

as the railroad division), such trips as may be necessary to transport cargo in reasonable quantities delivered at or destined to Port Birmingham, Ala., and such on-line cargo in reasonable quantities as may be offered for transportation.

(3) If the event transportation to Shuck City, Iowa, becomes practical and feasible, the purchaser will extend service to this area to provide such services as are justified in the light of demand therefor and cargo available. The contract further provides that at intermediate ports and landings, cargo will be made and barges spotted whenever a reasonable quantity of cargo is offered for transportation.

The agreement further provides for the payment of damages by the purchaser to Inland Waterways Corporation for defaulted trips, unless excused, ranging from \$1,000 to \$3,500 per defaulted trip.

A default of 50 percent of required trips in any 1 year in any 1 district or division, if not excused, will be deemed a total default of the conditions of performance of the contract. A default in common-carrier service for 30 percent of the required trips in any 1 year on which common-carrier service is to be provided will, if not excused, also constitute a total default.

Under the terms of the agreement, 14 percent of the total tonnage each year, or 250,000 tons, whichever is lower, must comprise less than bargeload traffic. Default on this requirement will mean the payment of damages to Inland Waterways Corporation of \$2 per ton of deficiency. A deficiency of more than 150,000 tons will be deemed a total default.

In the event of breach of contract the Government has recourse to the courts to enforce performance or to recover damages, or by written notice to terminate the agreement and repossess the facilities sold, possess new facilities required, and demand the surrender of any retained net earnings.

Breach of contract includes: (1) Default on principal installments; (2) failure to maintain minimum working capital of not less than \$500,000 net; (3) total default in providing transportation service; (4) failure to perform any other covenants of agreement of the contract; and (5) assignment to creditors or bankruptcy.

Over the years the barge line has depreciated greatly. The fixed assets have a book value—based on a 20-year depreciation schedule—of \$9,100,000, approximately, but the Interstate Commerce Commission's appraisal assigns a value of only \$2,900,000. This latter figure covers railroad property only, no commercial value being assigned to waterline facilities.

The Corporation operates the most complete common carrier service by barge offered on the Mississippi, Illinois, Missouri, and Warrior Rivers. All types of freight, except livestock and perishables, are handled on 5,200 miles of inland rivers. Operations are conducted through numerous private terminals as well as through 26 general merchandise facilities.

The Corporation also operates a railroad switching facility, approximately 18 miles, between Port Birmingham and Euter, Ala., to serve the industrial area in and near Birmingham, Ala., and to provide a connecting link between the Corporation's Warrior River barge service and the trunk line railroads serving the Southeast.

The Inland Waterways Corporation had its origins in a study by the Council of National Defense in June 1917 looking to the most effective use of domestic waterways.

Under the Federal Control Act of March 21, 1918, the Director General of Railroads commandeered privately owned floating equipment on the New York State Barge Canal and on the Mississippi and Warrior Rivers and initiated the construction of new floating equipment. The unprecedented wartime demands for transportation to sup-

ply United States troops overseas caused such a congestion of the railroads that it became necessary to turn to inland waterways.

Operations commenced on the lower Mississippi with the first sailing from St. Louis on September 28, 1918. The hastily acquired fleet consisted of 5 towboats and 29 barges. Service on the Warrior River began in December of that year with 1 towboat, and 2 well-protected barges and 10 coal barges.

The operations begun by the Railroad Administration on inland waterways continued to February 28, 1920 when the Government-owned facilities were transferred to the Secretary of War for operation under the terms of the Transportation Act of 1920.

On July 10, 1924, Secretary of War John W. Weeks, father of Stancie Weeks, now Secretary of Commerce, signed an order under the Transportation Act transferring to the newly created Corporation all inland waterways' assets and facilities under his control.

On February 8, 1928, Secretary of Commerce Weeks announced his intention to take the Government out of the barge line business. At that time he invited inquiries from private sources interested in the possibility of purchasing the business.

