\_\_\_\_\_ Mr. TAFT. Mr. President, I ask unan-

imous consent that there be inserted in the RECORD at this point a statement of the various country aid programs making up the total of \$2,925,000,000, including the British estimate of \$687,-000,000.

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

Country aid programs, first 15 months, 1949-50 and 1950-51

	[Millions of d	ioliarsj	
	April 1948- June 1949 1	1949-50 2	1950-51 *
Austria Belgium Denmark Trieste France Germany Greece Iceland Ireland Italy Notherlands.	280. 0 261. 4 120. 2 17. 9 1, 313. 4 613. 5 191. 7 8. 3 86. 3 668. 0 571. 1	+166, 4 +256, 9 +87, 0 +13, 4 +673, 1 3+740, 3 +156, 3 +7, 0 +44, 9 +364, 0 +295, 6	+124, 4 +142, 8 +65, 1 +10, 0 +502, 8 +552, 9 +148, 8 +5, 2 +33, 5 +290, 6 +192, 8

See footnotes at end of table.

Country aid programs, first 15 months, 1949-50 and 1950-51—Continued [Millions of dollars]

	April 1948- June 1949 1	1949-50 2	1950-51 2
Norway	101. 1 45. 4 49. 0 1, 619. 7	+90. 0 +31, 5 +48. 0 +59. 0 +919. 8	+67. 1 +23. 5 +34. 3 +44. 1 +687. 1
Total	5, 953. 0	3 +3, 953, 2	+2, 925, 0

Fifth report to Congress of the Economic Cooperation Administration for the period Apr. 3-June 30, 1949.
 ECA appropriations justifications, 1951.
 Includes GARIOA assistance of \$397,900,000.

Mr. TAFT. Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point a copy of the Economic Cooperation Administration's budget estimate covering the United Kingdom for three periods, which appears on page II-125 of the budget esti-

There being no objection, the estimate was ordered to be printed in the RECORD, as follows.

Economic Cooperation Administration—Country, United Kingdom—Estimated balance of payments in gold and dollars and all currencies [Million dollars and dollar equivalents]

		1948		1949-50			1950-51		
Item	United States	Total gold and dollars	Total all cur- rencies (ex- cluding own DOT)	United States	Total gold and dollars	Total all cur- rencies (ex- cluding own DOT)	United States	Total gold and dollars	Total all cur- rencies (ex cluding own DOT)
1. Imports. 2. Payments for services 3. Exports. 4. Receipts for services. 5. Current account balance. 6. Settlements (net). 7. Capital operations (net). 8. Balance of payments.	-686. 0 -254. 0 +262. 0 +338. 0 -340. 0 -10. 0 +270. 0 -80. 0	-1, 644.0 -739.0 +691.0 +504.0 -1, 188.0 -323.0 +606.0 -905.0	-1, 878, 9 +5, 462, 9 +2, 380, 9 -425, 1	-628, 9 -225, 0 +240, 0 +239, 0 -374, 9 -6, 0 +2, 0 -378, 9	-1, 400, 1 -338, 0 +675, 0 +243, 0 -820, 1 -246, 0 +110, 0 -956, 1	-6, 031.8 -1, 211.0 +5, 300.7 +1, 613.0 -329.1	-664.6 -224.0 +268.5 +248.0 -372.1 +10.0 -80.0 -442.1	-1, 204. 5 -339. 0 +755. 5 +259. 0 -529. 0 -165. 0 -30. 0 -724. 0	-1, 148.0 +5, 297.2 +1, 810.0 +211.0
9. Change in reserves		+220.0 +685.0			+36.3 +919.8			-13.1 +50.0 +687.1	

Mr. TAFT. I also ask that there be inserted table 7, on page 17, from the British Economic Survey for 1950, showing United Kingdom balance of payments on current and capital account with all areas.

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

TABLE 7 .- United Kingdom balance of payments on current and capital account with all

	Year 1947	Year 1948	First half 1949	Second half 1949, provisional	Year 1949, provisional
A, CURRENT ACCOUNT  I. Dollar area: Imports (f.o.b.) Exports and re-exports (f.o.b.)	£ million 561 119	£ millicn 405 176	£ million 204 91	£ million 236 88	£ million 440 179
Visible balance Invisibles (net)	-442 -113	-220 -51	-113 -22	-148 +8	-261 -14
Surplus (+) or deficit (-) on current account	-555	-280	-135	-140	-275
II. Rest of world: Imports (f.o,b) Exports and re-exports (f.o,b.)	967 974	1, 365 1, 378	758 814	772 797	1, 530 1, 611
Visible balance	+7 -52	+13 +162	+56 +64	+25 +60	+81 +124
Surplus (+) or deficit (-) on current account	-45	+175	+120	+85	+205
III. Total: Imports (f.o.b.) Exports and re-exports (f.o.b.)	1, 528 1, 093	1,770 1,554	962 905	1, 008 885	1, 970 1, 790
Visible balance	-435 -165	-216 +111	-57 +42	-123 +68	-180 +110
Surplus (+) or deficit (-) on current account	-600	-105	-15	-55	-70
B. CAPITAL ACCOUNT	TO SHE		111111111111111111111111111111111111111		I regul
(1) Gold and dollar deficit	1,024	423	239	142	381
(2) Net decrease in United Kingdom external capital	-295	-105	-99	8-197	\$-296
(3) Net change in sterling liabilities:  (a) Nonsterling area countries	-129	-247 34	-27 -98	. 37 73	10 -25
Net overseas disinvestment	C00	105	15	55	70

<sup>1</sup> The figures in this table are revisions of those in Command 7783. Details will be shown in the white paper on the United Kingdom Balance of Payments, to be published shortly.

<sup>2</sup> This item is explained and amplified in Balance of Payments white papers (e. g. Command 7793). It includes overseas investment (mainly in the sterling area), sale of overseas assets (e. g., Argentine railways in 1948) and repayment of loans by the United Kingdom.

<sup>3</sup> Of which, —60 revaluation payments, matched by +60 in item B (3).

Mr. MALONE. Mr. President-Mr. KEM. Mr. President, I yield to the Senator from Nevada.

Mr. MALONE. I was very much interested in the colloquy between the senior Senator from Ohio and the junior Senator from Missouri.

The PRESIDING OFFICER. Will the Senator suspend for a moment? The Chair would like to suggest that Senators observe the rules they make.
Mr. MALONE. Will the Chair outline

to us just what rule to which he is referring?

Mr. CONNALLY. A Senator may not yield except for a question.

Mr. HENDRICKSON. Mr. President, as I understand, the Senator from Missouri yielded the floor to the Senator from Nevada.

Mr. KEM. I did not yield the floor. I yielded for a question.

Mr. MALONE. I should like to ask the Senator the question. I was very much interested in the colloquy which ensued between the senior Senator from Ohio and the junior Senator from Missouri, and how the committee arrived at the amount of money involved in the ECA bill. I should like to ask the Senator from Missouri if he does not believe that the same method of arriving at the amount at this time-and it is admittedly the trade balance deficit-was arrived at in the same way the deficit admittedly was arrived at in March 1948? I have before me a table which was submitted for the CONGRESSIONAL RECORD March 4, 1948, by the junior Senator from Nevada. It shows each of the 16 Marshall-plan nations listed alphabetically. It shows their total imports in dollars, their total dollar earnings, and earnings from sources other than the United States, and then the United States funds to be made available to them under the Marshall plan. They add up to a total of \$6,860,000,000. assume the Senator remembers the debate at that time. That amount was for a 15-month period. For the 12month period, which was later adopted, the figure corresponding to the \$6,860,-000,000 was \$5,360,000,000, which was the approximate amount of the funds actually appropriated. The trade-balance deficit, clearly, is added up each year, and that must have been the way the present amount was arrived at.

I will inquire of the Senator from Misso iri if he agrees with the junior Senator from Nevada, that the fallacy of such an estimate is that we have no control over the purchases of the 16 European Marshall-plan countries. In other words, if the beneficiary countries have earned more than was estimated, they have simply purchased more goods. The deficit then would remain the same. Would it be a weakness in the whole system, in the judgment of the Senator from Missouri, that we have no control whatever over their purchases, and that if we could theoretically make up the existing balance they could increase them at any time at their own option by additional purchases?

Mr. KEM. I think it is a very decided weakness. We found that to be the situation in the case of purchases of American wheat, Mr. Hoffman appeared before the Committee on Appropriations and said that he was going to buy certain specific quantities of American wheat. Then Sir Stafford Cripps and Mr. Ernest Bevin came to the United States and had their dollar talks with the State Department. As a result, they decided to use \$175,000,000 of Marshallplan money to pay for wheat which Great Britain had previously contracted to buy in Canada. There was no mention in the authorization, and there was no mention in the hearings before the Senate Committee on Appropriations, of any authorization of ECA money to pay for wheat bought by Great Britain in Canada. I anticipate that if the Administrator had disclosed to the committee that he intended to use \$175,000,-000 of American taxpayers' money for that purpose, he would have encountered violent opposition.

I give the Administrator credit, because I do not think that at the time he appeared before the Committee on Appropriations he had the slightest idea of using \$175,000,000 of his funds, or any funds, for the purpose of making payments on wheat contracted to be bought by Great Britain from Canada. Notwithstanding that, and relying on certain weasel words in the appropriations act, the Administrator, in order to assist in the dollar talks, devoted \$175,000,000 for that purpose. He allocated \$175,-000,000 to be used in payment of an obli-

gation of Great Britain to buy wheat from Canada. It resulted, as might have been anticipated, in purchases of wheat from the United States far below the estimates made by Mr. Hoffman before the Committee on Appropriations. In other words, we lost going and coming. We put up the money, but we did not sell the goods.

Mr. MALONE. Will the Senator further yield for another question?

Mr. KEM. I am glad to yield further. Mr. MALONE. If the Senator will permit, the junior Senator from Nevada, in support of the debate on this subject, would like to ask unanimous consent to have inserted in the RECORD a table prepared in March 1949 showing the \$5,360,-000,000 trade-balance deficit of the 16 nations, corresponding to our appropriation for that year, showing that that very simple method is being used-in other words, we simply pick up the check. I ask unanimous consent to have the table included in the RECORD at this point.

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

Country	Population	Area	Allocation under Marshall plan (12-month period)	Index of indus- trial produc- tion (1937=100 unless other- wise noted)	Financial aid per capita
Austria Belgium and Luxemburg Denmark France Greece Iceland Ireland Italy Netherlands Norway Portugal Sweden Switzerland Export. Import.	7,000,000 8,687,000 39,700,000 7,788,000 127,800 2,989,700 45,800,000 9,090,000 2,937,000 6,674,000 4,265,700	Square miles 32, 369 12, 774 16, 575 212, 659 50, 257 39, 709 27, 137 119, 800 12, 862 124, 556 35, 466 173, 347 15, 737	\$142,000,000 252,000,000 128,000,000 1,119,000,000 145,000,000 10,000,000 119,000,000 580,000,000 550,000,000 27,000,000 27,000,000 None	1 50 2 84 3 117 4 106 5 75 (*) 7 109 8 80 9 90 7 122 (10 11) 12 18 101 12 18 105	\$20.3 29.0 30.9 28.2 18.7 78.0 40.0 14.8 61.0 9.2
TurkeyUnited Kingdom	18, 971, 300 47, 889, 000	294, 416 94, 279	None 1, 378, 000, 000	(14 18)	29. 8
Western Germany (United States, United Kingdom, French zones)	45, 417, 200	96, 300	16 784, 000, 000	7 17 42	17. 3
Total	259, 495, 690	1, 348, 243	5, 360, 000, 000		
		I .		The second secon	

- State Department, European Recovery Plan, Country Studies, Austria. Estimate, 1947.
   Monthly Bulletin of Statistics (United Nations, January 1948 issue): September 1947.
   International Financial Statistics, Saptember 1947.
   International Financial Statistics, September 1947.
   State Department, European Recovery Plan, Country Studies, Greece (1939=100).

- State Department, European Recovery Plan, Country Studies, Greece (1839=100).
   No data.
   Hearings, Senate Foreign Relations Committee, pt. 3, p. 1222. (Figures: End of 1947.)
   State Department, European Recovery Plan, Country Studies, Italy.
   State Department, European Recovery Plan, Country Studies, Netherlands (second quarter, 1947).
   State Department, European Recovery Plan, Country Studies. (No general industrial index available.)
   Full capacity.
   House Committee on Foreign Affairs Publication, entitled "Background Information on European Countries."
   Restricted J. Aug. 21, 1447.
- (Restricted.) Aug. 21, 1947.
- \*\* State Department, European Recovery Plan, Country Studies, Turkey.
   \*\* Above prewar.
   \*\* Including Saar.
   \*\* United States zone, 48; United Kingdom zone, 37.

Mr. MALONE. I should like to ask further permission of the Senator from Missouri to have included at this point in the RECORD another table, prepared at the same time, showing the \$6,860,000,000 trade-balance deficit for the 16 nations for the 15-month period, which corresponded to the 12-month period just mentioned. It also shows the total imports in dollars into those countries, the total earnings in dollars, and it shows that the amount which each one of these nations was to receive of the \$6,860,000,-000 for the 15-month period, which was later reduced to a 12-month period and \$5,360,000,000, and corresponds almost exactly to their trade-balance deficits. I ask unanimous consent to have the table included in the RECORD at this point.

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

Recapitulation of tables showing illustrative composition of imports of commodities and services from Western Hemisphere and possible sources and distribution of financing, Apr. 1, 1948, to June 30, 1949

[At July 1, 1947, prices]

			ible sourcing	
	Total im- ports 1	Dollar earn- ings 2	Sources other than new United States funds	New United States funds 3
Austria Belgium-Luxemburg Denmark France Greece Iceland Ireland	Mils. of dols. 233 853 237 1, 931 262 23 192	Mils, of dols. 39 334 45 369 67 10 40	12 196 28 128 9	Mils. of dols. 182 323 164 1, 434 186 13

Recapitulation of tables showing illustrative composition of imports of commodities and services from Western Hemisphere and possible sources and distribution of financing, Apr. 1, 1948, to June 30, 1949—Continued

IAt July 1, 1947, prices!

			ible sour	
	Total im- ports i	Dollar earn- ings 2	Sources other than new United States funds	New United States funds <sup>3</sup>
Italy Notherlands Norway	Mils. of dols. 1, 160 1, 136 253 144	Mils. of dols. 183 271 163 144	108 160 56	Mils, of dols. 869 705 34
Portugal Sweden Switzerland Turkey United Kingdom	499 535 69 4, 311	423 535 69 2, 133	43	33 1,760
Germany: Bizone French zone Saar	1, 014 93 14	100 13 3		914 80 11
Total	12, 959	4, 941	1, 158	<b>\$ 6,860</b>

1 Including net dollar payments for freight and other

including net dollar payments for freight and other invisibles.

Including drawings of \$72,000,000 by Portugal on its gold and foreign exchange resources.

This column includes funds being requested by the Department of the Army for prevention of disease and unrest in Germany. A reconciliation with the \$6,800,000,000 being requested for the European recovery program is to be found on p. 5.

Mr. MALONE. Mr. President, if the Senator will further yield, in support of the amendment of the Senator from Missouri I should like to introduce at this point in the RECORD an Associated Press dispatch of March 2, 1950, entitled "German Sale of Rails to Red China Approved."

There being no objection, the item was ordered to be printed in the RECORD, as

#### GERMAN SALE OF RAILS TO RED CHINA APPROVED

West Germany has been authorized by the Allied High Commission to sell Communist China \$7,000,000 worth of steel rails, authoritative sources in Frankfurt disclosed

The high commission approved the order 3 months after it turned down Communist China's order for 100,000 tons of rails from German mills. The new order is for 15,000 tons plus a small amount of additional The Chinese will pay in dollars.

Mr. MALONE. Mr. President, the dispatch shows that our own high commission in Germany approved the sale and shipment of goods, highly valuable for war purposes, and for consolidating gains in Communist China to Red China.

I have before me a news dispatch entitled "War Goods Smuggled to East via Germany," which was published in the New York Times of April 6, 1950. It refers to goods which are being shipped out of Germany, presumably manufactured with the aid of Marshall-plan money, but being shipped to Russia's satellite states. I ask unanimous con-sent to have the item included in the RECORD at this point.

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

WAR GOODS SMUGGLED TO EAST VIA GERMANY

FRANKFURT, GERMANY, April 5.—Western officials said today that west Germany had become a funnel for war materials smuggled into Communist satellite states.

Soviet Russia is believed master minding the war shipments through deals with private firms and international gangs, they said. The war goods are bought in some European countries and in west Germany, the officials asserted.

Communist gangs recently were reported sniping at west Germany's economy by flooding the country with black-market goods. Officials said they buy the war materials and critical items with dollars and marks obtained through illegal cigarette and coffee

Allied regulations strictly forbid shipments of war materials or strategic items to the eastern countries except under license. authorities recently have confiscated airplane parts, bomb cases, ammunition carriers, and other war materials en route illegally to the east.

Allied officials said that only 2 percent of rail shipments and 10 percent of truck shipments from west Germany are inspected at the border. Customs controls on the German borders were turned over to the German Government last year.

Mr. MALONE. I should like to ask the Senator from Missouri one more question. As I understand it the amendment offered by the Senator from Missouri corresponds to the joint resolution which the junior Senator from Nevada introduced in January, and I understand that the purpose of the amendment is simply to make a choice of which side we are taking in the cold war. We are in the cold war with Russia and with the iron-curtain countries, or else we are not in a cold war. If the cold war is over, then we ourselves should trade with Russia. If we are in a cold war, we should not allow anyone to furnish goods from supplies provided by the United States to the Communists in order to consolidate their holdings in China and eastern Europe and to enable them to prepare for world war III. Is that the reason for the amendment?

Mr. KEM. That is the reason exactly. I have in mind that in the last World War hundreds of thousands of Americans risked their lives by being shot at with war material made out of junk and scrap iron which had been shipped from the United States to Japan. Here we have history repeating it-self. We are shipping great quantities of war materials to countries in western Europe, who in turn are funneling them into Russia and its satellites.

An unkind cut—I might say the "most unkindest cut of all"-is the fact that when we sent scrap iron to Japan we are paid for it. The war materials sent to Europe to a large extent are being given gratis to the countries of western Europe to assist in their ecoonmic recovery, and perhaps the same materials, certainly similar materials, are being sold by the same countries in western Europe to Russia and the satellites. I shall have a good deal to say about that before the discussion of the pending measure is concluded.

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

Mr. KEM. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Missouri whether, in a study of the evidence in support of the authorization which the Senate is now considering, he finds any evidence which would indicate that Great Britain is eliminating the trade barriers in her dealing with other ECA countries, as well as other countries outside of ECA; and, furthermore, whether Great Britain is attempting, in the convertibility of currency, to aid countries which are recipients of ECA funds, or whether, on the other hand, Great Britain is attempting to force to trade with her countries which formerly have been known to belong to the sterling bloc?

I have asked two questions, but I should like to have the distinguished Senator answer them. I should like to have his observations, because it seems to me that unless the purposes of the ECA can be accomplished through the elimination of the trade barriers between these countries, and the convertibility of currency, they will never get to the place where they will not need American dollars as they are requesting them under this authorization.

Mr. KEM. In reply, Mr. President, I may say that the correspondence recently appearing in the New York Times from able and experienced European newspaper men has been to the effect that the activities of Great Britain have been along the line of not facilitating the breaking down of currency restrictions or trade barriers, but along the line of insisting on their continuance.

Mr. WHERRY. Would the Senator from Missouri conclude that the provision in the bill establishing a fund of \$600,000,000, which is to be used at the discretion of the Administrator to help the ECA countries in their convertibility of currency, so they can do business with one another, indicates that the purpose has not been accomplished, and that the Administrator himself feels that he needs legislative authority in order to bring that about?

Mr. KEM. If the Senator will permit me to say so, I think that is purely window dressing for the purpose of upholding the hands of the Administrator, and something for him to show his confreres in Europe.

I may say that my observation of the operations of the Administrator is that he is usually able to find a way under the law to do whatever he wants to do. I cite as an example-and we might refer to other examples-his purchase of Canadian wheat with ECA funds, and the use of those funds in payment on a contract previously made between Great Britain and Canada. I have examined the record. I have examined the testimony of Mr. Hoffman before the Committee on Appropriations, and there was not the slightest indication that he had such a transaction in mind. Yet, when it came up, he evidently called in lawyers who were able to tell him how he could do it, and the nail on which his lawyers hung the transaction was the words in the ECA Act giving him the right to carry out the purposes of the act.

Mr. WHFRRY. So far as practicable. If Mr. KEM. So far as practicable. If Mr. Hoffman is given a blank check to carry out the purposes of the act, I do not see that there is much use of our spending any time on either examining his justification before the Committee on Appropriations or examining the terms of the authorization bill. I think the only substantial and important thing to do is to cut down the amount of money in his hands.

Mr. WHERRY. The distinguished Senator mentioned the interpretation by the Administrator of the provision which the Congress wrote into the ECA bill relative to the purchase of surplus wheat, under which provision whenever a commodity was declared surplus, the Administrator could use ECA funds to purchase needed supplied in this country, rather than in some other country.

Mr. KEM. I also had in mind that when he appeared before the Committee on Appropriations he said he intended to buy certain definite quantities of wheat.

Mr. WHERRY. I will ask the Senator if it is not true that the funds which are justified before the Committee on Appropriations are based upon the allocations which the Administrator says are needed in the particular countries. Is not that true?

Mr. KEM. Yes; but I am impressed by the fact that when the Administrator starts operating, he does not seem to be influenced in any way by statements he made or failed to make before the Committee on Appropriations.

Mr. WHERRY. So that it is the opinion of the distinguished Senator that, even though, in the appropriation bill, the allocations of wheat were justified, down to the last dollar, the Administrator discarded the intent of Congress and used the dollars he had for any other purpose Great Britain might want to use them for, so far as her portion of the funds was concerned. As I recall, Great Britain bought Canadian wheat, which reduced the surplus in Canada, but left the surplus of wheat in this country unsold.

Mr. KEM. In other words, I think there are two bits of evidence as to the intent of Congress, first, the language of the authorization bill, which said the Administrator should not purchase surplus commodities offshore when they were in surplus supply in the United States; and, second, the acceptance by the Committee on Appropriations of the justification which the Administrator presented there, in which he said he would buy certain quantities of American wheat.

Mr. WHERRY. I should like to ask the distinguished Senator from Missouri whether he has made any further study into the bilateral agreements Great Britain has made during the life of the ECA program.

Mr. KEM. I have made a considerable study of the agreement made between Great Britain and Canada, in which Great Britain agreed to buy a great quantity of Canadian wheat. I have also noticed, many times, statements by the able Secretary of State and others that it was the purpose of the American Government to discourage bilateral agreements. I remember very distinctly that, at the time the first British loan was proposed, Mr. Vinson, now Chief Justice of the United States, stated that the jus-tification for the British loan was the doing away with bilateral trade agreements. Yet we made the British loan. we made princely gifts since then, and now Mr. Hoffman takes our money and finances a bilateral trade agreement without asking Congress, or without even consulting any committee of Congress. so far as I know.

Mr. WHERRY. Is it not true that the purpose of the ECA cannot possibly be accomplished if Great Britain continues, through bilateral agreements, to do these things with other countries upon the basis of which Great Britain is now negotiating such agreements? How can trade barriers be eliminated so the various countries can get away from dollar shortages, when the countries themselves continue to come to the United States asking for money, rather than trade among themselves? How is that possible?

Obviously it is not possible. I should like to take occasion to correct a statement I just made. I said that so far as I know the deal by which \$175,000,000 worth of ECA funds was used to finance the purchase of Canadian wheat by Great Britain was not brought to the attention of the committee. It was not brought to the attenion of the Committee on Agriculture and Forestry. I understood the chairman of the Senate Committee on Agriculture and Forestry to say that it was brought to his attention informally, but it was not brought to the attention of the Agricultural Committee. I have no information as to whether or not the same thing occurred in the case of the Foreign Relations Committee.

Mr. WHERRY. Mr. President, will the Senator yield for another question, please?

Mr. KEM. Yes.

Mr. WHERRY. I am also interested in a phase of the proposed amendment of the Senator from Missouri, whereby he is attempting to reduce the amount of the authorization. By reason of committee work, I have not been able to be on the floor during the entire discussion by the able Senator of the subject matter in hand. Has the Senator placed in the Record the financial situation of Great Britain at this time regarding her external and internal budgets, and also the gold reserve which Great Britain now has?

Mr. KEM. The distinguished senior Senator from Ohio [Mr. TAFT] has done that in his usual very able and exhaustive manner.

Mr. WHERRY. Do I correctly understand that the figures which have been introduced conclusively substantiate the point that Great Britain now has bal-

anced her external budget, that her internal budget has been balanced for some time, and that her gold reserve is about \$1,980,000,000, with \$230,000,000 to be added, which runs her reserve above the \$2,000,000,000 reserve which Mr. Cripps says is necessary? How does the Senator from Missouri feel about the aid that should be granted to Great Britain at this time by a country whose debt is now some \$260,000,000,000, and whose budget has been out of balance, with the exception of two years, for 18 long years?

Mr. KEM. I think it raises the question as to who should be aiding whom.
Mr. TAFT. Mr. President, will the

Senator yield?

Mr. KEM. I yield.
Mr. TAFT. The Senator asked me some time during our colleguy as to the food subsidies. I have here a statement released by the British Information Services on the Cripps' budget, submitted in April, and on the question of the food subsidies it is stated that these will remain unchanged at 410,000,000 pounds a year. That would be equivalent to \$1,150,000,000. If we had the same subsidy in this country it would cost us \$3,500,000,000, since we have three times as large a population.

I think it might be a good thing to put into the Record the summary of the new budget and the changes made in the tax, showing as a matter of fact for the first time in many years in Great Britain a slight deficit of 7,000,000 pounds, almost negligible, but practically level. I ask unanimous consent that the statement on the British budget may be inserted in the Record at this point.

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

#### BRITAIN'S BUDGET FOR 1950-51

Presenting his budget to the House of Commons today, the Chancellor said that a continued surplus was absolutely essential under present circumstances.

In the financial year which ended March 31, 1950, Britain's budget showed a conventional surplus of £549,000,000, and an overall surplus (allowing for capital payments by the Government) of £62,000,000.

For the coming year the Chancellor estimated that there would be a conventional surplus of £441,000,000, and an over-all deficit of £7,000,000. The budget of almost £4,000-000,000 could thus be regarded as substantially in over-all balance.

With the increases in revenue anticipated, there could have been a conventional surplus of £550,000,000, and an over-all surplus of £65,000,000. This, however, would be a rather larger surplus than was needed this year, said the Chancellor. Taxation and other concessions would result in the figures given.

United Kingdom budget figures (in million pounds)

	1948-	1949-50		1950-51	
de l'inschare de la company	49, actual	Esti- mates	Actual	esti- mates	
Ordinary expendi- ture Ordinary revenue	3, 176 4, 007	3, 308 3, 778	3, 375 3, 924	3, 455 3, 896	
Conventional surplus Over-all sur- plus	831 352	470 14	£49 62	441	

CONTINUED NEED FOR HIGH TAXATION AND FOR INCOME STABILITY

The Chancelor said that there was no scope for remission of taxation: "We cannot have the benefit of full employment and a general standard of incomes above those we now enjoy."

The Chancelor stressed particularly the need to keep personal incomes stable: "If we try, by catch-as-catch-can methods, to advance everywhere and anywhere along the wage front, we shall undoubtedly succeed in destroying full employment through inflation."

It was vital, he said, that the policy of restraint should not break down either with wages, salaries, or profits.

#### CHANGES IN THE EUDGET

(i) Income tax: The standard rate would remain 9s. in the pound (45 percent), but there would be an adjustment in the lower rates, so that the first £50 of taxable income would now be taxed at 2s. 6d. in the pound (12.5 percent) instead of at 3s. (15 percent), and the next £200 at 5s. (20 percent) instead of 6s. (24 percent).

Following are examples of the new rates compared with the old:

	Income tax								
Earned income	Single I	oerson	Married, 2 children						
	Old	New	Old	New					
£250 £400 £500 £700 £1,000	£ s. 19 55 85 10 157 10 265 10	£ 8. 16 5 46 5 74 5 146 5 254 10	£ 3 22 72 180	£ s.  2 10 18 15 60 15 168 15					

Tax-free payments by corporations to high executives would be subject to surtax, and these would be retrospective to last year.

(ii) Gasoline: Tax would go up 9d. a gallon, bringing the price to 3s.; but the standard ration would be doubled to allow motorists to do about 180 miles a month.

(iii) Purchase tax: Purchase tax on highly priced automobiles would be reduced from 66.6 to 33.3 percent; but a purchase tax of 33.3 percent would be put on commercial vehicles to restrict their purchase at home and encourage their availability for export.

(iv) Beer: The beer duty would remain the same, but the gravity would be increased by 3 degrees, bringing it about halfway back to

prewar strength.

(v) Health service: Contrary to the proposal made last autumn, no charge would be made at present for prescriptions. The power to charge would remain, but it was hoped to find a more easily administered method of economizing on this branch of expenditure. No increase in the cost of the health service could be allowed. Any expansion in one part of the service in future would be met by economies, or if necessary by contraction, in others.

(vi) Housing: The rate of housing had been cut to 185,000 a year last autumn. It would now be restored to 200,000 a year for

the 3 years 1950-52.

(vii) Food subsidies: These would remain unchanged at £410,000,000 a year.

Mr. KEM. May I ask the Senator from Ohio if he has any figures as to what provision is made in Sir Stafford Cripps' recent budget for aid to aged needy people?

needy people?
Mr. TAFT. No, I do not. I can get that for the Senator rather soon. The social-service budget is very large. But I am not certain how it is divided.

Mr. KEM. Is it not true that the British Government makes a larger payment to the needy aged people of Great Britain than is paid by our Federal Government to their counterparts in the United States?

Mr. TAFT. Yes. It is a much more generous provision. I am not sure that the actual amount per person is larger. The general standard of living is lower in England. I can secure those figures, but do not have them at hand.

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

Mr. KEM. I yield.

Mr. KNOWLAND. I should like to know how the Senator from Missouri squares the position of the State Department that our Government should continue to give this amount of economic assistance to Great Britain, even though she has a gold reserve of practically \$2,000,000,000, and must not allow it to drop below that figure, when the Gov-ernment of the United States on January 5 of this year said to the Government of the Republic of China, "You have a gold reserve to be sure, down to about \$200,000,000, but you must spend it all before you can possibly hope for any assistance from the United States"? In other words, the same policy that is followed in Europe apparently is not applied to the Far East. Is the Senator familiar with that?

Mr. KEM. Yes. I think it is a very interesting situation, and I would be no more able to square that with logic or reason than I would the fact that Great Britain is supposed to be fighting communism in western Europe and on the western side of Russia, whereas it has recently very promptly, I may say, recognized the Communist regime in China. and has been assisting it in numerous ways. For instance, I believe the able Senator from California pointed out on the floor of the Senate one day that some 90 airplanes belonging to the American air-line company headed by General Chennault-

Mr. KNOWLAND. Seventy-one planes. Mr. KEM. Seventy-one planes had been turned over to the Chinese Communist Government by the British authorities in Hong Kong. I should like to ask the Senator how it is possible for the Socialist Government of Great Britain to be fighting communism in western Europe, as we are led to believe, but assisting in promoting communism in China?

Mr. KNOWLAND. That is one of the questions which I hope the spokesmen of the administration on the Foreign Relations Committee will answer on the floor of the Senate before we come to a vote on this bill. As the Senator may know, before the Committee on Appropriations we raised the question of the 71 planes belonging to the American company, which the Fritish Government of Hong Kong was turning over to the Chinese Communists. We satisfied ourselves that the American Government had made representations both through the consul general at Hong Kong and through the American Embassy in London, and through the State Department in Washington.

I have no criticism at this time of our own officials because of the representations they have made. However, I have

not found out as yet what if anything the British Government intends to do about it, except to mark time until the pending legislation is passed through the Congress. I think the administration spokesmen on the floor owe it to the Senate of the United States and to the country to have a report submitted to us before the pending legislation is voted on, as to what the British Government intends to do in seeing that these planes do not get into Communist hands, and are turned over to the American company who are the legal owners of the planes, and who have the planes registered in the Civil Aeronautics Authority under American ownership.

Mr. KEM. In whose hands are the

planes now?

Mr. KNOWLAND. The planes have been awarded to the Chinese Communist Government, but are temporarily being held in Hong Kong. The British Government has not yet given them clearance to fly out.

Mr. KEM. When that is done is there any reason why they cannot be used in military operations against the Chinese

Nationalist Government?

Mr. KNOWLAND. I may say to the Senator from Missouri that it is even worse than that. While these planes are civilian planes-they are transport planes, and not military planes-the information which came to our committee was that they would be excellent planes to be used for transporting troops, not only against the island of Formosa, but that in the event of trouble in the Far East, they could be used against the Philippines, against southeast Asia, and indeed could be used against the American occupying forces under General MacArthur in Japan. They would be a notable addition to the military strength of the Communist forces in that area of the world.

Mr. KEM. Would the Senator feel that that purpose is along the lines of a statement made by Mr. Clement Attlee, the Prime Minister of Great Britain, on a notable occasion, that in economic matters Great Britain looks to Russia rather than to the United States?

Mr. KNOWLAND. I would say to the Senator from Missouri that many of us. I think who have been favorably disposed in the past toward the ECA legislationand on this matter there are honest differences of opinion as to what the best thing may be-recognize the fact that this problem is global in character, and that a wall cannot be built against communism in Europe while some of the same people who are being helped in Europe are accelerating the spread of communism in Asia, because in the event world war III should break out-and we all hope and pray that it will not-it will be global in character, and what strengthens communism in Asia ic bound to strengthen it all over the world.

Mr. KEM. I should like to ask the able Senator from California, who was a member of this body at the time the so-called Truman doctrine was promulgated, if he understood that the encirclement of Russia by American money and American arms proposed under the Truman doctrine contemplated encirclement

on one side of Russia or entirely around the geographical limits of that country?

Mr. KNOWLAND. I think it was clearly indicated on the floor of the Senate by Senators who were the spokesmen of the administration and by other Senators that the menace of communism was world-wide in character, and that if it was not possible to stop the constant nibbling-off of country after country, it would be difficult to hold any place in the world. Therefore, in addition to giving aid to the countries of western Europe. we assisted Greece and Turkey, and ultimately Iran and other countries, so that the world would not be overwhelmed piecemeal by the police state which was on the march.

Mr. KEM. Has it been brought to the attention of the Senator from California that the Truman doctrine has been modified by any official statement by Mr. Truman or by the Secretary of State?

Mr. KNOWLAND. No. To the con-trary, in some of the more recent statements of the Secretary of State, he seems to have been emphasizing what has been called in the past the Truman doctrine. namely, that it is dangerous to the peace and security of the world to have communism spread either in Europe or in

Mr. KEM. Did he hold that view at the time of the recognition of Communist China by Great Britain?

Mr. KNOWLAND. I shall only say to the Senator from Missouri that I do not believe this Government made representations to the Government of Great Britain pointing out the serious nature of Great Britain's unilateral action in breaking away and in recognizing the Communist regime in China.

I may say, as I am sure the able Senator from Missouri knows, that never, I think, in the long history of the British Empire has that nation been so insulted as it has been by the Communist regime in China, because the British emissary has been cooling his heels outside the Communist foreign office in Peiping since January 6, when Britain recognized the Communist regime in China. So far as I can fathom, up to the moment the Communists in China have not yet decided whether they will recognize the Government of Great Britain.

Mr. KEM. Is it not true that American soldiers, wearing the uniform of the United States, have been seized by the Chinese Communists and are now in prison in China?

Mr. KNOWLAND. That is correct; a United States Marine sergeant and a United States sailor have been held for 18 months there. There are a number of our representatives, from American consulates and from the United States Embassy at Nanking, who thus far have not been able to get out of that country; and a number of other American citizens are in the same boat.

Mr. KEM. Does the Senator from California know whether the facts pertaining to the recognition of Communist China by Great Britain were brought to the attention of Mr. Hoffman before that act occurred?

Mr. KNOWLAND. I am sure Mr. Hoffman is aware of the position which has been taken on the floor of the Senate and elsewhere in the country by those who have pointed out the grave implications of the recognition of the Communist regime in China.

Mr. KEM. Has that had any effect on the release of ECA money to Great Britain by Mr. Hoffman?

Mr. KNOWLAND. I think it has not, to date

Mr. President, if the Senator will yield to permit me to ask a further ques-

Mr. KEM. I am glad to yield.

Mr. KNOWLAND. Does the Senator from Missouri know how he can square the position taken by the administration-which the administration has rather consistently taken, I may sayin objecting rather strenuously to having any restraints or restrictions written into the ECA Act by the Congress, on the ground that to do so might impinge upon the sovereignty of such nations, with its own actions, in the case of both Greece and Korea, in laving down the law-namely, in saying that if certain things were not done by those countries, ECA funds would be withheld? Personally I find it rather difficult to follow the consistency of that line of action.

Mr. KEM. Mr. President, I find it extremely difficult to follow the consistency of such action. I think I read, not long ago, an interview with Mr. Hoffman, in which he was quoted as saying, in effect, that a certain country of western Europe would have to do something which he had in mind, or else he would crack down on it. Certainly it is difficult for me to understand how Mr. Hoffman can crack down on any country in western Europe except by withholding ECA funds if that country did not do what Mr. Hoffman thought it should do.

Certainly Mr. Hoffman is an agent of the United States, and any authority which he has comes from the Congress of the United States; the Congress is its source. Therefore it is extremely difficult for me to understand how Mr. Hoffman, who is empowered by the Congress, can do things which it is improper for the Congress itself to do, so we are

Mr. KNOWLAND. Mr. President, will the Senator yield at this point?

Mr. KEM. I am glad to yield. Mr. KNOWLAND. I may say that I have not had a chance to study the Senator's amendments. It may be that I shall find that I cannot vote for any of

However, it seems to me that it is better legislative procedure, and it is fairer to the countries with whom we deal, for the Congress to lay down certain basic principles, just as a lending institution lays down certain principles-for instance, that the borrower must put his financial house in order, and so forth-and to make its rules applicable to all comers, rather than to pick out several nations, which at the moment appear to be weak, and use its power against them, but apparently hesitate to impose the same restrictions against other nations which, in lact, may need the object lesson a little more.

Mr. KEM. It seems so to me.

I should like to ask the Senator from California whether he believes that any restrictions placed by the Congress in the ECA extension act or in the appropriation bill to folow it are likely to prove entirely futile, if notwithstanding such restrictions, Mr. Hoffman is given authority to carry out any transactions which he believes are in the interest of the act or will promote the purposes of the act

Mr. KNOWLAND. I say to the Senator from Missouri that the longer I have been here in Washington-I have been in the Senate a little more than 5 years now-the more convinced I have become that the founding fathers were correct when they wanted this Government to be a government of laws, not a government

If we write out the law specifically and then require administrative officials to follow the directives of the Congress, I think we shall be much better off.

I have in mind the fact that in connection with the arms-implementation bill, the Congress of the United States appropriated \$75,000,000, to be used for assistance to China. At the request of the administration, the language of that act was broadened somewhat, so as to provide that the assistance might be granted in the general area of China. However, the legislative intent was very clear, namely, that the Congress recognized that with the administration giving 98 percent of its attention to Europe and only 2 percent of its attention to the Far East, we were likely to be faced with a great debacle in that area of the world.

So even with that limited sum of money-and, as I have said, it was very clear that the legislative intent was that China was to receive some help-so far as I know, since the arms-implementation bill was passed at the last session of Congress, not a penny of that money has been expended for the assistance of the non-Communist regime in China; but to the contrary, any allocations of that money which have been made have been made to other countries in the Far East, countries outside of China.

So we see that when we leave such matters solely to the discretion of the present administration, that is the type of cooperation the Congress receives.

Mr. KEM. I thank the Senator.

I had told the Senator from Delaware that I would yield to him. However, I do not see him here on the floor at the moment.

Mr. President, if there are no further questions to be asked of me, I yield the

Mr. LEHMAN obtained the floor.

Mr. BREWSTER. Mr. President, will the Senator yield, to permit me to suggest the absence of a quorum?

Mr. LEHMAN. Yes; if I may receive unanimous consent not to lose the floor by yielding for that purpose. I ask such unanimous consent, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEHMAN. Very well; I yield, with that understanding.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREWSTER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine? The Chair hears none, and it is so ordered. The Senator from New York

Mr. LEHMAN. Mr. President, I rise to speak on S. 3304, the foreign-assistance bill, and to express my full and whole-hearted support for every one of the purposes encompassed in this measure. I hope that it passes and that the full authorizations provided in this measure are voted by the Senate.

Today I shall confine my remarks largely to that portion of this bill which provides for the so-called point 4 program. This is the program which President Truman, in his historic inaugural address 2 years ago, called a bold new program for cooperative development of the underdeveloped areas of the earth.

Later in the course of this debate I hope to speak on other aspects of the foreign-aid program and on other provisions of the legislation now before us. But, today I shall address myself largely to point 4. To my mind, point 4 proposes simply the expansion of the world's production of goods and services. By means of the point 4 program, we hope to insert the key of technical know-how into the door of the world's treasury of human and material resources.