He received approximately 200 inquiries from all sections of the country, and each inquirer was sent a brochure describing the physical and financial condition of the Corporation and setting forth the terms and conditions of sale. Even from offers were finally received by the Secretary and after scrutiny the successful bidder was Federal Waterways Corp.

Wanted: A Foreign Policy

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1953

Mr. YORTY. Mr. Speaker, I desire to call attention to a timely editorial from the American Federation of Labor News Reporter of July 17:

WANTED: A FOREIGN POLICY

Saying that the United States is in an appreciably weaker position than she was during the last months of the Truman administration, the widely read Catholic weekly, the Commonwealth, blames the lack of an American policy for the fact that we have lost prestige, initiative, and leadership.

"It is now a case of every man for himself," the Commonwealth summed up. "American leadership has . . . and new policies to meet the emerging shape of opportunities and challenges of the future. But leadership is now absent."

We have squandered over the value of economy assistance. We have discredited our information services and burnt our books, making ourselves look like buffoons with totalitarian inclinations. We have failed to liberate our trade policies—are, in fact, on the verge of stiffening them. We have not liberalized our immigration laws. We cut our military appropriations.

"When the East German riots took place, we made overtures of them and advised prudence. We followed with a weak demand for free elections. We ignored the opportunity for real diplomatic attack, for a powerful high-level demand that East Germans be given their basic political rights, that the will of the East German people be heard."

Wanted: A foreign policy.

Commonwealth of Puerto Rico Celebrates First Anniversary

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1953

Mr. MILLER of Nebraska. Mr. Speaker, under permission to revise and extend my remarks in the Appendix of the Record, I submit to my colleagues the speech of the Honorable Luis Muñoz-Maria, Governor of Puerto Rico, which he made July 26, 1953. I am sure my colleagues will find it very interesting and better understand the challenge facing the people of the new, but shining, Commonwealth of Puerto Rico:

Fellow citizens, we are celebrating today the first anniversary of the Commonwealth of Puerto Rico, created by the people of Puerto Rico under a constitution of their own adoption. Our Commonwealth status, brought about as a result of a compact between the people of Puerto Rico and the Congress of the United States, is a new form of political relationship in the American Union and in all America, a new form of political freedom in harmony with the economic freedom of our people.

The present position of Puerto Rico is that of a frontier of understanding between two different ways of cherishing freedom, that of North America and that of South America. Naturally, this understanding will not cause other peoples, nor is there any reason why it should cause them, to adopt a relationship similar to that existing between Puerto Rico and the United States of America. But this relationship between Puerto Rico and the United States can be useful, and men of good will throughout the continent must endeavor, I think, to make it useful in showing how the spirit of freedom has the great and fluid energy that men still create new forms to meet the challenge of new needs.

In truth, the political life of Puerto Rico does not date back more than a century. For about half of this period it was linked with the country of our origin, Spain, and for the other half with the United States. We take pride in our racial and cultural heritage. Toward our fellow citizens of the United States we have come to feel the sincere affection that goes with the common citizenship under which we have developed our economic efforts and our modern democratic principles. The Spanish people have a democratic strength deep in the marrow of their soul, but it is more closely connected with respect for the dignity of man, and for the freedom of the mind than with the free, sound, and stable organization of the State. The people of the United States are a towering symbol of democracy in sound governmental organization as well as in respect for the dignity of the individual. We have tried to honor these two sterling qualities in our democratic heritage by using them creatively, and to contribute something of our own to their historic manifestation by aiding the fervor of our aspirations.

This Puerto Rico, although it does not make a monetary contribution to the United States Treasury, contributes with deep satisfaction to the better understanding of the Union throughout the Americas, to the better understanding of the peoples of our same origin on the part of the people of the United States, and to the betterment of democracy among all peoples. Although we are poor as money goes, we are rich in these other things, and I believe that our contribution in the

The New York Times article is as follows:

Puerto Rico Hails Progress in Year—Commonwealth Will Celebrate Saturday First Anniversary as a Self-Governing State

SAN JUAN, P. R., July 12.—The Commonwealth of Puerto Rico will celebrate its first anniversary as a self-governing state July 25. It will be an important milestone in the four-century history of the Caribbean island.