Unfortunately, in these days there is a tendency to assess the importance of any measure in terms of its cost. In a bill authorizing expenditures of more than \$3,175,000,000, it is difficult to put in proper perspective a program authorizing only \$45,000,000, or less than  $1\frac{1}{2}$ percent of the total expenditure authorized in the bill. But as I have considered this program, I have become convinced that ultimately it can become one of the most far-reaching and significant aspects of our entire foreign policy. Like the other foreign-aid measures which we have approved, this program serves our own interest as well as the interest of other people. But unlike many other programs, this one does not involve the assumption by us of the burdens of direct support for the people needing assistance. In fact, it operates on the reverse principle. Its purpose is to provide technical means whereby other peoples may take the initiative in meeting their own needs.

Unfortunately, the troubled and uncertain state of the world today forces us to concentrate much of our thought and energies on defense and security. We are developing ever more powerful instruments of destruction. We are appropriating large sums for the maintenance of our own armed forces. We are assisting other free nations in building up their defensive armaments.

In a true sense, Mr. President, the entire foreign-aid program now before us is also a defense program. The development, with our assistance, of prosperous and sound economies among the free and democratic people of the world may well be a stronger measure of security and defense in the kind of struggle in which we are engaged than are the purely military steps which are being taken.

But the foreign-aid programs, and particularly the point 4 program, are much more than defense measures. They are constructive; they represent a concept of international relations which is dynamic and which recognizes that the economic, social, and moral interests of this country are intimately bound up with those of the other free peoples of the world.

The close relationship of our economy to the economies of other countries has become increasingly clear to us. All of the statistics show that our trade with developed countries is at a much higher level than it is with underdeveloped countries. Not only are we able to acquire from these developed areas many products which our industries and our people need and desire, but we are able to sell them more of our own products.

I find that before World War II, our exports to the developed areas averaged about \$5.80 per capita, whereas our exports to the underdeveloped areas of the world averaged only 70 cents per capita. The contrast is even more startling when we look at some of our principal export items. For example, during recent years the United States has sent to the developed countries from 20 to 30 times as much tobacco per person as has been sent to the underdeveloped areas. Last year we sold 27 pounds of the rolled and finished output of steel mills to the highly developed areas but only 3 pounds per person to the underdeveloped areas. In 1948 and 1949 we sold 6.3 pounds of raw cotton for each person in the developed areas and less than 1 pound per person to the underdeveloped creas. The same pattern prevails for a long list of manufactured products. It seems clear that even though other countries may learn to produce more for themselves, they develop at the same time a greater demand along with increased means to pay for imports from us. A prosperous nation, like a prosperous man, makes the best customer.

There is one aspect of this program which especially appeals to me. The bill authorizes a part of the \$45,000,000 to be made available for the technical assistance programs of the United Nations. As a nation, we have made the strengthening of the United Nations one of the cornerstones of our foreign policy. Our hope for a secure and a peaceful world rests in large measure on our hope eventually to make the United Nations an effective instrument for the achievement of world order and justice.

Although many United Nations activities have been prejudiced by obstacles raised by the current policies of the Soviet Union, and although the United Nations is not yet effective in achieving all of the high purposes for which it was created, this world organization is peculiarly equipped to render real service in the field of technical cooperation.

The specialized agencies of the United Nations have already been working with a number of countries to improve conditions in those countries. Many other nations besides our own are prepared to make experts available in various fields of technical knowledge so that the exchange of technical know-how and skills can be on a truly cooperative and international basis.

It is a fact that many of the underdeveloped areas would prefer to work with and through an international organization which pools the knowledge and skill of all the world rather than directly and exclusively with the United States or with any one nation. To the extent that effective results can be accomplished through international machinery, we should be willing and anxious to give our wholehearted support to these agencies. Our object in this program is not to get credit for playing Santa Claus, but rather to reap the greater benefits which would come from helping to dispel the atmosphere of economic hopelessness in which totalitarianism and tyranny thrive. Increasing the prestige of the United Nations is almost as much to our own interest as is increasing the prestige of our own country.

I have not been able to make a detailed appraisal and analysis of the exact functions for which the \$45,000,000 authorized in this bill is to be expended. However, I note that the Secretary of State, in his testimony before the Foreign Relations Committee, indicated that the figure requested was arrived at as the result of months of careful planning by many different agencies of the United States Government. The Secretary of State said that the extensive experience which the Institute of Inter-American Affairs and other agencies gained in Latin America was heavily drawn upon in formulating the specific programs to be initiated under the proposed point 4 program.

In my opinion, the action of the House of Representatives in cutting the amount requested by the State Department was most regrettable. By its very nature, the point 4 program can never cost the large sums which are involved in programs of supply and of economic support, such as are provided under other titles of Senate bill 3304. As I have already said, the amount requested for this program is less than 1½ percent of the total proposed in the whole foreign-aid bill. The reduction made by the House results in very little savings. But this small cut would cripple or altogether prevent the launching of activities which can produce benefits of vast value-much more than can be measured in thousands or even millions of dollars. I hope that the Senate will approve the full amount recommended by the Senate Foreign Relations committee and that our conferees will stand firm on this point in negotiating with the House.

I was very much interested in Ambassador Philip Jessup's testimony before the Senate Foreign Relations Committee. Ambassador Jessup has just returned from a trip to the Far East. He described the interest and enthusiasm of the far-eastern countries for the point 4 program and indicated some of the specific activities in which these areas are interested. I noted that these countries, over whose future we are so deeply concerned today, want assistance of a very simple and interesting kind. They do not ask for vast steel mills or other elaborate industrial developments. They want to develop, for instance, a new variety of rice that can be grown by dry farming instead of by wet farming. What a profound difference in the economy and living conditions in the Far East such a development could bring about.

Ambassador Jessup spoke also of the control of malaria, which is one of the greatest problems in the entire Orient. He also found a great need for information about the best kinds of trees to plant under various climatic conditions. Certainly an increase in the amount of forest timber available would be of major significance in the whole economic life of these areas.

Ambassador Jessup described how the problem of finding a simple means of ascertaining the level of the underground water table was of vast importance to some of these peoples. It might lead, for instance, to finding a simple method for getting water for irrigation. These are simple problems, but once solved, new horizons would be opened to all those millions of people in the Orient.

We can help in these problems, Mr. President. Our help, if given in time and in adequate amounts, can have a great effect in bettering economic conditions and in influencing the outcome of the mighty ideological struggle which is now going on in that part of the world.

Last Saturday, Mr. President, our distinguished Secretary of State, Mr. Dean Acheson, spoke to the American Society of Newspaper Editors, and described the situation which we now confront.

There are great areas of the world-

#### Said Secretary Acheson-

where people are living in a state of extreme poverty that is almost impossible for us to imagine. Millions of these people are not content any more to accept those conditions of poverty for themselves or their children. They are looking for a way out. That is a good thing. The will to change is half the battle. But the question is whether these people will choose a way out that leads to freedom. If we want them to move in the direction of freedom, we must help them.

That is how Secretary Acheson defined the situation. In my judgment, point 4 is one of the fundamental answers to the situation which Secretary Acheson described.

I feel, Mr. President, that we should endorse and support this program with real enthusiasm for its ultimate possibilities. Let us look at it not as a \$45,000,000 aid program, but as an enlightened and dynamic movement to participate with all other free countries in sharing the knowledge and skill possessed by each of us for the benefit of all. This is a very great concept. It opens up one of the doors which can lead us out of the narrow corridor of conflict in which we are now confined. It is full of opportunities and of prospects which we cannot and dare not discard.

Mr. O'CONOR. Mr. President, I desire to address myself briefly to the consideration of S. 3304, and in support of that very far-reaching measure.

Last January the Subcommittee on Relations with International Organizations of which I am chairman, submitted a report on United States relations with international organizations. That report pointed out that American foreign policy is seeking to bring about conditions in the world in which democratic government and institutions can survive and flourish. It is difficult, if not impossible, however, to maintain international organizations, either within the United States or elsewhere in the world, unless conditions of peace, freedom, and economic well-being can be brought about in other parts of the world. In order to accomplish these basic objectives, this Government requires the maximum assistance and support from all other likeminded nations, since joint action is far more effective than uncoordinated attempts on the part of individual governments. I should like briefly to comment on this statement. The principal aim of American foreign policy, namely, to bring about conditions in the world in which democratic government and institutions can survive, is the aim of the American people. We do not need any polls to tell us that the goals of our forebears are our goals today. The men and women who fled repression and intolerance built a nation of freedom and tolerance. Our Nation today, in a world threatened by forces that would mold all minds to a single, godless pattern, stands as a great beacon, a beacon to which the peoples of the world look for guidance, help, and strength. Someone has remarked on the way in which one candle can pass its flame to other candles to make a dark room bright. And in the process, the first candle does not go out. The light it first carried becomes stronger.

Mr. President, so it is with the United States. As we kindle and encourage and nourish freedom and democracy in western Europe, in the Far East, in the underdeveloped areas of the world, we become stronger and our way of life more secure.

The chairman of the Senate Foreign Relations Committee, the distinguished senior Senator from Texas, said during his splendid presentation of this bill that he doubted whether those who oppose the Marshall plan have seriously considered whether the United States is stronger and more secure by reason of our having friends in western Europe who have retained their freedom with our help, or whether our Nation would have been more secure by keeping its aid at home and running the danger of being friendless in a world of chaos, distress, and communism.

One must agree with the senior Senator from Texas that we are far more secure today with friendly democracies in western Europe than we could ever be with Communist satellites facing us across the seas, surrounding our American troops in Germany. It is now apparent that Marshall-plan aid which has preserved and strengthened democracy in Europe is cheaper, far cheaper, for the American taxpayer, than would have

been the cost of defense if western Europe were linked to the east intead of to the west. It was pointed out earlier in my statement that in order to bring about conditions in the world under which freedom can survive, the United States requires the maximum assistance and support from all other like-minded nations, since joint action is far more effective than uncoordinated attempts on the part of individual governments. That is one thing that rates approval about the Marshall plan. We are joined with like-minded nations in a cooperative venture. The same is true with respect to the Korean aid part of the bill, the title for assistance to Palestine refuand the technical-assistance gees. amendment. The self-help and mutualaid features of these programs give greater strength than if these states were seeking the same ends individually instead of collectively.

Programs of this kind will never be understood by the Communists. The programs are based on freedom and tolerance—on the give and take of ideas. The Soviet Union in its dealings with its friends never operates on what we call a give and take basis, unless those words mean give order and take whatever you can get by force or otherwise. Whoever may have first used the word "satellite" to describe the relationship of the Soviet Union to eastern Europe, it describes the relationship perfectly. I suspect the word just grew up pretty much like

Topsy. It was so natural.

Mr. President, the great difficulty that we encounter as we try to build a world of freedom and tolerance is that at every turn we are confronted by a force that promises what may, at first glance, seem to be far more than we can offer. All democracy has to offer is the opportunity for a man to make his own choices, exercise his own will, create his own wealth, choose his own government. Democracy offers a man a chance to work. Communism, on the other hand, promises not freedom, not a chance to work, but it promises, rather, a surcease of any necessity to exercise one's own will, of any necessity to make the difficult political choices that confront a free people, of any necessity to worry about where the next meal is coming from. Communism tells the people that they need not worry. The state will take care of all. The state knows what is best.

Mr. President, I daresay that a man's desire to make free choices, to have freedom, bears a very direct relationship to his well-being. We know that it is in places where chaos, hunger, and depression prevail that communism thrives, partly because the people do not care; partly because the people are ripe targets for the threats and coercion that the Communists are so adept at employing. It is against this background that we should consider the President's recommendations that the Congress authorize \$2,950,000,000 in new money for ECA for the coming fiscal year. Mr. Hoffman told the Senate Committee on Foreign Relations:

We are laying before you our best carefully screened estimates as to the requirements of the fiscal year. This is the minimum we think we shall need but, if we can

save any of it without wrecking the recovery program, I again pledge you my word we

In the light of the serious, world-wide conflict between totalitarianism and democracy, and in view of Mr. Hoffman's assurance that we shall save where saving is possible without jeopardizing the program, I for one hesitate to assume the responsibility for cuts in funds which may adversely affect our security and carefully worked-out program. Permit me to urge strongly that no cut be made in the requested and recommended authorization, and that we endorse the unanimous recommendation of the committee and vote the full amount.

I do not ask you to take this position on the record alone. The momentum of European recovery is now for the first time really being felt. The stepped up U. S. S. R. war of nerves in part grows out of the fact that Russia knows her path to conquest is daily becoming more difficult in western Europe. Dare we at such a time and in the face of the evidence submitted take the chance of meeting our responsibilities with too lit-

tle and too late?

This year's requests are based on substantial estimates of probable dollar savings and earnings which will require strenuous efforts and heavy sacrifices of western Europe. Any cut in the funds might jeopardize the program. Dare we, entrusted with the well-being of our

country, vote less?

Substantial gains have been made in the European battle for freedom as the committee report and the senior Senator from Texas have made clear. But let us not be lulled into inactivity by that hopeful fact. We still have some distance to go before we can call ERP a complete success, and nothing can kill it quicker than inadequacy of funds.

We should not forget that Communists have taken on renewed confidence in Europe due to Red victories in China and the anticipated end of ERP. For that reason our aid, even though in reduced amount, is just as vital now as it was in 1947. We refused to vote too little then. Let me urge that we refuse to do so now. We are more than halfway on the road to victory in Europe, and it is unthinkable that we shall fail now. The arguments which supported full appropriations in the past are still potent.

Mr. President, before concluding, let me address certain remarks to that particular portion of this subject matter which was so ably discussed by the junior Senator from New York [Mr. LEHMAN] in connection with title V of the bill under consideration, namely, technical assistance to the underdeveloped areas. A United States program of \$45,000,000 is contemplated for the period ending with June 30, 1951.

This is a tremendously important undertaking. Remember, the so-called un-derdeveloped areas are peopled by twothirds of the human beings on this globe. A great many of them live under conditions of great hardship. Their income is low; health conditions are bad; life is short; and most of the time is spent in

getting together enough food to subsist on. This is the area marked off by communism for future exploitation; and a fruitful field it is for that purpose because communism holds out to those living in misery many false yet glowing promises of a better life, with which it tries to lure the victims to accept the Communist totalitarian enslavement and police state

There will be found in the program recommended by the committee that the United States plans to use a substantial part of the requested funds for participation in the technical assistance work of the United Nations. This is both wise and necessary. One of the main aims of the United States foreign policy is to support and strengthen the United Nations, whose anniversary, incidentally, we observe today. By supporting the technical assistance work of the specialized agencies of the UN we shall promote the improvement and stabilization of the world in which we live and thus further our own security.

The studies which the Subcommittee on International Organizations has made of our participation in such organizations indicate that dollars contributed in that field are well spent. Assurance is given that this subcommittee of the Committee on Expenditures in the Executive Departments will give close attention to the way in which technical assistance funds spent through international organizations are administered. It is hoped that when this program comes up again I will be able to report to you on the administration of these programs.

The technical assistance program envisaged in title V, especially as it per-tains to the United Nations and its specialized agencies is a logical companion measure for the ECA. We should in all candor recognize that it is a new venture, and many of its phases will have to be developed by experience in the field. Yet the requested amount is not excessive, and the anticipated benefits have great promise, far out of proportion to the relatively small outlay.

In closing, Mr. President, may I respectfully suggest that title V is an international measure of the greatest significance in this day when a nation's policies must concern themselves with the battle for men's minds. This is the way to win friends for the United States and to give helpful assistance to the cause of international relations in the direction of winning the cold war, attaining greater freedom, and building a better world in which to live.

Mr. President, the pending bill offers the American people positive ways in which they can combat the promises of communism with realistic, material benefits for the people who want to choose the way of democracy rather than the way of totalitarianism. If there is one thing that is clear to me it is that if we sit back and do nothing, the world will fall bit by bit under communistic control until eventually this Nation might go down. We must be affirmative. We must be positive. We must be constructive. We must look to the future. This bill points the way.

INVESTIGATION C? SUBVERSIVE ACTIVI-TIES IN GOVERNMENT SERVICE

Mr. JENNER. Mr. President, one of the earliest lessons I learned in the sometimes rough and tumble politics of my home State of Indiana was to speak guardedly lest what I said might rise to haunt me at a later date.

That warning well could have been heeded by one of my distinguished colleagues, in view of the debate in this body yesterday relative to the current investigation into certain charges brought by the distinguished Senator from Wisconsin [Mr. McCarthy], which charges are the subject now of what purports to be an inquiry by a subcommittee of the Senate Committee on Foreign Relations, of which the distinguished Senator from Maryland is chairman

During the colloquy between the senior Senator from Maryland [Mr. Typings] and the distinguished senior Senator from Maine [Mr. Brewster] yesterday, as reported in today's Congres-SIONAL RECORD, the Senator from Maine referred to remarks made on the floor of the Senate Monday, July 19, 1947.

During the debate the senior Senator from Maine said, referring to previous remarks made by the distinguished Senator from Maryland:

I think it does not quite follow the pattern which the Senator from Maryland laid down in a rather historical case as to the conduct cf investigations, when some 2 years ago he insisted, in a very forceful speech on the Senate floor, that future investigations should be absolutely bipartisan, by having an equal membership.

Mr. President, I happened to be the chairman of the Subcommittee on Privileges and Elections of the Committee on Rules and Administration about which the distinguished senior Senator from Maryland was speaking at that time, in July 1947.

Mr. President, the junior Because. Senator from Indiana was engaged in debate with the senior Senator from Maryland on that occasion, I feel it my duty today to enlarge upon the remarks made by my distinguished colleague from Laine and repeat some of the statements made on that occasion by the senior Senator from Maryland.

I believe they are particularly apropos. On page 9365 of the Congressional Record of July 19, 1947, I find these remarks particularly applicable to the proceedings now under way by the Senate Foreign Relations Subcommittee in its conduct of the investigations and the charges that there are or have been Communists in the employ of certain agencies of the Federal Government.

I shall comment further after this particular quotation from the remarks made by the distinguished Senator from Maryland approximately 2 years ago:

I respectfully suggest to the able Senator from Indiana without questioning that the motives which prompted the action which heretofore has been taken, that in my judgment the committee would be well-advised to have the recount made completely in the open and to have everything done there made known to the public, for a star-chamber proceeding, no matter how honest it may be, no matter how fair it may be, will leave the impression in the minds of many that some thing has taken place which perhaps should not have taken place in the committee.

In the instant case, Mr. President, the investigating subcommittee is comprised of three Democrats and two Republicans. The Senator from Maryland, on July 19, 1947, said the investigation should not be conducted in that way; that it should be a bipartisan investi-

Senators will recall that when the Senator from Wisconsin presented on the Senate floor this case of the individuals working for the Government which he considered dangerous because of the materials in their files, he then pointed out that the material in those files had been developed by thousands of investigators working for the Government and that it would be impossible for him to develop the case independent of the files and suggested that the committee membership examine the files and determine who the dangerous individuals were.

With this the Senate unanimously agreed and voted for a complete investigation and requested that all the files be obtained.

Subsequently, the Senator from Maryland and the Senator from Connecticut rather cleverly shifted on the shoulders of the Senator from Wisconsin the burden of proving, independent of the files, the cases of those who were dangerous to our Government. The Senator from Wisconsin hired a number of former FBI men and is now doing the job which the committee should have done if the committee were to try to make a complete investigation.

Strangely, however, we discovered this morning when one of his witnesses was presented to the committee in executive session, the chairman upon his own initiative ruled that the Senator from Wisconsin could not be present and refused even to put the matter to a formal vote of the committee because, as he said, the Senator from Connecticut was absent; this despite the fact that a quorum was definitely present. If the committee wanted a bipartisan investigation, with the absence of the Senator from Connecticut the committee might have had its first chance for once.

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

Mr. JENNER. I yield. Mr. WHERRY. The Senator used the expression "when he put on a witness this morning." Is the Senator referring to the Senator from Wisconsin [Mr. McCarthy1?

Mr. JENNER. I am referring to the Senator from Wisconsin. In other words, they have thrown the burden on the Senator from Wisconsin to prove the case. He has had to hire FBI men to bring in the facts and the witnesses. It should not be his duty to do that. But the responsibility was shifted to him. Then when he brings witnesses into this star-chamber proceeding, the Senator from Maryland, who objected to what he called a star-chamber proceeding when the junior Senator from Indiana was chairman of a subcommittee conducting an investigation 2 years ago, would not even allow the Senator from Wisconsin to be present at the star-chamber proceedings.

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

Mr. JENNER. I yield. Mr. WHERRY. Was there anyone on the committee who represented the Senator from Wisconsin in any way, shape, form, or manner to question the witness or to help conduct the investigation?

Mr. JENNER. I shall go into that a little later. But I will answer the Senator by saying, "No; there was not." Even the minority counsel was excluded from the committee room. That is the kind of proceeding. That is the kind of investigation which is being conducted.

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

Mr. JENNER. I yield.

Mr. BREWSTER. I think the Senator from Indiana referred to the Senator from Wisconsin as hiring FBI men. Probably the Senator meant to refer to them as former FBI men.

Mr. JENNER. Yes; the Senator from Wisconsin hired former FBI men as his investigators to make investigation of the case which the Senate has directed the subcommittee to make. That is what I am objecting to.

The action in question, Mr. President, came from the self-same Senator who 2 years ago objected so strenuously to what he termed "star-chamber proceedings" by the then Subcommittee on Privileges and Elections.

With further reference to alleged starchamber proceedings, permit me to read from page 9367 of the Congressional RECORD of the same date, this statement by the able senior Senator from Maryland:

I think the committee owes it to the people of the State of Maryland and to one of our colleagues who is a sworn-in Member of this body to disclose-

Note this, Mr. President. I am quoting from the senior Senator from Maryland, who is chairman of the subcommittee of the Senate Committee on Foreign Relations conducting an investigation of Communists in Government. He said the committee should disclose-

from day to day, from hour to hour, and minute to minute, everything that takes place in the room.

From the same page, Mr. President, I quote the distinguished Senator from Maryland again:

I had hoped that the investigation would be open, free, and above board, and without any tinge of partisanship.

It is a terrible thing that by connivance, by the suppression of facts, or by the utterance of charges which have not been thoroughly investigated and from which the evidence on both sides has not been presented on the floor of the Senate, the Senator from Indiana in the charges which he has just made, is sitting as a judge without a complete trial of the case.

I ask the membership of the Senate, Mr. President, in all candor, who is sitting as judge and jury in the matter now before the Foreign Relations subcom-

Again, Mr. President-and I might comment that the record is full of sim-

ilar statements-the senior Senator from Maryland charged-

Proceedings are being conducted in a closed room from which the public and representa-tives of the press are excluded, and the participants in that procedure are cautioned to give out no information. \* \* \* It seemed to me the public interest was not being served by such a procedure.

If there is to be any logic or any progress in government or in civilization, what we should do is to use the wrongs of yesterday to make the rights of today and in the

What a poor and pusillanimous argument it is to say "When you gentlemen were in control you did not act right. Now we are in control and we are not going to act

What an admission of evil doing to use as an excuse the wrongs of someone else to justify the wrongs of yourself.

Mr. President, the chickens have come home to roost. Let us look at the record.

Referring again to the debate of yesterday, I quote again from my distinguished colleague, the senior Senator from Maryland, chairman of the Communist-investigating subcommittee, as

I am not relying entirely upon the staff of the committee, because sometimes I can get access to things to which, perhaps, a staff investigator could not get access.

The facts, Mr. President, corroborate that statement by the able Senator from Maryland.

The record of committee proceedings of the United States Senate reveals that the senior Senator from Maryland was the original sponsor of the present Secretary of State, Dean Acheson, the man really under fire in the State Department Communist cases.

The record will show that Mr. Acheson was first sponsored for a Government job in 1933 by the Senator from Maryland [Mr. Typings], who sponsored him for appointment as Under Secretary of the Treasury. As corroboration of this fact, I refer to the Congressional Record of May 12, 1933, page 3336. On the following page of the same RECORD. we find this quotation from the distinguished Senator from Maryland:

Apart from the fact that Mr. Acheson comes from Maryland, I believe you gentlemen will find he will be a pleasant surprise in the office.

Mr. President, I think the American people will agree that Mr. Acheson has been "a surprise"; but in addition, his Damon and Pythias defense of the convicted perjurer, Alger Hiss, has certainly been a shock to the Nation.

I continue the quotation:

He has great ability and great industry, and holds a high conception of any govern-mental responsibility, and it is a real pleasure for me to endorse him.

I am satisfied the committee will have no

regrets if they endorse him.

Mr. President, in view of the declaration by the able Senator from Maryland that he has access to things to which perhaps a staff investigator could not obtain access, let me state at this point some facts about the "interlocking directorate of Whitewash, Inc." In fact, Mr. President, about the only thing the administration has is whitewash; it has plenty of that.

A gentleman by the name of Seth Richardson was named by the President to conduct a resurvey of the McCarthy cases. He heads the Civil Service Commission's Loyalty Review Board.

Mr. Richardson is a law partner— Mr. McCARTHY. Mr. President, will the Senator yield at this point?

Mr. JENNER. I yield for a question. Mr. McCARTHY. I wonder whether the Senator from Indiana is aware of the fact that on April 3 the Loyalty Review Board met, the purpose of the meeting being to determine what the President asked for in his letter, in which he requested a resurvey. After discussion, a motion was made, and was unanimously adopted, to the effect that the Board would not consider anything having to do with bad security risks. That action was taken on April 3 by the Board which was called together to investigate the so-called McCarthy charges.

Mr. JENNER. I see—in other words, some more of "Whitewash, Inc."

Mr. McCARTHY. Yes.

First, a motion was made, and unanimously carried, that the Board would not under any circumstances investigate anything having to do with bad security risks.

Second, there was rather lengthy discussion again; and again a motion was made, and unanimously carried, to the effect that under no circumstances would the Board delve into any cases of perversion and that despite the fact, as the Senator will recall—

Mr. JENNER. In other words, whitewash does not apply to perversion. Is that it?

Mr. McCARTHY. I guess it does not. Then there was additional lengthy argument as to what they were asked to do in the President's letter.

I may say that this matter has never before been made public; I finally got the documents on this matter, only this morning.

Also, after very lengthy discussion, they decided that the only thing the Board would deal with would be acts of disloyalty. Does the Senator follow me? Mr. JENNER. I do.

Mr. McCARTHY. In other words, when their report comes out, it will cover nothing but specific acts of disloyalty. Just what is meant by that, I do not know.

Some of the members of the Board have indicated that they do not feel that membership in a Communist Party organization is disloyalty, or that the holding of a card of membership in the Communist Party is disloyalty. I assume, then, that by "disloyalty" in that case is meant an act of espionage.

Mr. JENNER. Perhaps they mean after a man has been convicted by a jury. Mr. McCARTHY. I do not know.

However, I thought the Senate should know that after the Board met, it decided unanimously that it would not investigate any bad security risks or any cases of homosexuals. I thought the Senator would be interested in knowing that.

Mr. JENNER. Yes; I am interested in knowing it. It is just some more of "Whitewash, Inc."

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

Mr. JENNER. I yield.

Mr. WHERRY. I wish to ask the Senator whether he can think of a person who could be more dangerous to the United States of America than a pervert, who is in the most vulnerable position to be blackmailed into giving information which he would not give for any reason in the world—not even for money—except for the position in which he finds himself.

Mr. JENNER. Personally, I cannot. I think the American people are utterly disgusted.

Why the Board to which the Senator from Wisconsin has just referred would refuse to go into cases of perversion or homosexuals in the Government service, I cannot understand for the life of me.

Mr. WHERRY. Mr. President, will the Senator yield for a further question? Mr. JENNER. I am glad to yield for

a question.

Mr. WHERRY. The President is hiding behind these files, under the theory that to make the files available to the Senate committee would make a gestapo of the FBI. He says publicly that he cannot reveal the evidence because to do so would violate the conditions under which the confidential information has been received.

I ask the Senator whether the rights of individual informants are any more violated if the same information is turned over to a committee of the Senate, rather than to a Presidentially appointed board of citizens—private citizens—who now are given the files by the President of the United States.

Mr. JENNER. No; but the idea is to dress up a big commission to undertake a study of the matter, and let the President appoint them. But he does not trust the elected officials of this great democracy to see the files in private. No one has asked or is asking that the files be made public. The Senator from Maryland, as I have said, objected to star-chamber proceedings in the case of the Subcommittee on Privileges and Elections, and so this proceeding was started with all the fanfare of a movie premiere; but now, when the committee gets down to work, and it begins to pinch, the committee is going to turn it off, as one would turn a water faucet on or off. When they want to take the testimony of a witness in secret, they will take his testimony in secret, and will exclude others from the room. The Senator from Wisconsin cannot ask a question. The minority counsel cannot ask a question. Then, when they want to have another show, they will bring in the klieg lights, the press, and the cameras, and away we go with a public hearing. I think it is time that the Senate rise to its feet to demand that the resolution adopted by it unanimously be followed meticulously.

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

Mr. JENNER. I yield for a question.
Mr. McCARTHY. Is the Senator
aware of the fact that yesterday I was
called over to the subcommittee, in executive session, and asked by the Senator
from Maryland to give the committee

any and all information I have-which I have done as I have developed it—that he assured me, if I would give the committee the names of all the witnesses, the witnesses would not be browbeaten, but would be properly treated; and that he assured me I would be allowed to sit in. at the time the witnesses I had developed were called, which is merely the usual senatorial courtesy. I was very happy to find it was to be accorded to me. This morning Mr. Budenz was on the stand, and, as the Senator knows, Mr. Budenz is a witness the Government has used time after time. The Government has vouched for his veracity; and well it may, for he is one of the most truthful men I have ever known. Mr. Budenz was on the stand in executive session this morning. Is the Senator aware of the fact that the chairman notified me, on his own, that I would be excluded from the hearing, despite yesterday's promise; that I then asked the chairman whether he would not put that matter up to the committee, as I thought it was a matter that not he, as chairman, should decide, but that the committee as a whole decide; that he looked around the room and saw that there were two minority members and one other majority member besides himself, which gives an even balance, and then said, "I will not put this up to the committee until Senator McManon is here."

Mr. JENNER. Yes; I have gone into that. I am apprised of that.

Mr. McCARTHY. Then, does the Senator know—and here is something I am sure he does not know, and, had I been allowed to remain during the session, perhaps I might feel under an obligation not to divulge it, but it is information which I think the Senate should have and which the Nation should have now—

Mr. JENNER. I should think the Senator from Maryland would want them to have it, because the Senator from Maryland, 2 years ago, was very much opposed to star-chamber proceedings, and I am sure he would be glad if all this information were given out to the public, hour by hour, day by day, minute by minute.

Mr. McCARTHY. Then here is some information which developed today and which I should like to ask the Senator whether he is aware of. It was after I left the committee—that is, while I was not there. For instance, Mr. Budenz, who, as the Senator knows, is the former editor of the Daily Worker, and at one time a top Communist-and as I have said, his veracity has been vouched for by the Government countless timesproceeded to give the names of individuals who were Communists. Without going into the number of names given, he gave the name of one individual who is now in the State Department, receiving a very high salary in a very important position. I emphasize that he occupies a very important position. Mr. Budenz put the finger on him as a member of the Communist Party.

I especially call that to the Senator's attention, in view of Mr. Truman's statement last night that there is not a single Communist in the Government; and I

suggest that Mr. Truman today call the Senator from Maryland and ask him for a transcript of the hearings. The Senator from Maryland informed me that I could not have a transcript of the hearing, that the hearing was secret. He informed Mr. Lattimore and his lawyer, however, that they could have a transcript of the hearing.

Mr. JENNER. That is, Lattimore could have it, but the Senator from Wisconsin could not have it. Is that cor-

Mr. McCARTHY. I assume that if Mr. Lattimore could have a transcript, then perhaps the President of the United States could have a transcript.

Mr. JENNER. I should think he might give the President one, particularly after the President said last nightand I quote him:

Not a single person who has been adjudged to be a Communist or otherwise disloyal remains on the Government pay roll today.

So, if Mr. Budenz, in the star-chamber proceedings, has given the name of a Communist who is now in the Government service, certainly the President of the United States should have to eat those words. However, the President may be referring to the fact that it is necessary to convict a man, as Alger Hiss was convicted, before it can actually be shown that he is a Communist, and it may be then found that some other men in high places will not want to turn their backs on such persons.

Mr. LODGE rose.

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

Mr. JENNER. I yield.

Mr. McCARTHY. I should like to make it clear that at that time the Senator from Massachusetts was present, and as I recall-and if I am wrong he can correct me-the Senator from Massachusetts objected very strenuously to having this transcript made available to anyone. He took the position that if this was an executive session, it should be an executive session, and that the secret transcript should not be made available.

Mr. JENNER. But the chairman said that Mr. Lattimore could have a copy of the transcript, did he?

Mr. McCARTHY. That is correct. Mr. JENNER. But that the Senator from Wisconsin could not have it?

Mr. LODGE. Mr. President, will the Senator vield?

Mr. JENNER. I will yield for a ques-

Mr. McCARTHY. Mr. President, will the Senator yield to me for a moment? Mr. JENNER. I will yield to the Senator from Massachusetts in a moment.

Mr. McCARTHY. I may say also, despite the fact that I was called to the subcommittee yesterday and told that when my witnesses, that is, witnesses whom I myself have found-at tremendous cost-I have four former FBI men working for me, excellent men, and I have had a great deal of difficulty finding the witnesses, for various reasons, which I intend to discuss on the Senate floor one of these days-

Mr. JENNER. The Senator should not have to develop them. That is the committee's job.

Mr. McCARTHY. But, yesterday, the Senator from Maryland said, "When those witnesses are called, you will be permitted to be present." When one of the top witnesses was called, the chairman changed his mind, and, as I have said, without even presenting the question to the committee, he said, "In view of the fact that Senator McMahon is not here, I will not submit it to the committee. I will take it upon myself to order you, as another Senator, excluded." I trust the Senator from Massachusetts will pardon me.

Mr. JENNER. I appreciate the Senator's contribution. I think this thing must go to the American people. I think the people of the United States should be apprised of what is going on.

Mr. LODGE. Mr. President-

The PRESIDING OFICER. Does the Senator from Indiana yield to the Senator from Massachusetts?

Mr. JENNER. I yield for a question. Mr. LODGE. I do not want to ask a question.

Mr. JENNER. I do not want to lose the floor. I desire to continue my remarks. They are not very long.

Mr. LODGE. The Senator is making a statement which is incorrect.

Mr. JENNER. Which Senator is mak-

ing a statement which is not correct? Mr. LODGE. The Senator from In-

Mr. JENNER. I wish the Senator would correct me, then. I want to be accurate.

Mr. LODGE. Under the agreement which was finally reached in the subcommittee this morning, after a very long discussion, the record that we are making now with Mr. Budenz will not be made available to Mr. Lattimore or his lawyer.

Mr. JENNER. Let me ask the distinguished Senator from Massachusetts, Did the senior Senator from Maryland want to make the record available to Mr. Lattimore, and yet refused to make it available to the junior Senator from Wisconsin? Is that a fact, or not?

Mr. LODGE. The decision which was taken, and that was finally taken-

Mr. JENNER. I do not want to know about the final decision; I want to know whether the chairman of the subcommittee ever suggested to the subcommittee that Mr. Lattimore should have this record, but that the junior Senator from Wisconsin should not have it?

Mr. LODGE. I do not recall that.

Mr. TYDINGS. Mr. President, will the Senator yield to the Senator from Maryland?

Mr. JENNER. I will be glad to yield. Mr. TYDINGS. It seems to me that a good many statements have been made here, one of which I just now heard, concerning the chairman. The Senator from Maryland never suggested that a copy of the record be given to Mr. Lattimore without its being given to the Senator from Wisconsin.

Mr. JENNER. I am glad to have that cleared up.

Mr. TYDINGS. I should like the Senator to be more certain of his facts before he goes on-

Mr. JENNER. Wait a minute. The Senator from Indiana did not go into that. The Senator from Wisconsin brought up that subject. I had called the Senator from Maryland before I took the floor. The shoe is on the other foot now. Two years ago, the Senator from Maryland had me here, kicking me around. Today is my day in court.

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

Mr. McCARTHY. Mr. President-Mr. JENNER. I will yield for a ques-

tion only. I do not want to lose the floor.

Mr. McCARTHY. I should like to ask the Senator whether he will call upon the Senator from Maryland to have the official reporter bring in the record of the proceedings this morning, not the record of the proceedings after I was ejected from the room, not the record of any final decision, but the record of the proceedings just prior to the time Mr. Lattimore and his attorney left, at which time the Senator from Maryland said that the record would be made available to Mr. Lattimore and his attorney, and that it would not be available to anyone else. I ask the Senator whether he will not ask the Senator from Maryland to bring in the official reporter and have him read exactly what was said.

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

Mr. JENNER. I will yield for a question only. I do not want to lose the floor.

Mr. TYDINGS. In my own time, when I know what has been said, I shall address myself to the subject matter which has been discussed in my absence.

The subcommittee is now investigating; it is meeting upstairs with Mr. Budenz. His testimony is important. He has frequently complimented me on the fairness with which I have treated him. I intend to treat all witnesses fairly, whether they be pro or con, and no one is going to get me off my feet on that particular roadway. I say to the Senator from Wisconsin that yesterday it was unanimously voted in the committee that the procedure adopted this morning should be followed. The Senator from Maryland had no more to do with it than did the other Senators present. I resent this attack, singling me out as responsible for committee action, when the committee has heard both sides and has decided on a course of action. Mr. LODGE. Mr. President, will the

Senator yield? Mr. JENNER. For a question only.

I do not want any speeches.

Mr. LODGE. I shall not make a speech. Will the Senator permit me to say that the Senator from Maryland spoke the truth when he said that a certain procedure was agreed upon? I am glad to accept the responsibility for having made it clear this morning that, in my opinion, the record which we made today of the testimony of Mr. Budenz should not be made available for distribution. I reached that decision after thinking about it during the night. Evidently the members of the subcommittee agreed with me, because it was unanimously voted to adopt that policy. I do not want the Senator from Maryland to bear the whole responsibility for something as to which I bear a share of the responsibility, and for which I do not apologize at all.

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

Mr. JENNER. For a question.

Mr. McCARTHY. I wish the Senator from Indiana would ask the Senator from Massachusetts and the Senator from Maryland whether yesterday they had not decided and voted unanimously, and, I will say, ridiculously, that Mr. Lattimore and his attorney could be present all during the taking of Mr. Budenz's testimony. In other words. while there was a witness developing the facts about Communists in Government service, Mr. Lattimore, who has been accused, and, I think rightly so, of being a very active Communist, was to be present with his counsel. That is what the subcommittee voted upon unanimously yesterday, and it also voted unanimously that I could be present, as the Senator from Maryland stated. The procedure was changed when the Senator from Iowa [Mr. HICKENLOOPER] pointed out that he was not present yesterday and he thought it was ridiculous to have Mr. Lattimore hearing all the testimony, much of which did not concern him. There was then no committee action. The chairman said, "If Mr. Lattimore must go, then Mr. McCarthy must go.

I said to the Senator from Maryland, "Are you taking it upon yourself to eject me from the committee room? If so, good; I want to know that; but I should like to ask a favor, namely, that you submit the matter to the four Senators present and have them vote upon the very simple proposition of whether I can, as a Senator, remain and hear such witnesses as I brought, even though Mr.

Lattimore has gone."

The Senator from Maryland then discussed the matter with the Senator from Rhode Island [Mr. Green]. The Senator from Rhode Island expressed an opinion thereon, and the Senator from Maryland said, "I shall not submit this matter to a vote until Senator McMahon is present."

I should like to know whether the Senator from Massachusetts and the Senator from Maryland will agree that that is exactly what happened.

Mr. JENNER. I shall be glad to yield for an answer to that question.

Mr. TYDINGS. I should like to thank the Senator from Massachusetts for bringing a little bit of truth into the discussion which, up to the time he spoke, had been absent. It is somewhat difficult for Senators who do not serve on committees to come to the floor and tell what goes on in committees. If I were going to comment on what had taken place in a committee, I would rather do it not on hearsay, but on fact.

What happened yesterday was this: The committee wanted to ask Mr. Budenz a question in executive session. The chairman, therefore, called the committee together yesterday and said, "How shall we proceed?" It was unanimously agreed that the Senator from Wisconsin should be present in our executive session, and that Mr. Lattimore and his attorney should be present in executive session, because the charges against Mr.

Lattimore were made in the open and, therefore, he would be entitled to reply in the open. Obviously he could not reply unless he knew what the charges were. Therefore, confronted with the proposition of how we could be in executive session and still require Mr. Lattimore to reply in open session without all the testimony, it was agreed to allow both the Senator from Wisconsin and Mr. Lattimore and his attorney to be present, and no one else.

This morning, when we met, some Members who had been absent yesterday wanted to change that procedure. At the time the question was under discussion it was agreed, tentatively, that we would exclude Mr. Lattimore and his attorney, but should give him a summary of the evidence which dealt with him, but we would give him nothing that Mr. Budenz would testify to with which Mr. Lattimore was not intimately concerned.