With the creation of its own constitution just a year ago, Puerto Rico removed the last vestiges of colonialism. It makes its own laws, elects its own governor and legislative assembly and has complete freedom in a voluntary compact with the United States.

Emerging from dependent status, the 2,300,000 people of Puerto Rico share a goal visualized by the framers of the United Nations Charter, United States Ambassador Henry Cabot Lodge, Jr., notified the United Nations in March 1952, that Puerto Rico was no longer a non-self-governing area and that it would not be necessary to submit annual reports. The General Assembly is expected to ratify this decision at the next session.

Eight nations, including Australia, Belgium, Denmark, France, the Netherlands, New Zealand, United Kingdom and the United States report annually to the United Nations on 60 territories with a population of 180 million.

PROGRESS IN MANY FIELDS

In the year since Puerto Rico stepped out of her colonial role she has made political, economic and social progress. She has developed a large legislature for fuller representation and has guaranteed minority parties an effective voice in the senate and house of representatives. The Popular Democratic Party, headed by Gov. Luis Muñoz Marín elected 23 senators and 47 representatives in November 1952, more than two-thirds of the legislative assembly. The Statehood and Independent Parties took only 4 seats in the house and 4 in the senate. After the official returns were in, these parties received an additional 2 seats in the senate and 13 seats in the house.

It is now illegal for the Government to condemn newspaper property without furnishing the owner with an equivalent property. By creating a single court, known as the General Court of Justice, Puerto Rico eliminated the patched system of jurisdiction that troubled judges and litigants for years.

Puerto Rico is virtually like any other State in the United States but for one major exception. She has no voting representation in Congress and therefore is not subject to Federal tax laws. Puerto Ricans are citizens of the United States and can vote in city, State, and national elections if they live in city, State, and qualify under State laws.

Two hundred and fifty-two new factories have been established in the last 5 years—50 since July 1952—attracted by a tax-emption program extending to 1959, with partial exemption to 1962. A new law in under consideration that would grant certain new industries a straight 10 per cent tax-emption from the day they started business.

New factories have created jobs for 30,000 persons, many of whom have never worked in industry, and an extra 20,000 jobs indirectly, according to Teodoro Moscoso, Economic Development Administrator.

GRAY MARKET IN PRODUCTION

They produce cement, shadocks, steel, glass, metal parts, cigars, apparel, furniture, candy, pottery, glass, and electrical products. In the last 5 years net income jumped from \$67 million to nearly \$200 million. The industrial program is adding more than \$15 million annually in wages alone. In the

last 5 years 23,500 students have learned trades in 11 vocational schools and have become skilled on the job.

Progress is being made in reducing illiteracy. A third of the Commonwealth's budget is allocated for education. Public school enrollment jumped from 385,000 in 1947 to 563,500 in 1952-53.

In the public housing the Commonwealth exceeds all States in the Union except Texas. Plans are underway to add 10,200 federally aided units at a cost of \$70 million. First units of the 2,610-apartment low-cost Luis Lobos Torres housing development in the suburbs of San Juan, the capital, were occupied in June at rentals ranging from \$4 to \$12 a month.

Eighty-three acres of El Pajarito, one of the worst slums in Puerto Rico, have been cleared. Twenty-five hundred families have been moved into new housing projects. More than 4,000 families will live on 250 acres of El Pajarito and will be transferred as soon as new facilities are available.

A \$70 million ultramodern airport is scheduled to be completed in 1954. Since July 1952 100,000 tourists brought \$20 million in revenue to the island.

Strong attempts are being made to eliminate malaria, which is still prevalent in some areas of the Commonwealth. Malaria has been wiped out and the tuberculosis incidence sharply reduced.