The purpose of giving Mr. Lattimore a summary was so that he could know what the charges were. It is pretty difficult to answer charges without knowing what the charges are. After we had discussed the matter at some length the summary idea was dropped, or at least we dropped it tentatively to take it up later if the committee wanted to take it up. We have since been proceeding without Mr. Lattimore, without his counsel, or without anyone in the room except the members of the committee, Mr. Budenz, and the counsel for the committee, and without Mr. Lattimore's having the advantage of knowing what Mr. Budenz is saying which might concern him. If the charges had been made in private. that procedure might be open to endorsement, but as the charges against Mr. Lattimore were all made in public. is it fair that the evidence against him be taken in private so that he cannot answer?

Mr. JENNER. Mr. President, right there-

Mr. TYDINGS. If the Senator will permit me to conclude my statement. The committee, therefore, held in abeyance the final decision as to what it would do with reference to testimony adduced from Mr. Budenz with reference to Mr. Lettimore.

There is no mystery about it. The committee has had some minor disagreements, but it is purely a unanimous committee on the main purpose. No committee always sees as one man. We are a friendly committee, and we are running down every clue. I myself have done an enormous amount of personal investigation. I am still doing that. We have endeavored to investigate to the fullest extent, and if it will just keep out of the newspapers and keep off the Senate floor for a while, we will get to the truth of the matter.

Mr. JENNER. The distinguished Senator says, "If it will just keep out of the newspapers." It started off in the newspapers, with the kleig lights and the fanfare of a great movie premiere.

Going back to the Senator's remarks in July 1947, when the junior Senator from Indiana was conducting a similar committee, he said, "You cannot make it a star-chamber proceeding." After all is said and done, the charges against Owen Lattimore have been made in the open. Why the change of tactics in secret? We do not want star-chamber proceedings. The Senator from Maryland counseled me against it. He said, "The public is entitled to the facts, hour by hour, minute by minute, and day by day."

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

Mr. JENNER. I promised to yield to the Senator from Massachusetts. Then I shall yield to the Senator from Maryland

Mr. LODGE. Will the Senator permit me to say that it is my understanding that the record we are making today is a secret record. I say to my able friend from Indiana that I do not think we can ever ferret out disloyal persons in any Government Department without having executive sessions and confidential procedure.

Mr. JENNER. That is exactly correct. Mr. LODGE. Let me say one more thing. I have consistently taken the position that it is the custom of the Senate, ever since I have been a Member of it, to allow Members of the Senate to sit in at meetings of the Senate committees. That has always been a courtesy extended to Senators. So, whenever the question of the Senator from Wisconsin being present at a meeting of the subcommittee has come up, I have always voted in favor of having him present. I want to make that point clear. That has been my position consistently, because I think the precedents and the custom of the Senate are clear on the point, and I do not think we should discriminate against any Member of the Senate, including the Senator from Wisconsin, in that respect.

Mr. McCARTHY. Mr. President—
Mr. JENNER. I yield to the Senator
from Wisconsin for a question

from Wisconsin for a question.

Mr. McCARTHY. Let me ask this question in order to clear up the point I have in mind: I understood the Senator from Maryland to say that my exclusion from the committee room was the result of unanimous action taken yesterday. Apparently I misunderstood the Senator from Massachusetts to say that the Senator from Maryland spoke the truth. As I understand the situation now, it is admitted that I am correct when I say that the Senator from Maryland this morning took it upon himself to refuse to put the question to the committee, and took it upon himself to exclude me, and said he would not put this question up to the committee unless and until the Senator from Connecticut [Mr. McMahon] was present. I think the RECORD should be clear on that point, because the Senator from Maryland intimated that I was in error. I thought the Senator from Massachusetts had seconded the Senator from Maryland. Apparently I was mistaken.

Mr. JENNER. I do not know what goes on in the committee. I am not a member of the committee. However, I do know that every committee takes a record of its proceedings. If the record was taken accurately—and I presume the record was taken accurately—the record of the proceedings will speak for

itself. I do not think it is possible to resolve the misunderstanding which is apparent here. The Senator from Massachusetts said that he understood no Senator should be excluded, and the Senator from Wisconsin understood that he was not to be excluded, and that the reason he was excluded was that the Senator from Connecticut [Mr. Mc-Mahonl was not present, although a quorum of the committee was present, but that the chairman did not put the question. I do not know about that. I do know that if a record was taken, the record will speak for itself. Let us go back to the record.

Mr. TYDINGS. Mr. President, will

the Senator vield?

Mr. JENNER. I yield for a question. Mr. TYDINGS. Let me inform the Senator from Indiana that the Senator from Iowa [Mr. HICKENLOOPER] made the observation that he did not think it was proper to take a vote, in the absence of the Senator from Connecticut, on a matter which had been decided once before by the committee. If the Sena-tor will bear with me, it was not the Senator from Maryland, but the Senator from Iowa who said, "Senator McMahon is not present. I think he ought to be present, and I sustain the chairman's point of view that we should not have a vote on the question until we can have the full committee present."

The second point is that at the conclusion of our last public hearing, the able Senator from Massachusetts [Mr. LODGE] said publicly that there were some questions which he wanted to ask Mr. Budenz in executive session. I thought that other members of the committee would like to do so, and the chairman himself wanted to ask some questions. In spite of the fact that all the charges had been made in the open, I tried to accommodate Senators. My opinion, as I have expressed it at least 25 times, is that the Lattimore case ought to be considered entirely in the open, because it was begun in the open; the charges were made in the open and the Senator from Maryland does not like star chamber procedure. He accommodated his fellow members of the committee. Therefore, when the statement is made that I wanted an executive session, where Mr. Lattimore and the Senator from Wisconsin could not be present, let me say that that is not the fact. I have been for complete open hearings on the Lattimore case from beginning to end.

As to the statement of the Senator from Wisconsin about not putting the question, I have said what one eminent Member of the Senate thought about it. I refer to the Senator from Iowa, who thought that the question should not be put until after all members of the committee were present. However, when all the members of the committee were present this morning, I did put the question immediately, as I promised I would do, but there was no change in the policy of the committee.

Mr. McMAHON. Mr. President, will the Senator from Indiana yield?

Mr. JENNER. I have premised to yield to the Senator from Wisconsin.

I shall be glad to yield to the Senator from Connecticut later.

Mr. McCARTHY. This will have to be a rather lengthy question, in order to get the Senator's answer. I think it is important that I ask it, in view of the action which I think I shall be forced to take. Does the Senator agree with me, first, that at the time I presented the material in regard to some 81 cases on the floor of the Senate, which consisted of giving the Senate a résumé of material in secret files on which at that time as I indicated to the Senate, it would be impossible for me independently to produce all the evidence, because it took-I do not recall what figure I used as to the number of employees involved-

Mr. JENNER. I believe the Senator said thousands of Government employ-

Mr. McCARTHY. Thousands of employees over many years produced some very excellent files. Will the Senator agree with me that subsequently the administration took the position that unless the Senator from Wisconsin could prove independently from the files the guilt of the individuals named, the charges should be considered as irresponsible regardless of how right I was as to the facts in the files?

Mr. JENNER. Yes: and it was even implied that the Senator from Wisconsin would have to prove his case before a jury before they would believe it. I do not know what their attitude is.

Mr. McCARTHY. Is the Senator aware of the fact that I went before the committee and said, "Now, you gentlemen need not worry about getting the entire 81 files to begin with. Let us take a sample case"? I said, "Let us take the case of Owen Lattimore." I said, "If I am correct in that case, if the material in his file is as dangerous as I tell you it is, then from that point onward we should have done with petty politics and proceed to have a sensible investigation." I told them if the files proved that I was wrong, that I was mistaken, or that I was lying in the case of Lattimore, they would be entitled to disbelieve any of the other 80 cases. Does the Senator recall that?

Mr. JENNER. I recall it. Mr. McCARTHY. Is the Senator aware of the fact that subsequently four members of the subcommittee went to the Justice Department and saw what has been referred to interchangeably as a 14-page summary, a 12-page summary, and an 8-page summary? At least it is a very lengthy summary to which reference has been made. I speak of the summary which was made of a summary of the raw file. Is the Senator aware of the fact that the Senator from Iowa was not present? Furthermore, is the Senator aware of the fact that Mr. Lattimore appeared and testified before the committee; that he made an excellent statement-almost as good a statement as was made by Alger Hiss-that after he was through, without any semblance of cross-examination by any of the members of the majority party, all three of them merely nodding approval—

and the \$10,000-a-year counsel and the assistant counsel-

Mr. JENNER. Is that Mr. Morgan? Mr. McCARTHY. Mr. Morgan sat there and did not even ask for the right to ask a question.

Mr. JENNER. But when Mr. Budenz came before the committee Mr. Morgan was as busy as a little beaver asking

questions.

Mr. McCARTHY. I thank the Senator. Is the Senator aware of the fact that when Mr. Lattimore had finished, the Senator from Maryland leaned forward and very cheerfully said, "I owe it to you and to the Nation to tell you that six of us saw the files"-four Senators and J. Edgar Hoover and Howard Mc-Grath-"and we have unanimously agreed that the files cleared you absolutely of any suspicion of being either an agent of the Communist Party or of having Communist connections"? Is the Senator aware of the fact that J. Howard McGrath later in the afternoon, said, "Mr. Typings had no authority whatsoever to speak for J. Edgar Hoover and he had no authority to speak for me"? He said, further, "Both J. Edgar Hoover and myself"-I believe I am quoting him almost verbatim-

Mr. JENNER. I believe the Senator from Massachusetts said that the Senator from Maryland had no right to speak

for him, either.

Mr. McCARTHY. May I ask the Senator the question I have in mind, in order to get the whole picture before the Senate? Mr. McGrath said further. "What is more, we took every precaution to keep from indicating to the committee how we felt, because we wanted them to make their own independent decision." Furthermore, is the Senator aware of the fact that subsequently the Senator from Iowa said that the statement of the Senator from Maryland was completely unwarranted? Is the Senator also aware of the fact that the Senator from Massachusetts, who was in Massachusetts at the time the earlier statement was issued by the Senator from Maryland, subsequently said on his return, "I will speak for myself. I will make up my own mind after all the facts are known"? Furthermore, the Senator from Connecticut [Mr. McMahon] and the Senator from Rhode Island [Mr. GREEN], who up until that time had agreed with the Senator from Maryland on almost everything, when asked to confirm what the Senator from Maryland had said, replied, "No comment." In that way my friend from Maryland was left away out on the limb.

Is the Senator aware of the fact that in developing these witnesses I have had tremendous difficulty, because some of them feel, either rightly or wrongly, that the committee may be prejudiced and that the committee may not want to get at the facts? They feel they might be abused if they came before the committee, and it is difficult to get the average witness, who thinks a Senator is an important individual, to come here and subject himself to what may be abuse. For that reason, I have had a great deal of difficulty. There is a long step from learning what the facts are and getting

a witness to testify.

Is the Senator aware of the fact that the action of the Senator from Maryland this morning when he said, "McCarthy, you will be asked to submit witnesses, submit them in executive session, but you will have no right to be there," will make it doubly difficult for me to present the witnesses to develop this all-important case?

Being aware of that, will the Senator agree with me that this being the situation, in view of the action on the part of the Senator from Maryland, which I think is completely inexcusable, I undoubtedly shall have no choice but to do something which is extremely distasteful to me, namely, to attempt to develop the facts on the floor of the Senate? That is, I may say, one of the reasons why I tell the Senate today something which I perhaps would feel I could not tell them had I been in the executive session, namely, that Mr. Budenz, a witness for whom the Government has vouched time and time again, and in whose veracity I have absolute confidence, testified to the committee that one of the 9 or 10 individuals whom I have named in public, one who is now working in the State Department holding a very, very important job, is a very valuable member of the Communist Party. Mr. JENNER. That is shocking.

Mr. McCARTHY. As I say, this is the sort of thing that unfortunately I am going to have to do, if the committee is going to say to me, "McCarthy, you produce the witnesses. There will be no cross-examination of the witnesses by the chief counsel, Mr. Morgan, unless the witness accuses someone of being a Communist." If the Senator from Maryland continues what he has done in the past, excluding the minority counsel from the room, and does not allow him to cross-examine, will the Senator agree that perhaps I shall be forced to do something which no Senator should be forced to do, namely, try to produce the facts as best I can on the floor of the Senate?

Mr. JENNER. I do agree with that. What the Senator has just said is absolutely shocking, and I hope that if nothing else comes out of this colloquy today. the committee will become a truly investigating committee, decide fairly, impartially, and for the good of the Nation. After all is said and done, this matter is bigger than party politics; it is bigger than defending some relative or some friend or some administration bureaucrat. The Senator from Wisconsin has already been put in a position in which he should not have been put. When the Senate unanimously voted for a thorough investigation of this problem, we should not throw the burden back on the Senator from Wisconsin to prove the case. He should not have to hire employees to dig out facts. That is the job of the committee. That is what the Senate authorized them to do, and it is time they were setting about their job.

Mr. TYDINGS. Mr. President, will the Senator from Indiana yield?

Mr. JENNER. I yield for a question.

Mr. TYDINGS. The Senator let the Senator from Wisconsin proceed-

Mr. JENNER. The Senator from Maryland may make a speech, just so I do not lose the floor.

Mr. TYDINGS. I merely want an opportunity to reply.

Mr. JENNER. I want the Senator to have that opportunity, but I do not want

to lose the floor. Mr. TYDINGS. First of all, neither the Senator from Indiana nor the Senator from Wisconsin, nor some of the Senators on the committee, have any idea of the investigative work which the Senator from Maryland has been doing in this matter. Further than that, the staff of the committee has been called together and publicly told to take every bit of the testimony of the Senator from Wisconsin, and everything else, and pursue it to a conclusion, beyond any peradventure of a doubt, insofar as they can get the evidence.

Talking about reckless charges and reckless statements, what would the Senator from Indiana think if he picked up a newspaper, after the Senator from Wisconsin had spoken in Wheeling, W. Va., and read these words:

While I have not the time to name all the Communists in the State Department, I have here in my hand a list of 205 names who are card-carrying members of the Communist Party, who are now in the State Department, and who are known to Acheson.

And we have had only 110 names given to us in toto.

Mr. JENNER. Did he include in that the homosexuals?

Mr. TYDINGS. Oh, now, do not beg the question.

Mr. JENNER. I am not begging the question. I did not read the West Virginia speech.

Mr. TYDINGS. The Senator from Indiana will have to ask the Senator from Wisconsin: but there it is, in the Wheeling Intelligencer, 205 card-carrying Communists now in the State Department, and known to Acheson. Why is it that 7 weeks after the committee is formed we got 81 names, with charges made here on the Senate floor, 8 or 9 names in addition thereto, and 25 or 20 names with no charge whatever against them? Where are the 205 card-carry-ing Communists? Was that a reckless statement?

Mr. JENNER. It may have been a reckless statement, but I say that if there is found one Alger Hiss in the Department, the committee will have done a wonderful job for America.

Mr. TYDINGS. That is true, and if there are one more or two more or a hundred more, and evidence comes to us, believe me, they will go out on their ears. I do not take second place to any man in America in wanting to get Communists out of the Government, but it is necessary to prove a case reasonably before we can do it.

Mr. McCARTHY. Mr. President, will the Senator from Indiana yield?

Mr. JENNER. I yield to the Senator from Wisconsin.

Mr. McCARTHY. Is the Senator aware of the fact that I have already gone into this matter with the Senator from Maryland in detail, and furnished to him the letter I used in the Wheeling speech, the Salt Lake speech, and the Reno, Nev., speech—the letter from the then Secretary of State Byrnes to Congressman Sabath, in which he said, in effect, "Here is the picture of the inception of the loyalty program"? I be-lieve they called it a "security program" then. He said, "That of the first 3,000 State Department employees who were screened, screened by the President's own Board—a rather good Board, too, as he had some rather good men on that Board, but they were discharged also by Acheson. The letter from Byrnes, which I used at Wheeling, said there were 284 screened out. But 205 remained in the State Department, according to Secretary Byrnes' letter.

I called that letter to the attention of the Senator from Maryland. He knows it is there. So why this attempt at deception I do not know. I pointed out that of the 205 I did not know how many were still in the State Department. I pointed out that that represented only a small screening, but I said, "I do have the names of 57 individuals who are either members of the party or are certainly loyal thereto." Subsequent investigation has increased the list to 81, and since then I have given over 25 more.

Mr. JENNER. I understand Budenz gave the committee more today.

Mr. McCARTHY. Yes. Mr. JENNER. But the President of the United States last night said in a speech that not a single person who has been adjudged of being a Communist or otherwise disloyal remains on the pay roll today. I wonder what he is talking about. Do we have to convict them by

jury, or is the committee to investigate

and find out the facts? Mr. McCARTHY. In connection with the statement of the Senator from Maryland that he wants proof, is the Senator aware of the fact that I gave the Senator from Maryland personally, and in public, before the other four members of the committee, a complete criminal record of a man working for the State Department, getting somewhere between \$10,000 and \$12,000 a year? This man has now been assigned to the Central Intelligence Agency. I originally had difficulty finding out who was paying him. The best information I can get now is that he is being paid by the State Department, and therefore the Central Intelligence Agency cannot discharge this man. I was extremely curious to know why the Central Intelligence Agency had not discharged him, but the fact that he is in the State Department explains that. Is the Senator aware of the fact that I gave the complete police record of this man to the Senator from Maryland, this man who was a homosexual? The record shows-it is the police record, Senators should understand-that he spent his time hanging around the men's room in Lafayette Park. This man is still in an extremely sensitive position, being paid by the American people some ten or twelve thousand dollars, and yet, so far as I know, the Senator from Maryland has not done one single thing to get him off the Government pay roll. I have tried to check in the State Department to see why he is there, and the only answer I got from one of my friends over there was, "Well, perhaps it is because he is a fairly nice fellow-that is, if you like the type.

Mr. TYDINGS. Mr. President, will the Senator from Indiana yield to me

to reply?

Mr. JENNER. I certainly will. I should like to conclude, however, and

will not yield any more.

Mr. TYDINGS. If I am not drawn into it I will not interrupt the Senator. I want to go over what happened. First, I want the Senator from Indiana to know that I am in favor of open hearings and not closed hearings, as he has supposed. I want that cleared up.

Mr. JENNER. Fine.

TYDINGS. The second point is that this morning when we had a vote on the question of what the role of the Senator from Wisconsin would be in our committee, the Senator from Iowa [Mr. HICKENLOOPER], who is now on the floor, very fairly, I thought, said that we ought to wait until the Senator from Connecticut [Mr. McMahon] was present so that the full committee was there before we voted on it. So I want that cleared

The third thing I should like to do is this. I should like to ask the Senator from Wisconsin, if I may, if he did not say in his speech in Salt Lake City:

While I have not the time to name all the Communists who are in the State Department, I have here in my hand the names of 57 card-carrying Communists now in the State Department and known to Acheson.

And when the Senator gets around to answering that question-

Mr. McCARTHY. Mr. President, will the Senator from Indiana yield to me to answer the Senator from Maryland?

Mr. JENNER. The Senator from Wisconsin has asked the Senator from Maryland a question about a homosexual, and the Senator from Maryland has asked the Senator from Wisconsin about how many Communists there are in the State Department. The Senators are using my time in doing so. If Senators can work out between them in the committee the question of Communists and of "homos," that is what the American people want done.

Mr. TYDINGS. I am coming to that. Mr. JENNER. The Senator is taking my time, and not answering the ques-

tion.

Mr. TYDINGS. I am coming to the homo part of it. The first thing I think we ought to do is to get some of the Communists that we have been hearing so much about, out of the Government, if they are there.

Mr. JENNER. Yes. Mr. TYDINGS. That is what we are doing mostly now. I am giving 7 or 8 hours a day to it now, and I am going to give 12 hours a day, if necessary, to it. I am going to get every Communist I can lay my hands on, and I am going to have all the hearings in open session. But I should like to know who the 57 card-carrying Communists known to Acheson now in the State Department are, so I can get hold of them.

Mr. JENNER. Maybe I can act as an arbiter. If the Senator from Maryland will tell the Senator from Wisconsin who the homos are, and if the Senator from Wisconsin will tell the Senator from Maryland about the 57 card-carrying Communists-maybe such a trade can be made between the Senator from Maryland and the Senator from Wisconsin.

Mr. TYDINGS. I will tell the Senator about the homos. I know there is a great desire to shift from Communists to homos.

Mr. JENNER. I do not know which is the worst. Does the Senator?

Mr. TYDINGS. Let us shift to it. When I was given this information I pursued it constantly. I got our force working on it. I have documents in our office-and I am going to talk-no, I will not do that. I will not disclose what the evidence is. But when we get around to it, it will be full and complete for the committee to act on.

The Senator from Maryland has done a personal job in investigation on this all the way through. He has statements from people who are concerned. He has statements from people who know about He has statements from eminent people who are not involved in this. He is ready to lay the whole matter before the committee. But I cannot conduct these hearings if I am going to be called out of the hearings, and hear a lot of arguments about things that are not true, when we have important witnesses on the stand there. Senators know I am in the hearing, and know I cannot be in two places at one and the same time.

Mr. JENNER. The Senator has not answered the question, and I refuse to

yield further.

Mr. TYDINGS. I will say about the homos-

Mr. McCARTHY. Mr. President, will the Senator from Indiana yield to me briefly?

Mr. JENNER. Mr. President, I should like to conclude my remarks. Then I

will be glad to yield.

The PRESIDING OFFICER. Will the Senate be in order for just a minute? The Senator should not be asked to yield for anything but questions. The situation has been permitted to go a long way from questions, by speeches being made. The Senator from Indiana wishes to conclude his remarks, and will yield only for questions.

Mr. JENNER. I do not want to lose the floor. I want to be courteous. want all Senators to have their say, because the subject is a very important one.

Mr. McMAHON. Mr. President, in view of the fact that the Senator from Indiana had agreed to yield to me for a minute, I wonder if he would not, with the consent of the Senate, make an exception.

Mr. JENNER. I ask unanimous consent that I may yield to the Senator from Connecticut without losing the floor.

The PRESIDING OFFICER. That can be done by unanimous consent. Is there

Mr. JENNER. I have no objection.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered. Mr. McMAHON. It will take me only 1 minute. In view of the fact that important business kept me from the meeting of the committee this morning, I think I ought to say to the Senate, so it will be in the RECORD, that I had an appointment with the President of the United States this morning at 11 o'clock. It was a few minutes after 11 when I got to see him, and I stayed with him about a half hour. It was somewhat after 12 o'clock before I got to the committee meeting.

I merely say that so the RECORD may be clear that I was engaged in official duties, and not taking French leave from the work of the committee. But I came there just as quickly as I possible could.

The only vote that was taken, so far as the Senator from Connecticut is concerned, was on whether or not the Senator from Wisconsin should be given permission, either in open or in closed hearings of the committee, to cross-examine the witnesses before the committee. That question had been decided some three times before. It was put again by the Senator from Maryland just as two of the members of the committee were on the way out of the room, and we called them back in. It was observed that that question had been settled before: that the members of the committee would do the questioning, or their counsel, with full liberty to the Senator from Wisconsin to present to the counsel or to the chairman of the committee any question that he might like to have asked. And, of course, the same consideration was given to Lattimore and his counsel in open hearings; that they could have any questions asked they wanted answers to.

I thought I had better state that for the RECORD.

Mr. JENNER. Mr. President, I should like to conclude. It will take me only a few minutes to do so. I was discussing the "Interlocking Directorate of Whitewash, Inc." I believe I had gotten down to the name of Mr. Seth Richardson, who is a law partner of Joe E. Davies, of "Mission to Moscow" fame. We have all read this in the press, but I thought it well to state it.

Mr. Davies, I think it is well known, is the father-in-law of the able senior Senator from Maryland who heads the subcommittee investigating the charges made by the distinguished Senator from Wisconsin.

This same Richardson, Mr. President, was chief counsel for the Pearl Harbor investigating committee which produced one of the greatest whitewashes of the entire New Deal and Fair Deal and fairy deal administrations, absolving the administration from all blame for the blunders for the blunders which plunged the United States into World War II.

Associated with Mr. Richardson on the Pearl Harbor investigating staff was Samuel H. Kaufman, who later was to be the judge whose bias for the convicted and traitorous perjurer, Alger Hiss, almost brought about acquittal of Hiss at his first trial which resulted in a hung jury.

Let's look a little deeper, Mr. President, into the "Interlocking Directorate of Whitewash, Inc." Associated with Messrs. Richardson and Kaufman was Edward C. Morgan. Mr. Morgan now reappears in the picture as chief counsel for the committee headed by Senator Tydings which is investigating Senator McCarthy's charges.

I wish, Mr. President, that I could say the story ends there, but I ask your indulgence for further revelations.

Mr. Lyon L. Tyler, Jr., another member of the Tydings committee staff, was a member of the investigating staff for the Lilienthal investigations.

The Members of this distinguished body will recall, I am sure, the charges which were made against Mr. Lilienthal when the question of his confirmation as Chairman of the Atomic Energy Commission was before the Senate.

The result of the investigation of Mr. Lilienthal's alleged leftist leanings was another whitewash.

But, Mr. President, Mr. Tyler was sponsored as an investigator for the present Tydings subcommittee by the distinguished Senetor from Connecticut [Mr. McMahon], also a member of the Tydings subcommittee which allegedly is investigating the charges made by the Senator from Wisconsin [Mr. McCarthy]

So, Mr. President, we have involved in the current investigation men who by their past experience are well qualified in the art of swinging the whitewash brush.

In view of these facts, Mr. President, it is understandable that the distinguished Senator from Maryland would have easy access to facts—access which perhaps committee investigators would not have.

Now let us look at what the committee has done publicly, at least, so far. There seems to be some controversy about this matter, but the record will speak for itself.

One of the witnesses appearing in public was Owen Lattimore.

Owen Lattimore was allowed without interruption to speak for 2½ hours before the subcommittee, with all the appendages—press, radio, television, and movies—at hand.

During that session, the general counsel of the subcommittee, Mr. Morgan, to whom I have referred, did not make any effort to cross-examine or to discredit any of the voluntary statements of Lattimore.

That was in quite a contrast to the performance given by the same subcommittee and the same general counsel when Mr. Budenz appeared on the scene. The general counsel, Mr. Morgan, was most vigorous with Budenz, trying to discredit and to minimize the force of his testimony.

This time, you see, Mr. President, it was Budenz who exposed the Communists; and apparently that should not be done

The able Senator from Rhode Island [Mr. Green], in marked contrast to his behavior when Lattimore was the witness, ruthlessly interrogated Budenz. This time Budenz was giving information to Congress about Communists in the Government. It would seem, Mr.

President, that perhaps that should not be done.

The Senator from Rhode Island sought incessantly to label Mr. Budenz' evidence as hearsay, in spite of the fact some of the best lawyers in the country have pointed out that the nature of Mr. Budenz' testimony was such that it would be admissible in court. Also no effort was made by the majority members of the subcommittee to elicit information from Budenz or to present his testimony in the best light.

Also, Mr. President, why was Mr. Budenz being heard in secret session today? There has been some discussion of that matter; but, I say again, the record will speak for itself.

Will all these facts be brought to light?

Now, let us look at the testimony of General Thorpe, another witness whom the general counsel of the subcommittee did not cross-examine. Mr. Morgan did not cross-examine General Thorpe. Why? General Thorpe appeared as a witness for the character of Owen Lattimore. Let us look at the facts, Mr. President.

General Thorpe was not qualified as a character witness. In fact, an analysis of his testimony shows that he was testifying that Lattimore has a bad reputation, having the reputation of a Communist, and having been investigated three times by Counter Intelligence. That was the gist of General Thorpe's testimony—that Lattimore had the reputation of being a Communist, that he had a bad reputation, and that he had been investigated three times by the Counter Intelligence. Mr. President, a man who is not soft on communism in some way or at some place is not going to be investigated three times by Counter Intelligence in regard to being a Communist.

In the course of exchanges between Lattimore's counsel, Mr. Abe Fortas, and the chairman of the subcommittee, it became apparent that Mr. Fortas had consulted with the Senator from Maryland on the presentation of General Thorpe, much to the surprise of minority members of the committee.

On reading all the testimony, it became apparent to any reasonable man that General Thorpe was brought in without good reason or good excuse for being there, except only to break the force of the Budenz' testimony.

Does this act look to full disclosure or is it an act looking to whitewash?

That should be apparent to any fairminded man. I notice that Frank Bielaski is being subpenaed. Why will his testimony be taken in secret, as I understand it will be, without having the Senator from Wisconsin present-and I hope that arrangement will be changed, and that the Senator from Wisconsin will be present-or without allowing the minority counsel to be present? I understand that the subcommittee has now changed that rule, and that now the subcommittee will allow the minority counsel to be present. I hope so. If there is to be a full, fair statement, it cannot be had by letting Owen Lattimore make voluntary statements for  $2\frac{1}{2}$  hours, without cross-examination or questioning, but then almost cross-examining the life out of Mr. Budenz.

Do you see what I mean, Mr. President? Are they afraid that if Mr. Lattimore were cross-examined, he would make significant disclosures?

Are they afraid that Congress will learn what Mr. Bielaski will testify then?

This, too, is in marked contrast to the fact that Bella Dodd, a Communist who never has foresworn communism and who never has expressed a willingness to make full disclosure of her experiences in the Communist Party, is being allowed a public hearing.

This, it seems to me, is being done to confuse the whole issue and further to discredit Mr. Budenz, whose stature, by the way, seems to increase as the days

Mr. President, in all seriousness, I ask, How can this investigation be termed a fair one, in view of the tactics pursued up to date by the three majority members of the subcommittee?

The majority of the subcommittee have refused, until today, to permit the minority counsel to examine witnesses. The majority of the subcommittee sent the minority counsel out of the committee meeting today and, I believe, yesterday; they would not even let him be there. The majority of the subcommittee have refused, until today, to permit subcommittee investigators to examine testimony; and the chairman of the subcommittee has refused to permit minority members of the subcommittee to issue subpenas.

This so-called investigation to date has been going down a one-way street.

The dictatorial and arbitrary attitude of the chairman of the subcommittee and his colleagues has placed handcuffs on the minority subcommittee members and the minority counsel.

The question must be asked, Mr. President, whether these tactics actually strait-jacket what should be a fair and impartial investigation into the presence of communism in high places in our Government.

Do not they lead to the conclusion that even before this inquiry began, it was determined by those in power that it was to be a whitewash, or perhaps just another "red herring"?

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

Mr. JENNER. I yield the floor.
Mr. HICKENLOOPER. Mr. President, I have no intention of discussing matters which have occurred in the subcommittee in executive session.

However, I wish to make clear one or two matters, because I fear that a wrong construction may be placed on my attitude.

In reference to certain statements which have been made in the last hour in the course of this debate, some of which I have heard in the last 15 minutes, since I have been here—having come here at that time from the subcommittee meeting; that is to say, I attended the subcommittee meeting until

about 15 minutes ago-and some of which I understand have been made, I wish to say that I fear some of them may lead to some confusion.

First, with regard to the question of the refusal to permit the Senator from Wisconsin to examine witnesses before the subcommittee, let me say that I did make the statement in the subcommittee, today, as the Senator from Maryland said a moment ago, that inasmuch as the committee had last week, by a split vote, decided that the Senator from Wisconsin could not attend the meetings, and inasmuch as the subcommittee pre-viously had decided that neither the Senator from Wisconsin nor persons who might be regarded as being on the other side of the issue would themselves be permitted to ask questions of witnesses before the subcommittee, and inasmuch as certain other important decisions were reached by the subcommittee yesterday. while I was in the State of Iowa, and was not present at the meeting, I thought before the subcommittee considered the question of changing a position which it had taken-and of course whether I was on the side the subcommittee had taken or was on the other side of that question was beside the point—the Senator from Connecticut, who, as explained, a moment ago, was absent, should be present, so that all five members of the subcommittee could be there to make that decision-in other words, with the full subcommittee present.

I took the position originally that the Senator from Wisconsin, as one of the moving forces in the investigation, should have the right to examine witnesses—the same courtesy that has been extended time and again to other Senators who were not members of a particular committee examining into a subject. I have taken that position consistently, and I shall continue to take it both in and out of the committee, in this matter. I want that clearly understood. Any question of the exclusion of the Senator from Wisconsin, or of the refusal to let him ask questions, did not go to the point of decision, but went only to the point of getting a full committee together before the decision was made.

Mr. BREWSTER and Mr. McCARTHY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to

Mr. HICKENLOOPER. I yield to the Senator from Maine for a question.

Mr. BREWSTER. Is my recollection not correct that the Senate Committee on Foreign Relations has accorded this courtesy rather generally to Senators, in matters as to which they were particularly interested or concerned? I am referring particularly to an episode last year when I think the distinguished chairman of the Foreign Relations Committee adopted that procedure.

Mr. HICKENLOOPER. I remember those occasions. It is not my purpose at this time to talk at any length, nor to discuss various incidents. But I recall, as we all recall, many cases in which Senators who were not official members of the committee were accorded the privilege, and at length, if you please, to interrogate witnesses in matters in which the particular Senators were interested.

It is on that basis, the basis of precedent, and on the basis that a committee hearing is often the only place where a Member of the Senate, who must eventually vote on a question, has any opportunity of questioning a witness on the subject upon which he is to pass, that I rest my opinion.

Mr. KNOWLAND and Mr. Mc-CARTHY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. HICKENLOOPER. I yield to the Senator from California for a question.

Mr. KNOWLAND. The Senator will recollect, will he not, that in the case of the original hearings on the appointment of Mr. Lilienthal before the Joint Committee on Atomic Energy, the joint committee, or at least the Senate section of it, which was responsible for passing on the appointment, extended that courtesy to the senior Senator from Tennessee [Mr. McKellar] who attended numerous sessions? In fact, I think at all the sessions he was in attendance and questioned the various witnesses.

Mr. HICKENLOOPER. Yes; that is correct. That was done by a vote of the committee. Moreover, the Public Works Committee in the same year extended that courtesy to the Senator from Tennessee and to other Senators who were not members of the committee. There have been too many precedents to canvass here this evening. I merely make the statement that it has been done time and again, and I can see no reason for making any exception in this instance.

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

Mr. HICKENLOOPER. I yield for a question.

Mr. McCARTHY. In order that the RECORD may be kept straight, the Senator from Maryland [Mr. Typings] said that, upon the return of the Senator from Connecticut [Mr. McMahon], he submitted to the committee the question of whether the Senator from Wisconsin would be allowed to be present in executive session while witnesses were being questioned. When the Senator from Connecticut returned to the floor he said -and I wish the Senator would listen to this, if he will, since I should like to have the RECORD straight on this-the only question submitted after he reached the committee was the question whether the Senator from Wisconsin should have the right to cross-examine. Those are two completely different questions.

I may say that the right to be present at executive sessions when my witnesses are being examined is very important, in that it has a very direct bearing upon my ability to get witnesses. The other question, the question of my right to cross-examine, has an entirely different importance; that is, it bears upon the importance of allowing me to assist the committee in developing the facts. shall therefore appreciate very much having the RECORD clear now as to wheth-

er the Senator from Maryland submitted the question relating to my right to crossexamine, or merely the question of my right to be present.

Mr. McMAHON. Mr. President, will the Senator yield, to enable me to reply?

Mr. HICKENLOOPER. If the Senator will frame it in the nature of a question, so I can yield without losing the floor, I shall be delighted.

Mr. McMAHON. The situation was The Senator from rather confusing. . Rhode Island [Mr. GREEN] and the Senator from Massachusetts [Mr. Lodge] were almost out of the door. I was about to turn. The Senator from Maryland said, "Just a minute." I came back. He said, as I recollect it, "The question has arisen about Senator McCarthy's right to question witnesses—not as to Senator McCarthy's right to be present. It was observed that that question has been settled two or three times previously," and we broke up. Of course, what went on between 10:30 and 12:30, I do not know, except it was summarized for me quickly by the chairman.

Mr. HICKENLOOPER. I may say the Senator missed a very interesting session.

Mr. McMAHON. Very regrettably. It was summarized for me very quickly. But we went ahead with the examination of Mr. Budenz, which we stopped at about 20 minutes after 1, having started at about a quarter of one. As a matter of fact, the question whether the Senator from Wisconsin should be admitted to executive hearings, to the best of the recollection of the Senator from Connecticut, has never arisen for discussion in the committee, but only the question as to whether the Senator would be permitted to examine directly instead of submitting any questions he might have to the chairman of the committee. As the Senator knows, that is the attitude taken by the committee in open hearings. I hope that clears the matter up. At least, that is my recollection of it.

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

Mr. HICKENLOOPER. I yield for a question.

Mr. McCARTHY. I should like to ask the Senator from Iowa, in view of the statements of the Senator from Connecticut-for which I thank him very much—whether he will not, in the interest of getting the witnesses, the valuable witnesses, to appear and testify, at the next session bring up the motion and make it very clear to the Senators present-I understand the vote was 3 to 2 this noon—that if they persist, that is, if the committee persists in the decision not to allow me even to be present-

Mr. McMAHON. Mr. President, will the Senator let me interrupt?

Mr. McCARTHY. Yes. Mr. McMAHON. The Senator has just said "If the committee persists" in denying the Senator the right to be present. In order to persist, it is necessary to have had a previous course of action.

Mr. McCARTHY. I thank the Sen-

Mr. McMAHON. To my recollection, the only thing that has ever been decided, as I told the Senator, was not the question of his right to be present. So far as the Senator from Connecticut is concerned, I have never voted on that question. The question was on whether the Senator should be permitted to examine directly, or should submit his questions, that is, any questions that occurred to him, through the chairman of the committee.

Mr. McCARTHY. I thank the Senator for the correction. Let me restate it this way: In view of the fact that the Senator from Maryland this forenoon refused to present the questionthat is, the question relating to my right to be present, not to cross-examineuntil the Senator from Connecticut was present; in view of the fact that the Senator from Maryland apparently feels that he did present that question, while the Senator from Connecticut was present, and so stated on the floor, I now ask the Senator from Iowa, as the senior minority Member, whether he will not, before the next executive session, bring up that matter so as to make sure that every Senator present realizes he is voting, not on the question of whether I shall have the right to cross-examinethough I think it is important—but upon my right to be present?

I may say that if the committee continues to deny me that right—and that right was denied by the chairman this morning, the Senator will understand—then I shall have no choice but to take some action to attempt to develop the facts perhaps on the Senate floor, because I know what difficulty I have experienced in the past in getting witnesses. If I cannot even be present while my witnesses are on the stand, I shall have much more difficulty in getting them.

I should like to ask the Senator from Iowa to push that question, and I certainly would not be averse to knowing how the Senator from Connecticut would regard such a motion at the next session.

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

Mr. HICKENLOOPER. For a question.

Mr. McMAHON. The Senator from Wisconsin will know tomorrow, after the Senator from Connecticut votes, how the Senator from Connecticut voted on that question. It will be no secret at all from the Senator from Wisconsin, from the Members of the Senate, or from the people of the United States. I have no desire to keep secret any action of mine in connection with the investigation. I shall try, I say to the Senator from Wisconsin, with some difficulty, it is true, to refrain from making comments on the Senator's case until the evidence is in. I shall not, except under the most severe provocation, be drawn into a discussion of the matter on the floor of the Senate until, in the opinion of the Senator from Connecticut, it is proper to discuss it there. I shall endeavor not to be goaded into making comments on the matter. I think that is the way the investigation should be carried on. We have been given by the Senate a very disagreeable job to do, and it is our obligation, under our oaths, to do it. I want to assure the Senate, which I think needs no such assurance, that that is what I intend to do. I shall endeavor to follow that determination until the end of the investigation, so that I can at least satisfy my conscience. When I sign the report, which I hope will be a unanimous report, it must be in accordance with the conscience of the Senator from the State of Connecticut.

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

Mr. HICKENLOOPER. I yield for a question. I am being diverted, Mr. President, from the real thing I wanted to say when I rose. I am a little off the track, but I shall yield to the Senator from Wisconsin for a brief question, so that I may finish what I have to say.

Mr. McCarthy. Am I correct in stating that the committee excluded the minority's counsel not only from the right to cross-examine any witnesses, but also the right to be present in executive session, but that it allowed the majority counsel to be present and to cross-examine?

Mr. HICKENLOOPER. Mr. President, I am very hesitant to go into matters which have occurred in executive session, when there have been disputes as to certain things which have been satisfactorily resolved. I was not present during the first 15 minutes of the meeting this morning. I will say that before the meeting ended, however, at noon, minority counsel was accorded the right to attend the executive session.

Mr. McCARTHY. Will the Senator answer this question? I think it is very important to the Senate and to the country. Am I correct in stating that the Senator from Maryland [Mr. Tydings], without any committee action, in the absence of the Senator from Iowa, in the absence of the Senator from Connecticut, and in the absence of the Senator from Massachusetts, took it upon himself to eject the minority counsel from the committee room? I think that is something which the Senate and the country should know.

Mr. HICKENLOOPER. I feel very deeply that in areas in which the subcommittee can completely agree, such agreement should be sought and should be reached. It has not been my intention to discuss any disagreements in the committee, but I do not want to leave any mysterious clouds around the subcommittee as to what went on. I am sorry the Senator from Maryland is not present. I do not like to make statements in his absence about committee action, but in view of the fact that the matter has been bandied around, I think it is only fair.