BIRTH AND DEATH RATES

The birth rate is going down as a result of improvement in educational facilities and the economic level of the people. In 1949, the birth rate was 27.7 in a thousand of population. By March this year it had fallen to 20.4 according to recent department of health figures. The death rate a thousand decreased from 4.4 in 1950 to 2.9 in March. From 1949 to 1951 the life expectancy of the average Puerto Rican rose from 46 to 51 years, a 23.6 per cent increase.

The huge southwestern Puerto Rico project, a \$27 million program to irrigate 30,000 and add 100 million kilowatt-hours of electricity for new industry, will be completed in 1954, 2 years earlier than planned. It provides for 3 dams, 2 reservoirs, and 2 power stations.

Three hundred and fifty students and government officers from all parts of the world, but mostly from Latin America and southeast Asia, came to Puerto Rico under the point 4 program in 1952-53 to observe and participate in our development and educational programs of the island. In this testing ground for the underdeveloped peoples of the world they learn to work out technical facilities in a practical way and apply their knowledge to specific problems in their own countries.

The Fallacies of the Bricker Amendment

EXTENSION OF REMARKS

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, July 11, 1953

Mr. WILEY. Mr. President, I have made a number of observations in the Congressional Record regarding the fallacies of Senate Joint Resolution 1 in both its original and amended forms, and the fallacies of the majority views of the Senate Judiciary Committee, on this issue.

I send to the desk now my additional statement presenting certain historical comments disproving various arguments which were advanced among the major-

ity views in favor of the Bricker amendment.

I should like to have this memorandum preceded by an editorial which appeared in the Wednesday, July 22 issue of the Milwaukee Journal.

I ask unanimous consent that the text of the editorial, to be followed thereafter by the text of my memorandum, be printed in the Appendix of the Record.

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

[From the Milwaukee Journal of July 22, 1953]

WHY THIS AMERICAN FEARS?

A review first by American thinking in the sudden heat, prompted by backers of the Bricker amendment, that the Constitution is all too facile an instrument, defensible against the treaty power. These persons seem to forget that the treaty power flows from the Constitution's own provisions, was carefully designed by the founders and has stood unchanged throughout the Nation's rise to greatness.

Historically, criticism of the treaty power has been for the opposite reason—not that it is overreaching and dangerous but that it is too circumscribed. In 1919, most notably, a Senate majority would have ratified the League of Nations covenant, but could not muster the required two-thirds without according to various provisions. The large mass of pro-League public opinion presented that obstacle.

Now the Brickerites would have to turn around and believe that the treaty power can be wielded with abandon as wipe out constitutional guarantees. No matter that treaties must run the gamut of the State Department, President, press, and two-thirds of the Senators present. No matter that treaties are subject to Senate "reservations," and to the Supreme Court's established doctrine that treaties cannot authorize what the Constitution forbids. No matter that subsequent legislation by the whole Congress can terminate treaties as the law of the land.

In the sum total of all these safeguards, the Brickerites imply, there is no reliance. If things are really that bad—all the people can have no faith in the whole combination of executive, legislative, and judicial branches to preserve the Constitution—then, we submit, no more amendment will save it. Either the entire edifice of checks and balances is a hollow shell, or else the Brickerite position is preposterous.

Much of the support generated for the amendment is political and emotional. Some of it is a hangover of hatred for the last two administrations. A good deal of it is reliance to the United Nations concept and to American leadership in the free world.

Some support—like that of the Wisconsin Republican organization and Attorney General Thomas—is opposition to the anti-amendment views of Senator Wiley and Governor Robison. But a lot more to do with the political struggle within the party than with the merits of the constitutional issue.

Very little of the support flows from really studied conviction that a part of the Constitution was actually threatened to destroy the whole.

President Eisenhower has not retreated from his opposition to any amendment depriving his office of its historic powers. He has said only that if the unwarranted fear could otherwise be quieted, he would support a simple amendment saying that no treaty may override the Constitution.

This calls the Brickerite bluff. It would be something like saying an 11th commandment: "Thou shalt not violate commandments 1 to 10 in disguise."

Who are all the history and the wisdom of long experience that has gone into our Con-