I see the Senator from Maryland now entering the Chamber. I had just stated that I hesitated to make statements in the absence of the Senator from Maryland, and I thought that wherever areas of agreement could be reached, they should be properly reached.

The question of committee counsel, especially minority counsel, has been bandied around a little bit, and I have been asked some pointed questions about it which I at first said I would rather not answer, but I actually think for the general good I perhaps should answer them, so there will be no mystery about it.

If I am wrong, the Senator from Maryland can correct me.

I was not at the meeting during the first few minutes this morning. I met the assistant counsel, Mr. Morris, in the subway as I was coming to the committee meeting. He was getting off the car as I was getting on it. He said, "I have been excluded from the executive meeting." I said, "What is the trouble?" or something of that kind. He said, "The chairman asked me to leave." I said, "Well, I do not like that." He said, "He asked me to leave." I said, "Well, I will see what the trouble is." So I went to the meeting. The chairman explained it in this way: He said he felt that it was not a place for the entire staff, but that only the chief counsel should be present. and he had asked the assistant counsel to leave. I felt differently about it. Mr. Lattimore was there, as was his counsel. Mr. Budenz was there. The Senator from Wisconsin was there. I personally felt, and, I think, sincerely, that the assistant counsel should have been permitted to remain. The matter was discussed at some considerable length, and the committee then officially decided that Mr. Morris could attend the committee meetings.

That is generally the story.

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

Mr. HICKENLOOPER. I yield for a question.

Mr. KNOWLAND. As a Senator who is not a member of the committee and who is trying to keep an open mind until all the facts are developed, I should like to ask this question: Was Mr. Morris, the assistant counsel, duly selected by the committee at the request of the minority members? In other words, is he officially holding the position of associate counsel?

Mr. HICKENLOOPER. He is assistant counsel and was recommended by the minority members of the committee. He is officially assistant counsel, with Mr. Morgan as the chief counsel of the subcommittee.

Mr. KNOWLAND. As I understand from the Senator's statement on the floor of the Senate, the duly selected associate counsel of the committee was excluded from the session while, at the same time, the counsel for Mr. Lattimore was attending the committee meeting. Is that what I am to understand?

Mr. HICKENLOOPER. It is a little complicated. At the time Mr. Morris was excluded, or was asked to leave the executive meeting, it was shortly after 10:30 this morning. Counsel for Mr. Lattimore, and Mr. Lattimore, were permitted to remain for a substantial period of time until it was determined that they should themselves leave the meeting.

I say that I disagreed with the action of the committee in excluding Mr. Morris, and there was pertinent discussion of the matter and it was canvassed all around. The net result was that action by the committee was taken and Mr. Morris was then authorized to attend the meetings of the subcommittee. That is the story on that question.

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

Mr. HICKENLOOPER. I yield.

Mr. TYDINGS. Leaving this matter aside for a moment, I may be misinformed, because I was not present at the time, but I understand that one of the Senators this afternoon said that Mr. Budenz was viciously cross-examined.

Mr. HICKENLOOPER. I do not believe that referred to the meeting this afternoon.

Mr. TYDINGS. To what meeting did it refer?

Mr. HICKENLOOPER. I came in late during the statements. I came in shortly after the Senator from Maryland arrived. It is my understanding that those references were to the open hearings.

Mr. TYDINGS. If they were, the Senator from Maryland asked Mr. Budenz only four questions. Furthermore, I should like to say that Mr. Budenz had to come back for his hat and coat just a few moments ago, while I was talking to members of the press, and Mr. Budenz, of his own volition, said to the members of the press present, "I had very courteous treatment from this committee." So I should like to get a little truth into some of the misrepresentations which have been flowing out of the committee. If the Senator will bear with me half a minute more—

Mr. HICKENLOOPER. Mr. President, is the Senator indicating in the slightest degree that I have misrepresented anything in my statement?

Mr. TYDINGS. No; I had no reference to any statement made by the Senator from Iowa. It was the Senator who was speaking, or some other Senator. I was not here. However, I should like to say that what I have recounted just now happened upstairs a few moments ago. Mr. Budenz, in the presence of representatives of the three press associations, said that he has been courteously treated by the committee. Certainly he has been courteously treated. He has been given every consideration. He has been asked to present any testimony he can, give any information he can, name any names he can, give us anything at all which will help us with the investigation.

Mr. HICKENLOOPER. I am perfectly willing to testify that Mr. Budenz, in his appearance before the subcommittee this afternoon and before lunch, was, in his treatment by the committee, accorded complete courtesy. Mr. Budenz and no one else can complain.

Mr. BREWSTER. I was present in the Senate. I do not think either of the two other Senators was present. criticism, as I understood, of the Senator who was speaking, who was the Senator from Indiana [Mr. Jenner], was not directed to the committee. It was of the cross examination, as he termed it, by committee counsel. I was not present in the committee, so I shall not undertake to characterize it. Opinions might differ. I want the Senator from Maryland to know, however, that I believe the Cenator from Indiana did not criticize the conduct of the committee or of the cross examination by the Senator from Maryland.

Mr. TYDINGS. I thank the Senator. If the Senator from Iowa will yield further, I will say that I was present when

Mr. Morgan cross-examined Mr. Budenz. He asked him perhaps 20 or 25 questions. His demeanor was calm. Mr. Budenz was given ample time to answer all questions, as the record will show.

In addition to what I have just said, in response to something a reporter asked Mr. Budenz upstairs in my presence, Mr. Budenz did not complain about his cross examination, referring himself directly to that phase of the matter.

So, Mr. President, if Mr. Budenz is satisfied, it seems to me all other people who are dissatisfied are going out of their way to hamper the investigation. I may say, Mr. President, if we are to have discussions on the floor of the Senate about everything that takes place in the committee, while we are trying to run this thing down, we may very well lose some people whom we could catch. One cannot be in two places at the same time.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield for a question?

Mr. HICKENLOOPER. I rose to make a 2-minute statement. I have not yet got around to making my short statement. I intended originally to yield for a question.

Mr. McCARTHY. I have two questions. Am I correct in understanding that the minority counsel, while now having been granted the right to attend executive sessions, is still denied the right to examine any witnesses, or to ask any questions of any witnesses?

Mr. HICKENLOOPER. In answer,

Mr. HICKENLOOPER. In answer, Mr. President, I will say that I do not care to consider Mr. Morgan, Mr. Morris, or anyone else as minority or majority counsel. I would rather consider them to be counsel who are attempting to do a vigorous job, cleaving right down the line in an investigative procedure.

Mr. McCARTHY. Let me rephrase the question

Mr. HICKENLOOPER. The fact is that Mr. Morgan, as chief counsel, was recommended and selected by the majority members, and the minority members said, "All right. If you want him, that's all right with us." Mr. Morris was selected by the entire committee on the recommendation of the minority members of the committee. Mr. Morris was not accorded the right to ask questions at the last open hearing. No attempt was made today to have Mr. Morris ask any questions. At this hearing the issue did not come up. So I do not know what the attitude of the committee will be. I personally think, as I thought the other day, that any member of counsel should be permitted to ask questions in his turn if they occur to him in the examination.

Mr. McCARTHY. Am I correct in understanding that the committee took action to deny Mr. Morris the right to ask any questions of any witnesses, and that as of now that action still stands?

Mr. HICKENLOOPER. The action of the committee is this: The matter did not come up in executive session. The only time it came up, I believe, was during the last open hearing when, after Mr. Morgan, chief counsel, had completed questioning Mr. Budenz, I suggested in open hearing that perhaps Mr. Morris, assistant counsel, might have some questions to ask Mr. Budenz. I do not recall at the moment—I think the record will show—whether it was put to a vote at that time. I do recall the chairman's stating that Mr. Morris would not be accorded the right to ask questions. That is the last time the specific question came up. Undoubtedly it will be raised again, but it did not come up today.

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

Mr. HICKENLOOPER. Yes.

Mr. McCARTHY. In view of the fact that the Senator from Maryland is now on the floor—

Mr. HICKENLOOPER. Please do not mix me up again with the Senator from Maryland, because, if that should happen, the Senator from Maryland and the Senator from Wisconsin will keep me on my feet for another half hour. I wish to sit down. I have only a few things to say.

Mr. McCARTHY. What I am about to ask the Senator is important enough for him to remain on his feet even if it means keeping the Senator on his feet for another full hour. In view of the fact that the Senator from Maryland is on the floor, in view of the fact that he had previously informed the Senate that upon the return of the Senator from Connecticut he had submitted to the committee the question of whether or not I would be allowed to be present during executive sessions when my witnesses were testifying, in view of the fact that the Senator from Maryland said that a vote had been had upon the question and that the committee had denied me the right, and in view of the fact that the Senator from Connecticut subsequently came on the floor and said it was not true, I now ask the Senator from Iowa if he does not think that before the next executive session it would be well to bring that matter before the subcommittee and get final action on it?

Mr. HICKENLOOPER. Mr. President, I have already clearly stated my position. I have expressed myself repeatedly as believing that the Senator from Wisconsin should have the right of cross-examination, especially with reference to witnesses which he has produced in specific cases. I do not want to make an issue of this matter, but as to whether or not the Senator from Wisconsin could remain in executive session this morning, that question was thrashed about quite a little bit, and just as we were breaking up to go to lunch, as the Senator from Connecticut said a moment ago, there were several of us out in the hall and the chairman asked us to come back. There was no formal vote taken on the question. As I recall, the chairman merely said, "Is there any change of policy on the question of Senator McCarthy's staying in the executive meeting? Is there any change in"

Mr. TYDINGS. Cross-examining.
Mr. HICKENLOOPER. I cannot recall whether the Senator said cross-examining, but I would not dispute his word at all. Everyone was in a hurry and no one said anything. My position is well known, and the position of every

member is well known. It was not put to a formal vote. The chairman said, "I guess there is no change in sentiment." So we all went to lunch. There was no formal vote.

Mr. McCARTHY. Mr. President, will the Senator yield for an insertion in the RECORD?

Mr. HICKENLOOPER. I yield to the Senator.

Mr. McCARTHY. I now ask unanimous consent to have inserted in the RECORD at this point a letter dated July 26, 1946, addressed to "Dear Adolph," signed by James F. Byrnes, a letter about which I had told the Senator from Maryland previously. I explained to him that this letter was used in all the talks I made. I explained to him it contained a very clear indication of 205 individuals who were left in the State Department, even though the President's own board said they were bad security risks. I asked the Senator from Maryland to find out what their names were. I telegraphed the President and suggested he find out their names. The Senator from Maryland has not done that, for some reason, and I think it is not too mysterious.

The Senator from Maryland persists in toying with the figures 205 and 57. If he will take this letter and read it, and take the copy of my speech in the Record, he will know I do not have the names of the 205. I sent the President a telegram during the Lincoln Day tour asking him to get those names. I told him in the telegram I had the names of the 57. So that if the Senator mentions this again, there can be no doubt in his mind.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin?

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

DEPARTMENT OF STATE,

Washington, July 26, 1946.

Dear Adolph: I have yours of May 24 expressing your concern with respect to certain allegations made on the floor of the House to the effect that "hundreds if not thousands of employees have been eliminated from the State Department by the screening committee because of communistic leanings or activities or membership." Such statements are incorrect and do a grave injustice not only to the employees of the Department but to Government employees as a whole, the great majority of whom are loyal American citizens. I therefore welcome this opportunity to answer your specific questions in the order in which they are presented.

1. Pursuant to Executive order, approximately 4,000 employees have been transferred to the Department of State from various war agencies such as the OSS, FEA, OWI, OIAA, etc.; of those 4,000 employees, the case histories of approximately 3,000 have been subjected to a preliminary examination, as a result of which a recommendation against permanent employment has been made in 284 cases by the screening committee to

which you refer in your letter.

2. Of the 284 individuals who have been the subject of adverse recommendation as indicated in (1), above, the services of 79

have been terminated.
3. Of the 79 actually separated from the service, 26 were aliens and therefore under "political disability" with respect to employment in the peacetime operations of the De-

partment. I assume that factor alone could be considered the principal basis for their separation.

4. With respect to the 79 thus separated, the following break-down is submitted:

Aliens 2
Failure to comply with foreign-service regulations, such as citizenship for 15 years prior to foreign assignment and other reasons disqualifying the individual for service abroad 1
Close connections or involvement with foreign governments or their organs, past records, indicating a high degree

of security risk, etc.\_\_\_\_\_ 40

The Department is equally concerned with disclosing subversive activities or associations of all kinds, whether Communist, Nazi, or Fascist, of any employee, present or prospective.

5. Because of the security considerations involved in the mission of the screening committee, I do not feel at liberty to disclose publicly the identity of its membership. This committee, incidentally, has no power or authority to eliminate anyone from employment in the State Department. It simply makes recommendations which the Assistant Secretary for Administration may accept or reject in whole or in part in the light of all the relevant evidence.

I hope what I have said above corrects any misapprehensions which you may have entertained as to the Department's personnel policy. Like any other administrative mechanism, it is not perfect. However, I am entirely clear that it has been fair to the Department's employees in its operation. It is my firm intention to see that it remains fair.

Sincerely yours,

JAMES F. BYRNES.

Mr. HICKENLOOPER. Mr. President, I should like to complete what I have to say, which will take me only a couple of minutes.

In the first place, I desire to make clear that there are many opinions pro or con on many matters in connection with this case which I should not express. I am still on the jury, as a member of the subcommittee. I do not think I should make up my mind and form any positive conclusions about many of these matters, or take positive positions on matters of evidence at this time, and I shall not do that. At the proper time and under the proper circumstances I shall not hesitate to express my opinions, whatever they may be at the moment, about the entire matter. But at the present moment I do not want to be understood as discussing the merits or the demerits of the case.

I do wish to clarify one matter, Mr. President, which has nothing to do with the merits or demerits of evidence, but I think it has much to do with the mechanics of the investigation.

I think we should stop confusing the American people. The American people are profoundly disturbed by the Alger Hiss case, for instance. They demand a fair and a thorough inquiry into whether Communists remain on the Government pay roll. Five United States Senators, making the present inquiry as the direct representatives of the people, have been denied access to the Government's loyalty files. Now an attempt is being made, in my opinion, to blame FBI Director J. Edgar Hoover for that refusal.

The Senator from Maryland has told the Senate that President Truman was "ready, willing, and anxious to try to give us the files." The Senator from Maryland added that the President later said, "What am I to do? I do not want to go back on the advice of Mr. Hoover, who is unalterably opposed to furnishing the files."

The President, in a speech before the Federal Bar Association last night, similarly quoted Mr. Hoover and two others as "recommending to me in the strongest possible terms that I refuse to make the files available." He had to concede, however, that "The decision was mine, and I made it."

Mr. President, let us look at the record. What did Mr. Hoover really say? Here are his exact words before the subcommittee on March 27. He said:

The question of opening the files of the FBI involves a grave matter of principle. In taking the position that the files of the FBI should remain involate, I would not, of course, presume to discuss files other than those of the Federal Bureau of Investigation.

In other words, Mr. Hoover referred only to his own files. He had nothing to do with suppression of other Government loyalty files. So let us keep the record straight so that the public can judge.

I call to the attention of Senators the fact that running all through the refusal to give five Members of the Senate. constituting a special subcommittee, the right to examine the loyalty files of certain people against whom suspicion has been cast and charges have been made, there is an excuse which is not justified. If Senators will read the statements of the President and of others, they will find that they say that the disclosures of these files would be bad for the investigative system. So far as I know, no human being in the Senate has ever asked that any of these files be disclosed. There is not anyone, on the committee or off the committee, who wants to make public disclosure of the files or any part of them, so far as I know. The only thing that has been asked is that five Members of the Senate of the United States, sitting as an officially appointed subcommittee under a resolution of the Senate, be permitted to examine, in secret, if you please, the investigative and the loyalty files of certain persons who are charged, or against whom strong suspicion has been cast by certain charges, of either disloyalty or of being bad security risks. Yet the publicity goes out on every refusal that somebody wants to disclose these files, to open them up to the public, but no one at any time, in the Senate or on any of its committees, that I know of, has ever suggested that they be made public or open to the public.

Mr. President, we showed the other day in an open hearing that between 700 and 800 people in the various loyalty boards throughout the United States and on the personnel staffs have full access to all the files which are necessary for them to have in their particular areas. So that there is nothing sacred about these files so far as 700 or 800 people are concerned. Do not misunderstand me, Mr. President. I do not say that

these 700 or 800 people have access to all the loyalty files of the Government, but there is a group of at least seven or eight hundred people, including clerks and stenographers, who have access to the loyalty and to the investigative files in connection with the personnel in their areas and in their departments.

Yet five Members of the Senate of the United States, appointed especially to look into this matter, are refused and denied permission to examine secretly the files involving the persons who, the Senator from Wisconsin states under his responsibility as a Senator, will lay the foundation and produce the evidence to support the very serious charges which he makes.

I do not know all the evidence in these cases, but I do say that it is a very specious argument, when all manner of persons in the Government service are permitted access to loyalty and to investigative files in their particular departments and areas, to say that five Senators shall be denied the right to examine secretly those files in connection with charges the seriousness of which is well known to everybody in the United States.

Again I want to emphasize that no one has asked that these files be made public: no one has even suggested that they be made public. The Director of the FBI, Mr. Hoover, has never said anything about turning over the files of any department except his own. I do not believe the President of the United States is justified in attempting to blame his refusal to turn over the loyalty files in other departments upon Mr. Hoover, the Director of the FBI. I feel that is a matter which has been greatly confused. and I believe the record should be kept straight about it. I think a disservice is being done to public confidence when these five Senators are refused the right, secretly and in confidence, to examine the files.

The Senator from Maryland [Mr. Ty-DINGS] possesses as many public secrets as any man in the Senate, if not more. He is in an utterly trusted position. Few men in or out of Government are trusted with higher secrets than the Senator from Maryland. I trust him as a Member of the Senate of the United States and as a loyal public official. I have confidence that the Senator from Maryland can look into these files without anyone feeling that he will break into the newspapers and publish what is in them.

The Senator from Connecticut [Mr. McMahonl, as Chairman of the Joint Committee on Atomic Energy, has access to loyalty files and to secrets that are much higher than personnel secrets in any loyalty or any other kind of files. The Senator from Connecticut has never gone out wearing his information on his sleeve and telling what is in the secret files of the Government, or what any secret programs may be which come to his attention, as plenty of them do.

I have served in the same capacity as the Senator from Connecticut, as chairman of the Joint Committee on Atomic Energy. I know how much work there has to be done by one in that position, how much work goes through one's hands.

I do not think anyone will charge the Senator from Rhode Island [Mr. GREEN] with being flannel-mouthed about public secrets.

As to the Senator from Massachusetts [Mr. Lodge], there could be no more loyal or able citizen or Member of this body. He is one whose patriotic experience entitles him to the highest degree of trust.

Those four gentlemen, leaving out myself, can be utterly trusted with secrets that rise so much higher in importance to the people of the United States and the destiny of the United States. Yet we cannot look secretly at the loyalty files to determine whether or not the Senator from Wisconsin is right when he says many things will be found in these files that he cannot produce. I say, Mr. President, it simply is not logical. It does not hold water. I think it is a disservice to the Senate of the United States and to the public, and a disservice to the people individually who are involved. I am in thorough disagreement with the policy.

If anyone proposed to make these files public, I would defend their secrecy as much as would anyone else. But I have seen many investigative files. The Senator from Connecticut has seen many investigative files. The Senator from Maryland has seen many secret documents and secret files.

I think a mistake is being made. Mr. President. I think it is a mistake not only in the public interest but in the interest of the Government and in the interest of the individuals who are involved. It is entirely possible that all these matters could be resolved one way or the other in the public interest and in fairness to individuals in a very short time if the ill-advised policy which prevents our seeing the files in secrecy were changed and a little common sense and practicality were introduced into the matter.

Mr. TYDINGS. Mr. President, I could prolong the debate and the controversy by referring to things which have happened here this afternoon, but they are so small in proportion to the situation which confronts the country and the world that I am not going to touch on them at the moment. But for a very short period-because the subcommittee will have another meeting at 7 o'clock. and I hope I may get a chance to eat before then-I want to leave a few thoughts for the Members of the Senate who are present. The other day a ruthless and callous intrigue called a country shot down an unarmed American plane and took the lives of 10 great American uniformed men. In times gone by I suppose an incident of that kind would have more quickly evoked action on the part of our people. But I suppose there had to be the larger calculation for the moment of whether or not more harm than good might come from precipitant action. While our note of protest over this outrage was strong, it was rebuffed, in effect, by the country to which it was directed.

I have learned from the press that late in May plans are afoot by the same

Berlin, and, if it takes place, no one can predict its final conclusion.

Across the waters, in the Pacific, things have happened which give us all pause.

Communism, inspired from without quite often but active from within, is fomenting disturbances in many countries all over the world.

I have made these few general statements to lay a foundation for an entreaty to this great body of men, the Senate of the United States.

Mr. President, we have been taking our time here for a long while today debating things that, first, never occurred, as to whether an assistant counsel, of which we have four, should be in a committee room, or be out of it; as to whether this took place or that took place as a matter of procedure: as to whether or not the committee voted this way on some phase of its investigation.

Mr. President, I never saw five men-I should say four, to eliminate myself, though I take the liberty of including myself-more devoted and more anxious to sift every bit of evidence in this case, than the committee of which I happen to be chairman, and which is presently engaged in that undertaking. We are trying to do it as everyone else would do it, because any other committee would have the same problem we have. We are proceeding in good fellowship. Our disagreements are relatively minor-not more than happen in any other committee—and we are proceeding toward an objective, to wit: If there are Communists in our Government, let us get them

I am a little forlorn, after many hard days' work on this matter. Believe me, I have worked hard on it. The Senator from Wisconsin [Mr. McCarthy], who just left the Chamber, has no idea of the amount of time and investigation I have put on this subject. As I said a few days ago, I was up for 2 nights, one until half past one and another until a quarter of two, working on clues and procedures that might turn up something, if it was there.

Faced with this great threat from without, I ask my colleagues in the future to eliminate the petty bickering as to whether an assistant counsel sits in the subcommittee room or does not sit there. The subcommittee has four assistant counsels. Should we ask all of them to be present in the subcommittee room? They are appointed to investigate, not to sit in the hearing room to be entertained with the evidence. I have no objection to having the assistant counsel who has been referred to sit there, but we have work to do. There is no use in having the Senate instruct us to investigate these matters, and then have counsel sit in the subcommittee room and listen to evidence, rather than go out and run down the clues.

I say that, not in criticism, but by way of explanation, only to drive home this point.

If the Senate, which instructed the subcommittee to do this work, wishes it to be done, and to be done, so far as I am concerned, with all the capacity at organization of intrigue to start and "my command, when I am giving pracprovoke a great riot in the streets of tically all of my time, almost every day. to pursuing the objective the Senate has directed me to pursue, certainly I cannot work on that job and do it properly if I am to be attacked on the basis of false premises, while I am working in the subcommittee room, interrogating the very witness who is thought to be so important in connection with this entire investigation. If that is going to be done, it will tend, more than anything else, to kill the hearing.

There are some matters which must be followed up with reasonable dispatch in order to reach the end that is desired. We cannot let 2 or 3 days or a week go by, after we have started on a certain phase of the matter. Evidence must be an lyzed quickly, and the available force must be assigned to it, before the evidence for which we are searching is gone.

So I ask my colleagues to stop being Democrats or Republicans, if any of us are such, as regards this matter. In the face of this urgent threat, let us close ranks. I ask all Senators to give the

subcommittee their support.

I am only the chairman of the subcommittee. In the subcommittee, anything that is proposed is always fairly discussed and, I believe, is rather fairly decided. Sometimes in the subcommittee I have voted with the Republican members against the Democratic members. The other day I voted in favor of having open hearings, doing so when otherwise the vote would have been equally divided, with one party member being on each side of that question.

I try to be fair and impartial.

However, if this continued haranguing and heckling continues on the floor of the Senate, it will only prevent us from finding a Communist who might be in the State Department or anywhere else in the Government.

I ask Senators to give us a free hand and to give us their cooperation. If they do, Senators can bet their bottom dollar that we will find everything that it is pos-

sible to find:

However, we cannot make real progress if we continually are advised, "The subcommittee is being criticized on the floor of the Senate, and you had better stop the hearing and go down to the floor of the Senate."

Mr. President, I do not know what next month will bring forth. Present grave problems are perplexing all the peoples of the world. We may be swept off our feet into a great adventure which cannot be finished until many months of toil, sacrifice, blood, and treasure have been spent on the battlefield of war.

I ask my colleagues to stop the continual heckling of the subcommittee about homosexuals and other matters of that kind; and let us get down, first, to the matter of investigating any possible disloyalty. Obviously, a man may have the terrible disease which has been referred to, and yet may not be a party to foreign espionage or may not be a party to deliberately being disloyal to his Government. Of course, it is a risk to have in the Government service persons who are afflicted with that disease. Nevertheless, our first job is to get out of the Government service the Communists and the Red spies. If we are sincere, we should not obscure that job by bringing in incidental matters, for we can take care of them when we have more time to do so.

Mr. President, we are pursuing the Communist phase of this matter. We have only so many hours each day which we can devote to it.

I appeal to my colleagues, to the press, and to the American people to let us alone, and let us go through with the investigation.

I no sooner came out of the subcommittee room this afternoon than I was met by several representatives of the press, who said to me, "I understand that 'the finger' has been put on a member of the subcommittee" for this, that, or the other—designating a certain incident.

I do not care to comment on whether it is true or false; I shall not do so. I do not want anyone to draw any inferences about it from what I am about to

However, from talking to representatives of the press, I know that sometimes there appear in the newspapers, on the following day, intimations regarding things which we in the subcommittee have barely begun to examine. Sometimes such stories appear in the press before we even can begin to look into the matter. Before we can examine into it, a big story appears in the newspapers, blocking us from obtaining or making a sound, intense, and decisive investigation.

So I ask my colleagues to have a little patience with us. We cannot please everyone.

I have served on committees ever since I have been in Congress, and frequently I have been displeased with the action or with the procedure.

However, we must move ahead. The big and the important matter is not whether it is Tuesday or Wednesday or whether there were six persons in the subcommittee room or four persons in the subcommittee room, or whether this person or that person was in it or was out of it. The important matter and the important question is whether the subcommittee is trying to run down all the evidence. I say it is, just as quickly as it can work to it.

Mr. President, I am a little fed up with such stabbing in the back, when I am devoting almost every hour of my time and every effort I can make and every ounce of sincerity in my being and every desire of my heart to drive these infernal Reds out of our Government, if they are in it.

If this bickering in the press does not stop, Senators will not find out what they set out to find. If Senators are really sincere, there will be more silence in the newspapers, and more of a basis for determinations of fact in the deliberations of the subcommittee.

When we think of the developments which may occur by next month and all of their frightful possibilities, I say to the Senate, Mr. President, that we have worked together here through some stormy days. Let us close ranks. Let us end this smallness, this littleness. Let us dig in and get the truth, and let the

truth speak for itself. Let us end this political bickering.

Mr. President, I say now what I have said before: let the chips fall where they may, but let us have the truth for our authority, rather than the authority for the truth. There is too much authority on the outside for the truth, and not enough truth for the authority, in the deliberations of the subcommittee and in connection with its ramifications and its impact on the country.

In every case we have summoned, as soon as the committee could find time to do so, any witness whose testimony before the subcommittee has been requested by anyone. There has not been a single instance of failure on the part of the subcommittee to issue orders to its staff to run down to the end of the road any piece of evidence which has been submitted by anyone. The door of the subcommittee room is wide open. If anyone knows 205 card-carrying Communists now in the State Department and known to Secretary Acheson, as has been alleged, let that person come forward with the names and facts, and we shall throw such persons out within the week. If anyone knows 57 card-carrying Communists now in the State Department and known to Secretary Acheson, as has been alleged, let that person come forward and make those charges, and we shall go into them; and if they are sustained, we shall throw out such persons.

If anyone knows 81 unsafe persons, 81 security risks, the door to the sub-committee room is open, and let that person come forward with his evidence.

But let us end this wild charging in the newspapers about something that is said to be in the files, files which not one Member of this body could possibly have seen. How could any Member of this body know what is in the files if no Member of this body has ever seen them? Yet the country is told what is in the files. Baloney! How would anyone know what is in the files? Has any Member of this body, has any witness who has come before us, ever said, "I have seen the files?" No. How can one tell what is in them if he has not seen them? And, if there are photostats, and one is sincere about it, why in the name of common sense do not the photostats come into G-23, the committee room, where we can go over them?

I have some evidence which is very pertinent to many things I have said here this afternoon, evidence which not another member of the committee knows, up to now. It will be a rather interesting bit of evidence, which I think will be supported amply; so those who are making wild charges had better watch their step.

Mr. WHERRY. Mr. President, in the light of what has been said within the past few minutes, I have decided to take the floor for the first time in defense of the position I have taken relative to the investigation of subversives, not only respecting card-carrying Communists, but, in view of the statement made by the distinguished Senator from Maryland, about those who are making statements

about homosexuals. I desire to make my position plain.

I have always admired the Senator from Maryland. I think he is a man of great ability. He has much seniority. He sits on the most important committees. He can be trusted with secrets. But he has charged this afternoon that a great many reckless statements have been made. He has brought politics into this matter with all the subtlety at his command, and that is not the kind of investigation the American people seek, in the endeavor to eliminate subversive elements from the Government.

The Senator from Maryland does not have a corner on the truth; yet I say he is a very truthful man. But others of us also are truthful. If the Senator rises on the floor and makes a wild statement that someone has only given a part of the light of truth, it is not becoming the dignity nor the respect nor the character of this great man from Maryland; not at all. So, if there have been any wild, reckless statements, believe me, Mr. President, the Lenator has contributed to them this afternoon.

I did not hear any wild statements made here, or statements that were absolutely untruthful, by the Senator from Indiana or by the Senator from Wisconsin, a man who has been smeared, a man who is fighting to the last ditch for his own character. The Senator from Maryland has no corner on truth. He has no corner on patriotism. Ah, he waves the flag whenever there is a crisis. He has no corner, Mr. President, if you please, on committee investigations, either. Other committees of the Senate are doing good work, and we are not having all the difficulty with them that we are having with this one. If the Senator from Maryland and his committee want to do a job, as I have said before on the Senate floor, they must forget the Senator from Wisconsin, they must forget whether it is 57 names, 200 names, or whatever the number may be. They must carry out the provisions of the resolution and give the people of the United States of America full and complete investigation of persons in the Government who have been or who are disloyal to the United States of America. That is the mandate of the Senate of the United States.

Mr. TYDINGS. And that is what we are doing.

Mr. WHERRY. Just a moment. I have the floor. I am not going to yield until I get through with these remarks. I have waited a long time. I have been patient. I was rather patient yesterday. I wanted to keep my mind open. But many things have been said here, Mr. President, which will have to be answered. "Reckless statements—reckless statements" we have heard. Ah, it is ringing in my ears.

Who made the most reckless statement that has ever been made, I think, by an American citizen? I have always respected the Office of the President of the United States. It is the greatest office in the world. And I have always had a wholesome respect for any man holding that office. That is true today, and no one can deny it. I think highly of the personality of the First Lady of the land,

who comes from the Middle West, and I have never said one unkindly thing about the man who occupies the President's Office. I differ with him, certainly. I do not agree with his socialistic program, and I intend to fight it to the last ditch; but I intend to be honorable about it.

Let me remind Senators that the President charged that the Senator from Wisconsin [Mr. McCarthy], the Senator from New Hampshire [Mr. Bridges], and the Senator from Nebraska [Mr. Wherry] were agents of the Kremlin. That was the most reckless statement ever made by a President of the United States. Talk about reckless statements—how would any Senator like to have that said about himself?

Mr. TYDINGS. I would not like it, if the Senator will allow me to answer his question.

Mr. WHERRY. It is the most reckless thing I ever heard. Let the President prove it. I will put my patriotism, my honor, my character, my religion against that of other Senators, I care not who they are, who are bragging about the truth, bragging about their patriotism, and all that goes with it. I have cited one reckless statement. What is the next one?

Yesterday the President of the United States said there was neither a Communist nor a subversive in Government that he knew about, and that, if there were, he would discharge him. Very well. There is a Committee on Appropriations which has worked on this matter for about 3 years, I may say to the Senator from Maryland.

Mr. TYDINGS. I have got it all.
Mr. WHERRY. I know something
about it. The junior Senator from Nebraska was the man who handed 27
names to Secretary Byrnes, who started
out to do a good job. But those in charge
of the matter in the Department have
been stymied. I know, because the subcommittee of the Committee on Appropriations has been doing a pretty good
job of investigating, since the Senator
has had this pantomine show in the Senate caucus room.

Mr. TYDINGS. I suggest that if the Senator will wait until it is over, he will find it was not a pantomine show.

Mr. WHERRY. I am not going to wait. It is a pantomime show, and the Senator cannot deny it. All that has been done is to try McCarthy, who has not even been given a chance to examine his witnesses. Witnesses have been allowed to come before the committee, and the flag has been wrapped around them while they tell how their ancestors came over on the Mayflower. They are then rubber-stamped and cleared, and that is all there is to it. It is not an investigation. It does not bear even the earmarks of an investigation.

I want to say now that the President was wrong, yesterday. There is a committee which has been working just as diligently as has this particular subcommittee, but not with fanfare, conducting its hearings in executive sessions, the best way they could. I am now privileged to say—and I am going to say it—that within the last 30 minutes I have been

informed by the head of a Government agency that the man against whom the Senator from Wisconsin made a charge on the Senate floor this afternoon has finally resigned, and his resignation is going to be accepted within the next day or two. It is my belief that had the Senator from Wisconsin accomplished nothing more than that one thing, it would be worth the effort, the chagrin, the embarrassment, the charges, and all the smear to which he has been subjected. I am proud to be associated with a man who is doing his level best to clear this country of Communists and moral perverts in the Government.

That is not all. Mr. President, there will be other resignations. The one to whom I have referred is not the only man in high place in the Government who the President said was not there. Alger Hiss would never have been thrown out of Government had it been necessary to depend upon this administration. Alger Hiss would not be out of Government if we had had to depend upon Mr. Acheson to clean his own house.

So, Mr. President, I shall continue as an American citizen and as the junior Senator from Nebraska to do everything I can to clean out moral perverts and subversives from Government; and I am willing to be associated with any man who has the courage of his convictions in an endeavor to accomplish that objective.

#### EXECUTIVE SESSION

Mr. HOLLAND. Mr. President, 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,

The PRESIDING OFFICER (Mr. WITHERS in the chair). If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

#### DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Dillon S. Myer, of Ohio, to be Commissioner of Indian Affairs.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Gregory F. Noonan, of New York, to be United States district judge for the southern district of New York,

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### UNITED STATES MARSHAL

The Chief Clerk read the nomination of Daniel N. McEniry to be United States marshal for the southern district of Iowa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HOLLAND. Mr. President, I ask that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

Mr. HOLLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

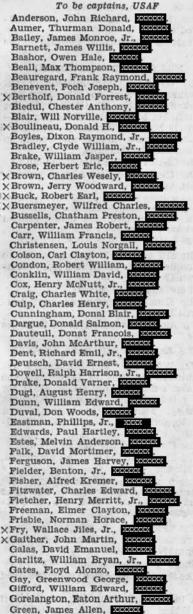
The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Wednes-day, April 26, 1950, at 12 o'clock meridian.

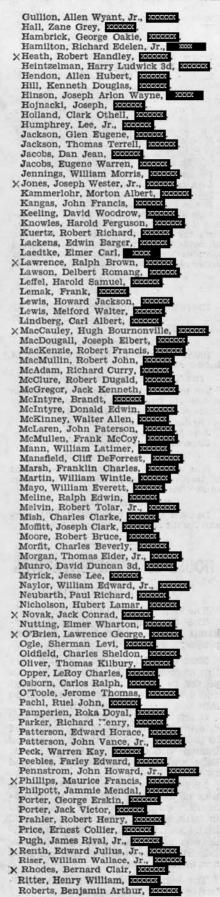
#### NOMINATIONS

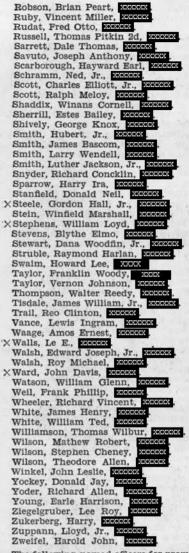
Executive nominations received by the Senate April 25 (legislative day of March 29), 1950:

#### IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

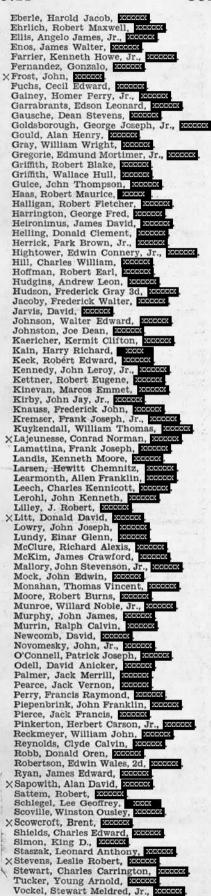






The following-named officers for promotion in the United States Air Force under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol X are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be first lieutenants, USAF Anderson, Leland George, Arnold, Howard Brown, Jr. Babbitt, Robert Paul, Beckelman, Robert Allan, Bellovin, Milton, Bentley, Ralph Locker, Breedlove, James Montgomery Brennan, Herbert Owen, Carpenter, William Spencer, Jr., Chamberlain, Milton Jay, Christensen, Leland Dale, XCiamprone, William Carl, Coates, Arthur Emmett, Jr., Cofield, Egbert Haildane, Jr Colburn, James Edward, Coolbaugh, James Smith, Cottongim, John Edward, Coyne, John Martin, Jr., Crowe, Forest Willard, XDell, George Martin, Economic Dicker, Gordon Kendrick, Dunham, David Michael,



Weaver, Douglas Crowther, Jr., White, Robert Wilson, XWojciehoski, Gerald Joseph, Woldenberg, William James, Wright, Frederick Malcolm, Young, John Mackay, Zimmer, Clifford George, Jr.,

The following-named officers for promotion in the United States Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947. The officers nominated for promotion have been found professionally and physically qualified for promotion as required by law.

To be captains, Air Force nurse

Bernard, Erin Langford, Lott, Inez T., Nigro, Elaine M.,

Roche, Florence T., Markett.

Note.—The officers nominated for promotion to captain and first lieutenant will com-plete the required 7- and 3-years' service, respectively, for promotion purposes during the month of June. Dates of rank will be determined by the Secretary of the Air Force.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate April 25 (legislative day of March 29), 1950:

DEPARTMENT OF THE INTERIOR

Dillon S. Myer to be Commissioner of Indian Affairs.

THE TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1950:

Charles R. Arundell, of Oregon. John W. Kern, of Indiana. Clarence V. Opper, of New York.

UNITED STATES DISTRICT JUDGE

Hon. Gregory F. Noonan to be United States district judge for the southern district of New York.

UNITED STATES MARSHAL

Daniel N. McEniry to be United States marshal for the southern district of Iowa.

### HOUSE OF REPRESENTATIVES

Tuesday, April 25, 1950

The House met at 11 o'clock a. m. The Chaplain, Rev. Bernard Bras-kamp, D. D., offered the following prayer:

Most merciful and gracious God, may this moment of fellowship with Thee in prayer be for us a cleansing of heart and a surrender of our wills to a mind infinitely wiser than our own.

Grant that in times of darkness and discouragement, when we are challenged by problems whose solution is far beyond human wisdom, Thy truth may be our light and Thy presence our joy and strength.

May we daily walk without fear in the way of Thy wise and holy command-ments. Inspire us to labor in faith and in faithfulness for the fulfillment of all high ideals, pure motives, and heroic endeavors after peace and righteousness.

In the name of the Christ, our Lord and Saviour. Amen.

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

ELIZABETH AND LAWRENCE WONG

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1861) for the relief of Elizabeth and Lawrence Wong, with a Senate amendment thereto, and concur in the Senate amend-

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause, and insert "That, for the purpose of the immigration and naturalization laws, Elizabeth Wong and Lawrence Wong, stepchildren of Kwai Lun Wong, shall be held and considered to be the natural-born alien minor children of Kwai Lun Wong, a citizen of the United States, and shall be deemed to be nonquota immigrants within the purview of sections 4 (a) and 9 of the Immigration Act of 1924."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the

#### MRS. WALTER K. MIYAMOTO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1862) for the relief of Mrs. Walter K. Miyamotoformerly Miyoko Takahashi-with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill. The Clerk read the Senate amend-

ments, as follows:

Page 2, lines 1 and 2, strike out "immediately issued an immigration visa upon application hereafter filed" and insert "granted the status of a nonquota immigrant." Page 2, strike out lines 3 to 6, inclusive.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### MRS. KATSUKO NAKAHARA HUNTLEY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4857) for the relief of Mrs. Katsuko Nakahara Huntley, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill. The Clerk read the Senate amendment.

as follows:

Page 2, line 1, strike out all after "be" down to and including "filed" in line 3 and insert "granted the status of a nonquota immigrant."

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

There was no objection.

The Senate amendment was concurred

A motion to reconsider was laid on the table.